PAXMAN

CHANGING THE FACE OF CANCER

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CHANGING THE FACE OF CANCER

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2021

The picture shows Paxman's board.

Summary of the year

Solid sales, breakthrough for reimbursement of scalp cooling in the USA and initiated clinical trials within CIPN prevention

In 2021, Paxman was able to keep up its sales and service to patients and customers despite the fact that many parts of the world continued to be affected by the pandemic. The company's adaption to the situation, which enabled remote installations and digital training, made it possible for Paxman to sell or install 401 (345) systems globally.

In the USA, a breakthrough for scalp cooling reimbursement was achieved. In the beginning of the year, the AMA issued two CPT codes for scalp cooling, and late in the year CMS decided that Medicare claims using one of these codes will be subject to a National Average Payment of 1,850.50 USD, effective January 1, 2022.

With the new situation in the USA, Paxman is investing heavily to launch a new buy and bill payment model in this market in 2022 to enable reimbursement.

During the year, Paxman was also able to present further progress in the development of Paxman Cryocompression System (PCCS) to prevent chemotherapy-induced nerve damage (CIPN) together with its academic partners University of Huddersfield and NUH/NUS in Singapore. In May, the project received a 1.57 million SGD research grant from the National Research Foundation (NRF) in Singapore, and in November clinical trials with healthy volunteers and cancer patients were initiated.

Selected events in 2021

- In January, it was announced that the American Medical Association (AMA) had issued two separate CPT® codes for "mechanical scalp cooling". The CPT® Category III codes are 0662T and 0663T, effective July 1, 2021.
- In February, Paxman conducted a directed issue of approx. 59 MSEK to finance its continued international expansion including sales organization with direct presence, advancing its reimbursement strategy in the USA and to invest in its R&D pipeline including the upcoming cryo-compression device to prevent chemotherapy-induced peripheral neuropathy (CIPN).
- In May, Paxman's research collaboration with National University Health System (NUHS) in Singapore for the development of a mobile cryo-compression system to prevent chemotherapy-induced peripheral neuropathy (CIPN) received a 1.57 million SGD research grant from National Research Foundation (NRF) in Singapore.
- In November, the US Centers for Medicare & Medicaid Services (CMS) reassigned payment for scalp cooling for Medicare claims filed using CPT code 0662T to New Technology APC 1520 with a National Average Payment of 1,850.50 USD, effective January 1, 2022.
- In November, Paxman initiated a clinical trial with National University Hospital, Singapore, in collaboration with The N.1 Institute for Health, National University of Singapore. The study aims to investigate the safety and tolerability of limb cryocompression in the prevention of CIPN via Paxman Cryocompression System (PCCS) in healthy subjects and cancer patients and is estimated to be completed in September 2023.
- In December, Paxman conducted another directed share issue of approx. 77 MSEK to finance the continued work to execute on its commercialization strategy, including the launch of a new buy and bill business model in the USA to enable reimbursement, repayment of debt and further investment in the development of Paxman Cryocompression System (PCCS) to prevent chemotherapy-induced peripheral neuropathy CIPN).

Summary of the year

- The group's turnover amounted to 96,202 (78,053) TSEK in 2021.
- The net profit/loss amounted to -12 776 (-19,186) TSEK.
- Earnings per share amounted to -0.67 (-1.20) SEK.
- Cash flow from operating activities amounted to -4,143 (-8,484) TSEK.
- Net cash balance amounted to 166,341 (77,011) TSEK at the end of the period.
- Net liquid assets totaled 55,112 (-44,653) at the end of the period.
- Equity to assets ratio was 75.6 (14.1)% at the end of the period.

Sold and installed systems in 2021

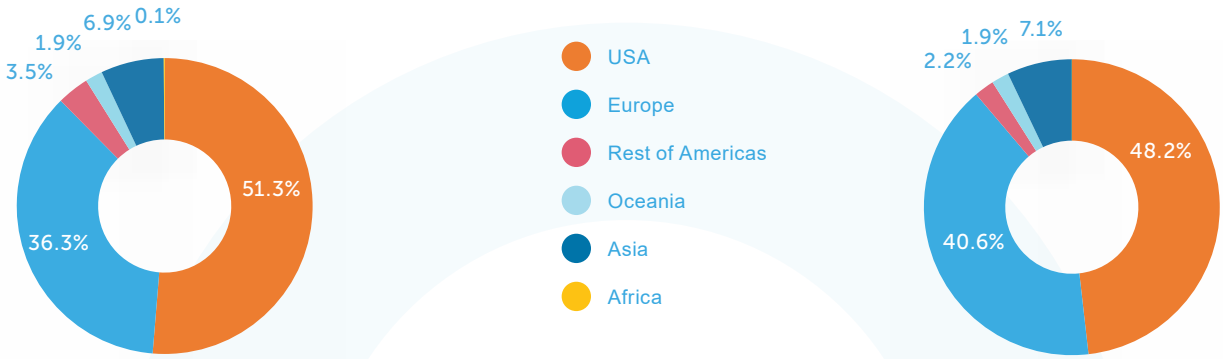
- Sold and installed systems in the USA: 146 (97) systems
- Sold and installed systems globally: 401 (345) systems

Solid development despite continued pandemic-related effects

Paxman's adaptation to the current situation, which enabled the possibility to use remote installation and digital training of healthcare personnel, made it possible for the company to maintain solid sales in 2021 despite the fact that many parts of the world continued to be affected by the pandemic. This bodes well for 2022 and the future as we look forward to a normalisation after the pandemic.

Global sales

(MSEK)

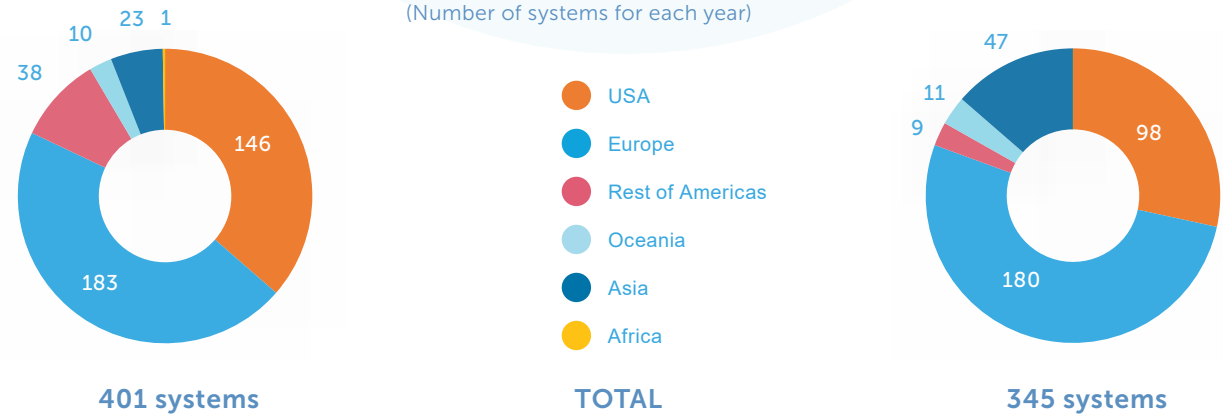


Countries using scalp cooling from Paxman

(Total number of countries with sold or installed systems)

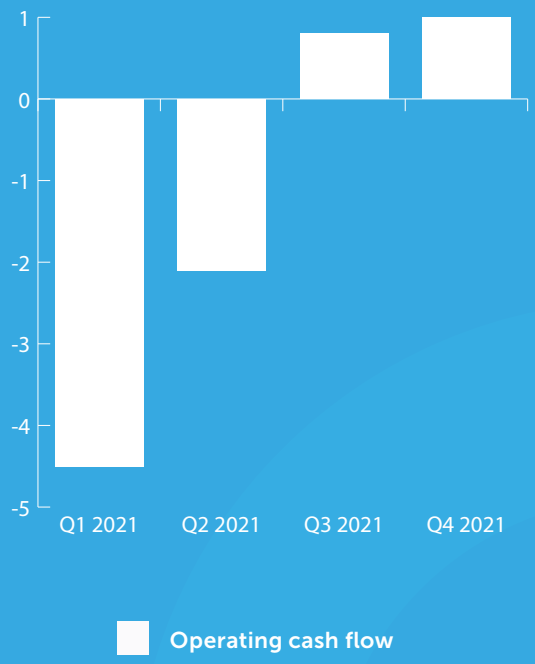
Sold and installed systems

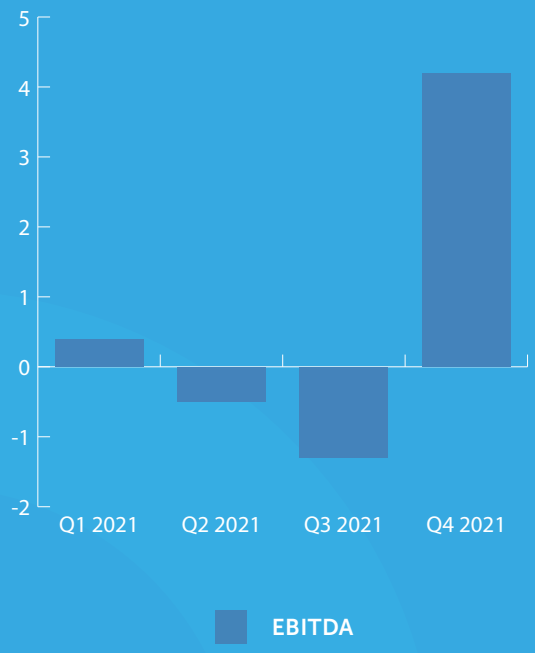
(Number of systems for each year)



Operating cash flow/EBITDA

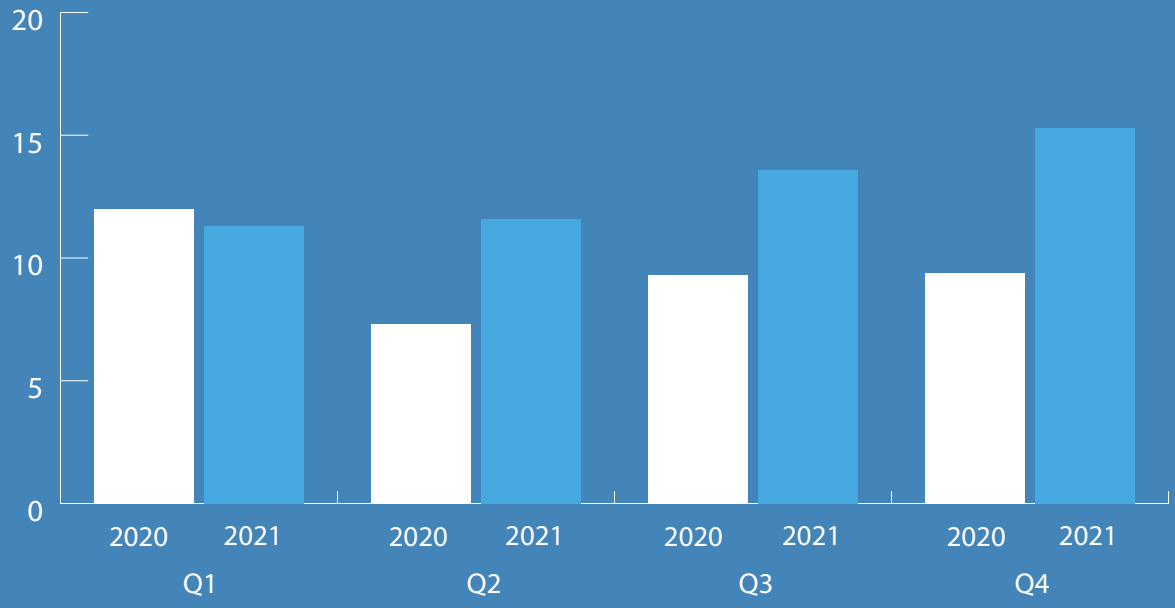
(MSEK, Q1-Q4 2021)





Recurring income

(MSEK, Q1-Q4 2020 and 2021)



Changing The Face of Cancer

Paxman's long-term vision:

A world where all cancer patients can avoid hair loss

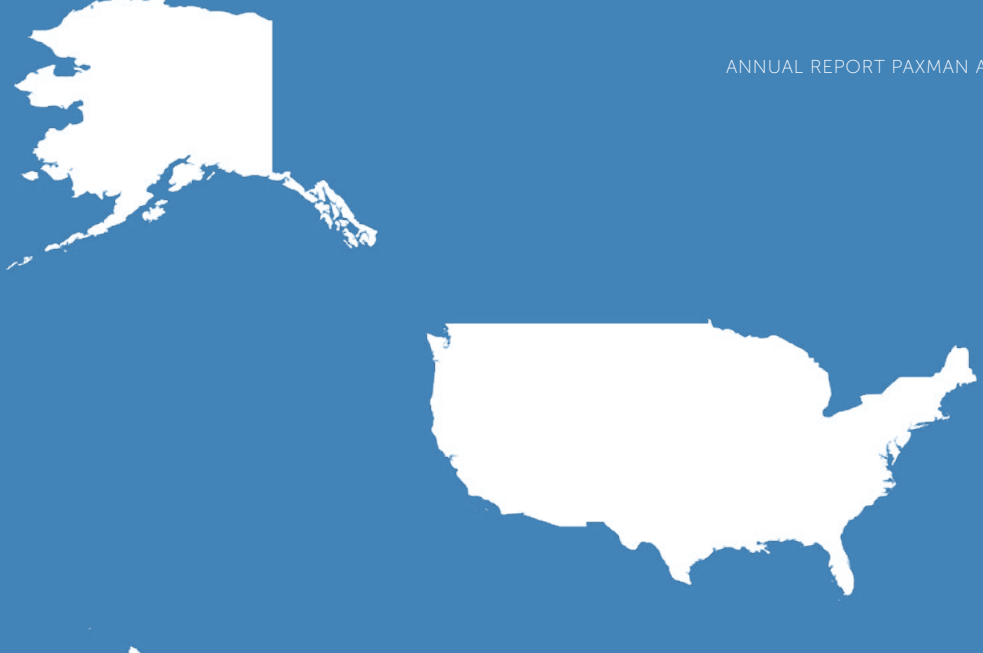
Paxman has made scalp cooling available to hundreds of thousands of cancer patients in many parts of the world. However, the company has a much more ambitious long-term goal, both when it comes to global outreach and the effect of scalp cooling.

Paxman's long-term vision, and its efforts to achieve it, is condensed into the slogan "Changing The Face of Cancer". This means aiming for a future where all chemotherapy patients worldwide are offered scalp cooling, with Paxman's system as the natural choice.

At the regulatory level, Paxman's determined work in recent years has contributed to gradually improved opportunities to realise this long-term vision. In 2019, scalp cooling was included as a recommendation for the prevention of chemotherapy-induced hair loss in breast cancer patients in the leading clinical guidelines published by the NCCN®, and inclusions for additional cancer types were added in 2020. Similar inclusions to a varying extent were made in guidelines published by ONS (Oncology Nursing Society) in the US, ESMO in Europe, the Programme for Guidelines in Oncology in Germany, as well as Cancer Australia. In the beginning of 2021, the AMA in the USA issued two CPT codes for scalp cooling in 2021, and in November 2021 CMS decided that Medicare claims filed using one of these codes shall be subject to a National Average Payment of 1,850.50 USD, effective January 1, 2022.

Geographically, Paxman extended its outreach in 2019 by establishing the company in Japan, the world's second largest market for cancer care with over 1 million new cancer cases per year. In 2020 the company established itself in South Korea, and a large clinical study was initiated in Q4 2020. This study will support the company's continued expansion in Asia, including a greater presence in India and a future expected establishment in China where a letter of intent was signed with a Chinese marketing and distribution partner in April, 2022.

On the patient level, Paxman is continuously working to improve the scalp cooling's efficiency. The company founded Paxman Scalp Cooling Research Centre, the world's first scalp cooling-focused research and development centre, together with the University of Huddersfield in 2019, and the first-of-its-kind global Scalp Cooling Summit will be held by the company in May 2022 with several leading researchers and clinicians. More information on Paxman's R&D efforts, which also include the development of a product to prevent chemotherapy-induced nerve damage in hands and feet (CIPN), can be found on pages 30-38.



A breakthrough year for scalp cooling reimbursement in the world-leading US market

Selected key events in 2021

Specific CPT® codes for scalp cooling
January 2021
Two separate CPT® Category III codes, 0662T and 0663T, assigned for "mechanical scalp cooling" by the American Medical Association (AMA).

Significant National Average Payment amount
November 2021
Payment for scalp cooling for Medicare claims using the 0662T CPT® code reassigned by the US Centers for Medicare & Medicaid Services (CMS) with a National Average Payment of 1,850.50 USD, effective January 1, 2022.

New business model for reimbursement
February/December 2021
Paxman conducts two directed share issues of 136 MSEK in total, to among other things, finance the company's upcoming launch of a new buy and bill business model in the USA to enable reimbursement.

"In 2021, the AMA and CMS completed a regulatory framework that will enable nation-wide reimbursement of scalp cooling to prevent chemotherapy-induced hair loss in the USA. To give patients and healthcare providers access to this new opportunity, Paxman will launch a new buy and bill business model in 2022 along with first-class support services."

A comment from our CEO Richard Paxman

Dear shareholders,

As I write these comments, I feel incredibly lucky not only to lead such an exciting company with an incredible team but also for my family, especially our latest addition to my family, our adopted son. 2021 brought many challenges and opportunities for lots of us but it has been a special year with many milestones achieved both for the company and personally. Our thoughts continue to be with those who were affected by Covid-19, and we now turn our thoughts to those affected by the troubles in Ukraine.

2022 marks the fifth year of our commercialisation in the USA as well as five years of being publicly traded on the Nasdaq First North Growth Market. Both of these key strategic decisions have provided growth for the company. Over the last five years, the company has made tremendous progress, even with the global challenges faced. 2021 was the company's best year to date, fulfilling a number of our goals with a drive to achieving our overall vision, that no matter where you are in the world, no matter what your income, you have access to scalp cooling.

Early in 2021, following a much healthier 2020 than expected, the company made the decision to carry out its first directed issue. In addition to a continued and enhanced reimbursement focus, the company also took the decision to increase its international focus. Although the USA remains our primary focus, the world is a huge opportunity. Investments were made in France, Germany, India and Sweden; all key markets for Paxman. Internationalisation has also taken place with a focus on our digital footprint and translation activities. Growth in our overseas markets returned to stronger levels throughout the year.

For a number of years, Paxman really have led the way with the reimbursement challenge in the USA, and invested over 16.5 MSEK. In 2021 we began to see the breakthroughs on that investment, and in 2022 we will begin to see the return on investment. Paxman began to understand what the payers needed early on, and following this insight we initiated work with our partners. We have achieved a number of initiatives, including seeing scalp cooling in the NCCN guidelines, the publication of two CPT codes by the American Medical Association, as well as the recent news relating to the Centers for Medicare Services (CMS) decision that Medicare claims using one of these CPT codes will be subject to a National Average Payment of 1,850.50 USD, effective January 1, 2022. This work is paving the way for universal reimbursement of scalp cooling, although we have some way to go.

In order to effectively move to a model of reimbursement, the company needs to move away from its self-pay business model to a new buy and bill model. Following the CMS news and increased institutional investor interest, the company took the decision to do a further directed issue, raising over 77 MSEK. As well as reducing the parent company debt to nil and having resources available for clinical trials for the CIPN cryocompression device, if needed, the company is now investing in its new buy and bill model. The company is working closely with McKesson, setting up a new distribution model with supportive services. Expanded patient access has always been the top priority for our organization. Paxman HUB support services through McKesson will assist practices and patients with insurance benefit verification and prior authorization processes, and Paxman's enhanced Patient Assistance Program (PAP) will allow many more patients to access scalp cooling. The Company will continue to work with financial assistance foundations for those who may not qualify for the

A COMMENT FROM OUR CEO RICHARD PAXMAN

> "A current key focus is the transition of our current customer base to the new buy and bill model, and we have an ambitious target to transition a large number of our 400 strong customers over the next twelve months."

Richard Paxman, CEO

PAP, ensuring that scalp cooling is an affordable option for all who want the chance to avoid the devastating side effect of cytotoxic-induced hair loss.

A current key focus is the transition of our current customer base to the new buy and bill model, and we have an ambitious target to transition a large number of our 400 strong customers over the next twelve months.

Our development program with the National University of Singapore continues to progress well, with our cryocompression device now undergoing clinical trials in Singapore. The company has funding in place to carry out a larger clinical trial in the USA with over 30 locations participating and 400 patients with a goal to proving efficacy. The global interest in this device continues to increase and we are incredibly excited about the opportunity.

2021 was a significant year, but 2022 is set to be even stronger. With a strong order book and initiatives such as the world's first Scalp Cooling Summit, our expanded reach globally, including our relationship in China and changes in the reimbursement landscape along with the introduction of our new buy and bill model, we are set for an exciting future.

I would like to take this opportunity to thank our committed and passionate growing team, along with our new investors for the support in making this company what it is today and what it will be in the future.

Richard Paxman, CEO
PAXMAN AB (publ)

Huddersfield in May 2021

About the company

PAXMAN AB (publ): An international group with its parent company in Sweden

PAXMAN was founded in the UK in 1996, and the company has installed around 4,400 scalp cooling systems globally. The company has a strong connection to Sweden as the CIMON group, an investment company with approx. 180 MSEK in annual turnover, became a large shareholder already in 1999.

In the last decades, Paxman has invested substantially in research and development followed by target-focused global expansion. The company has conducted several successful clinical studies with leading clinics and cancer centers all over the world, including the world's first randomised multicenter study with a scalp cooling system. The results from these studies formed the basis of market approvals in Europe, the United States, Japan and Australia as well as on additional markets in South America and Asia.

Paxman was listed on Nasdaq First North Growth Market in 2017. A secondary listing in the United States, or another significant market, can become relevant even though no decision in this direction has been made.

Market leading and personal scalp cooling

Paxman develops and offers the Paxman Scalp Cooling System, a market leading scalp cooling system used to minimise hair loss in connection with chemotherapy treatment.

Today, the system is used at a large number of cancer centers and hospitals in Europe, North-, Central- and South America, Asia and Oceania, and more installs are added continuously. The company is also developing a medical cooling and compression device to prevent chemotherapy-induced nerve damage in hands and feet (CIPN) and initiated clinical studies in Singapore in 2021.

The company was founded as a family business by Glenn Paxman following his wife Sue Paxman's hair loss in connection with chemotherapy treatment. Glenn realised that there were shortcomings in the existing methods for scalp cooling and developed a liquid-based system together with his brother.

Today, Glenn and Sue's son Richard Paxman is the CEO of Paxman, and their daughter Claire Paxman holds the position Brand Ambassador & Director of Global Training. Their understanding of how important it is for cancer patients to keep their hair, and thereby a degree of control over their daily lives, is reflected in all of Paxman's business operations. The company's vision is to make the technology available for all cancer patients worldwide.

Paxman has a close collaboration with HairToStay, an organization that contributes financially to patients who cannot afford to pay for scalp cooling themselves. In honour of Sue Paxman, the parties have started a separate fund in her name specifically aimed at mothers with very low income.

Paxman's history 1996 – 2019

1996

Paxman is founded, the first scalp cooling system is launched after many years of research and development

The company's first system is installed at Huddersfield Royal Infirmary

1999

Systems are installed in Norway as the first country outside of Great Britain

CIMON Venture Trust AB based in Karlshamn, Sweden, invests in Paxman

2000

The company meets the regulatory guidelines in Great Britain in compliance with ISO 9001:2008

International launch with installations in Ireland, Netherlands, Australia, Sweden, Switzerland and Egypt

2003

The first clinical study is conducted with Paxman's system

2006

Paxman reaches 500 installed systems

2012

Paxman reaches 1 000 installed systems

2013

Richard Paxman is appointed as Paxman's CEO

2014

Paxman initiates the world's first randomized multicenter study in the USA

2015

The company initiates clinical studies with five leading cancer centers in Japan

Paxman reaches 2,000 installed systems

2016

Paxman's randomized multicenter study in the USA is completed and shows good results

2017

The company obtains FDA clearance in the USA

Paxman AB (publ) is listed at Nasdaq First North

A large number of systems are installed in the USA, including prominent cancer centers such as Texas Oncology and Memorial Sloan Kettering

Paxman obtains market approval in Taiwan and Argentina

2018

License agreement for Mexico is signed with global pharmaceutical company Teva Pharmaceutical

Milestone of 250 installed systems in the USA is achieved within 12 months of receiving FDA clearance

Paxman receives extended FDA clearance in the USA covering solid tumours

2019

Development of a cooling and compression system to prevent chemotherapy-induced peripheral neuropathy (CIPN) is initiated with the National University Hospital in Singapore

Paxman Scalp Cooling Research Centre is founded in collaboration with the University of Huddersfield

NCCN® in the USA includes scalp cooling as a recommended treatment to prevent hair loss in its guidelines for breast cancer patients

Paxman obtains market approval for its scalp cooling system in Japan

Milestone of 500 installed systems in the USA achieved

2020

Patent applications submitted for Paxman's CIPN product in development.

The AMA in the USA decides to create CPT codes for mechanical scalp cooling.

ESMO in Europe incudes scalp cooling as a category IIB recommendation to prevent chemotherapy-induced alopecia in its clinical practical guidelines.

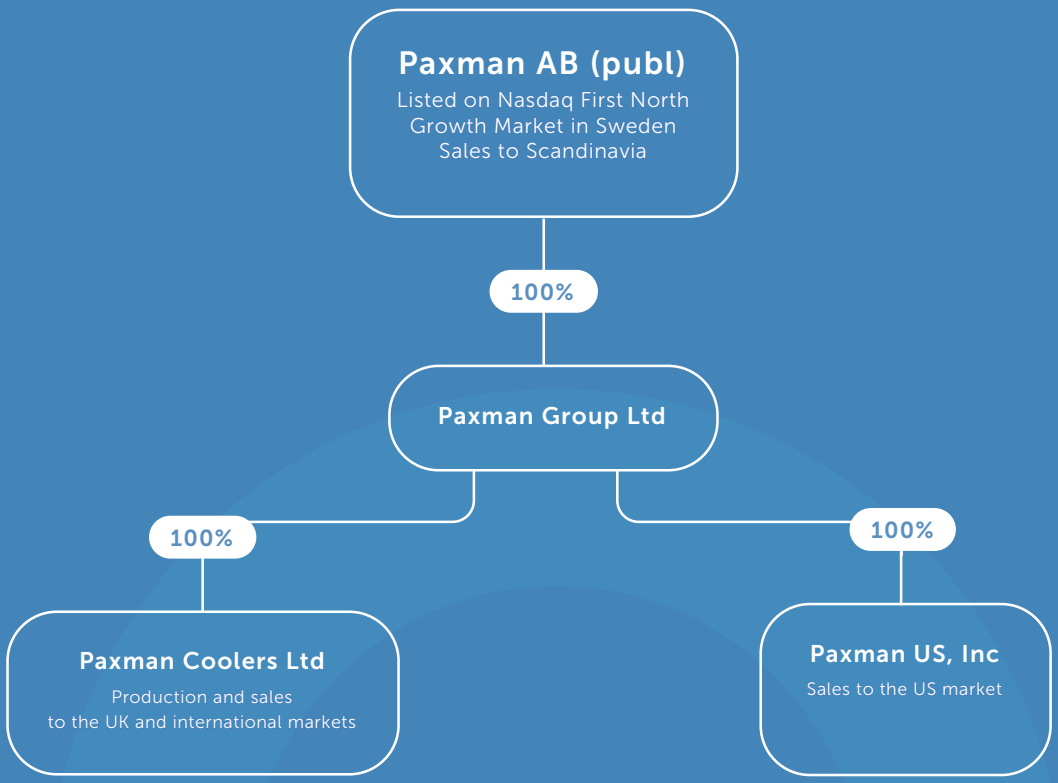
2021

The AMA in the USA issues CPT codes for mechanical scalp cooling.

The CMS in the USA decides that Medicare claims for scalp cooling reimbursement shall be subject to a National Average Payment of 1,850.50 USD, effective January 1, 2022.

Clinical studies with Paxman Crycompression System are initiated.

Group structure



Paxman's Senior Leadership Team (SLT)

Paxman's Senior Leadership Team (SLT) is comprised of the following members:

Susy Brown
Head of Brand & Marketing

Patrick Burke
Head of Operations

Richard Paxman
CEO

Liza Hirst
Executive Assistant to CEO

Anna Parker
Head of International Sales

Claire Paxman
Brand Ambassador & Director of Global Training

Stuart Rowling
Head of UK Sales

Alexandra Sheldrake
Head of Quality

Emma Thornhill
UK Finance Director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How scalp cooling prevents hair loss

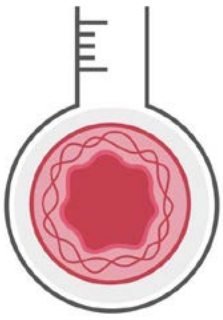
A fundamentally simple yet still very efficient method

Scalp cooling is a simple yet highly effective method to prevent hair loss in connection with chemotherapy treatment of solid tumours. Globally, the number of potential users amounts to at least 4 million annually.

Scalp cooling in connection with chemotherapy works as follows:

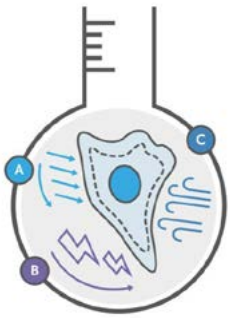
1. Vasoconstriction

- Cooling induces vasoconstriction
- Reduces cutaneous drug perfusion to 20-40%
- Therefore, less drug enters into the hair follicle cells



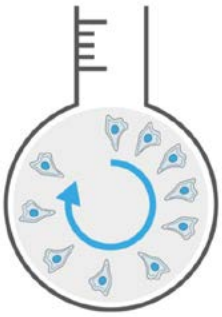
2. Reducing chemo transport into hair follicle cell. Cooling...

- Reduces active transport/ diffusion of drug into cells
- Lowers hair follicle cellular activity
- Reduces kinetic energy & membrane fluidity



3. Reducing rate of hair follicle cell division

- Cell division is an energy dependent process
- A slower rate of division makes cells less susceptible to chemo



4. Reducing metabolic activity

- And thereby reduces chemo cytotoxicity in hair follicle cells, as range of processes decelerate

Reference: Cooling-mediated protection from chemotherapy drug-induced cytotoxicity in human keratinocytes by inhibition of cellular drug uptake Christopher Dunnill, Khalidah Ibraheem, Michael Peake, Myria Ioannou , Megan Palmer, Adrian Smith, Andrew Collett, Nikolaos T. Georgopoulos

The Paxman Scalp Cooling System (PSCS)

Paxman's most effective, flexible and personal scalp cooling to date

Paxman's scalp cooling system and the technology behind the product have been developed over decades. This allows PSCS, the latest version of the system, to deliver strong clinical results for different types of chemotherapy treatments and patient groups. At the same time, the system is easy to use for medical staff and offers an unmatched user experience for patients.

PSCS is available in versions for one or two simultaneous users. The version for two users provides the opportunity to treat up to twice as many patients per day without taking up too much extra valuable space.

To ensure optimal results as well as excellent comfort and hygiene, PSCS has the option to be used with personal cooling caps available in different sizes and versions. This opportunity is offered in most markets, and it is especially utilised in the United States and Japan. The personal cooling caps allow each patient to find a size with an optimal fit and prepare for the treatment in advance. Additionally, Paxman is able to continuously refine its range of cooling caps to fit different head shapes, and the company launched cooling caps produced specifically for the company's Asian markets in 2019. A more cost-efficient version is now also being developed to facilitate the use of this concept in more developing markets, as well as 3D-printed cooling caps based on the patient's head shape. More information on Paxman's R&D projects can be found on pages 30-38.

In addition to offering Paxman's most efficient scalp cooling to date, PSCS has both single patient use and reusable options for it vast global customer base, offering flexibility for commercialisation. This flexibility allows the company to customise its business model to establish its offering in many different markets with varying healthcare and cost reimbursement systems, and thus to reach out to an increasing number of patients.

Scalable, high-quality manufacturing with facilities in the UK

Paxman's scalp cooling systems are manufactured in the UK at the company's headquarters in Huddersfield. This enables Paxman to maintain high quality and stability in the production process, as well as to minimise prototyping lead times.

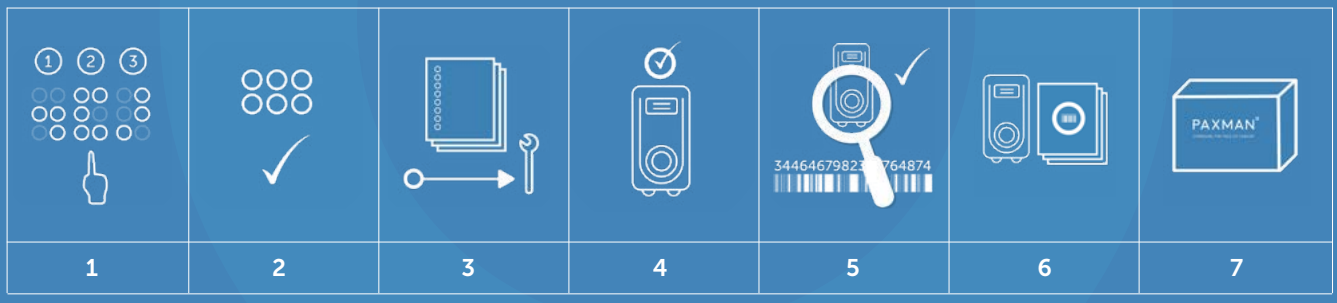
The benefits of in-house, local manufacturing capacity became even more evident during the corona pandemic. By quickly implementing new routines for social distancing and expanded control of the company's supply chain, production of the Paxman Scalp Cooling System could continue throughout the pandemic.

Paxman aims to double its production capacity

In the coming years, Paxman expects a continued rise in global demand from existing as well as new markets. Previously announced efforts to expand the company's physical and digital presence in important regional markets, as well as a probable future launch in China, are expected to support this development.

To be able to handle this demand, there are ongoing efforts to double the company's production capacity in the UK. This new initiative will also facilitate the development of new and innovative products such as the upcoming cooling and compression device to prevent chemotherapy-induced nerve damage in hands and feet (CIPN).

This is how a scalp cooling system is made



1	2	3	4	5	6	7

1. Parts are ordered and delivered from subcontractors and undergo quality tests before being appropriately stored. The parts are divided into category 1, 2 and 3, with extended quality checks for category 1 parts.

2. The production plan is determined based on the order book in consultation with sales teams and the company's management.

3. The list of parts (BOM) is prepared, and all components are picked from stock and supplied to the production team that prepares them for assembly and production.

4. Production involves three stages, with quality assessments by the quality team at each step against strict criteria.

5. When a device is fully complete, a further quality inspection is undertaken which involves functionality testing and electrical safety testing. The device is then appropriately labelled with a unique serial number plate.

6. The fully tested equipment is allocated to a customer order, and the internal paperwork is then generated.

7. The customer order is finally packed and palletised with the required accompanying documentation and associated accessories, and the coordinator ensures that customer-specific and any export-related documentation is prepared and that the order is picked up and delivered to the customer by the shipping company.

New ruling by CMS sees important progress for reimbursement in the USA

An important ruling was made by the Centers for Medicare & Medicaid Services (CMS) in November 2021. By reassigning one of the CPT codes issued for scalp cooling by the AMA, this code was allowed a much higher national payment rate of 1,850.50 USD compared to the earlier rate of just 34.72 USD. This payment rate specifically covers Medicare patients, whilst being independent, many commercial payers also use CMS rulings as guidelines for their own policies.

Background to the new CMS ruling

In July 2021, the scalp cooling CPT code 0662T was issued by the AMA for the initial measurement and calibration of the cap. There is also a CPT code issued to be used for each scalp cooling treatment (0663T). The new 0662T CPT code is temporary and will remain in effect for approximately a three-year period. Clinical and claims data is collected during this period to determine if the establishment of permanent CPT code is justified. During this period, the new CPT code, and any associated payment rates, are reviewed annually by CMS. This annual review could result in the payment rate going up or down.

Under Medicare, hospitals are paid based on the assignment of CPT billing codes to Ambulatory Payment Classifications (APCs). Medicare sets the payment rates for each of these APCs. In July 2021, CMS made the initial proposal to assign CPT code 0662T to APC 5732 (Level 2 Minor Procedures) with a proposed national payment rate of just 33.84 USD, and for 2022 the proposed payment rate was just 34.72 USD. Paxman and others commented on this proposed rate as it wasn't sufficient for physicians and health systems to implement scalp cooling.

New ruling for a higher payment rate

Based on comments to the proposed ruling and information presented at a panel meeting in August 2021, CMS reassigned CPT Code 0662T to New Technology APC 1520 in a new Hospital Outpatient Prospective Payment System (HOPPS) ruling. This APC has a much higher proposed payment rate of 1,850.50 USD. In its new ruling, CMS took into account the substantial hospital resource costs associated with the calibration and fitting of the scalp cooling cap.

CPT codes for scalp cooling

Code	Description of use
0662T	Initial measurement and calibration of cap
0663T	Placement of device, monitoring and removal of decide (each treatment)

Q&A on the new CMS ruling

Which patient groups will be affected by the higher payment rate of 1,850.50 USD for CPT code 0662T?

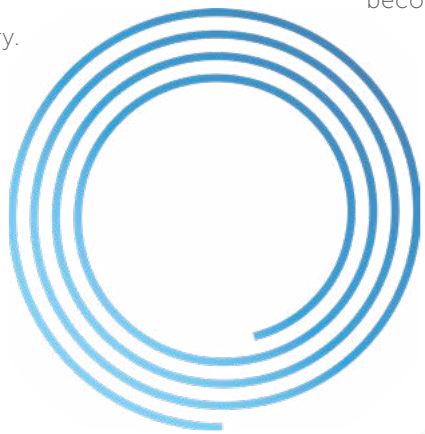
This change impacts only hospital outpatient payment for Medicare services. It does not impact commercial plans, although commercial plans often look to Medicare and CMS's actions as informative or guiding in their payment policies and determinations. Medicaid services are also not impacted by this decision.

Can a patient be certain that the scalp cooling treatment will be covered?

The assignment of a CPT code or approval of a service for assignment to a New Technology APC does not assure coverage. To receive payment, a new technology service must be considered reasonable and necessary. Each use of a new technology service is subject to medical review for determination of whether its use was reasonable and necessary. Paxman will be offering patient services including determining insurance coverage for patients and file for pre-approval as a part of its new buy and bill business model in the USA.

Could the payment rate be subject to additional changes?

The rate for APC 1520 may be updated annually, and that may be monitored by following the proposed and final HOPPS rules issued by CMS annually. Since this is a New Technology APC, according to CMS, the service assigned to it of 0662T will be paid under this APC until sufficient claims data has been collected to allow CMS to assign the procedure to a clinical APC group that is appropriate in clinical and resource terms. CMS says this will typically occur within two to three years from the time a new code becomes effective.



Resources:

CMS Final Ruling Nov 2, 2021 – CMS-1753FC (page 232-233, scalp cooling)

CMS Press Release Nov 2, 2021 "CMS OPPS/ASC Final Rule Increases Price Transparency, Patient Safety and Access to Quality Care"

CMS Fact Sheet Nov 2, 2021 – CY 2022 Medicare Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System Final Rule (CMS-1753FC)

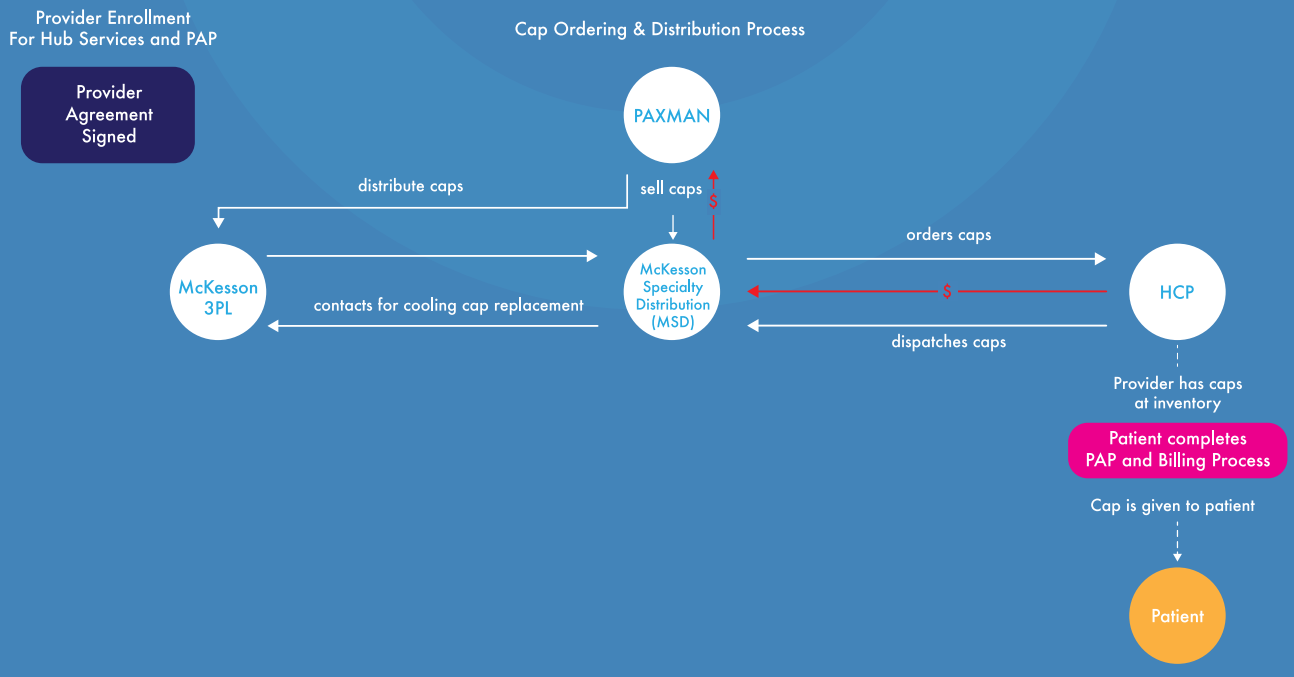
Paxman introduces buy and bill model to enable reimbursement

Paxman is excited to transition its customers to a new buy and bill business model in the US market, which allows providers to bill insurance on behalf of their patients. Previously, patients have had to pay for scalp cooling on their own, which has limited the company's growth in the USA.

Paxman's goal is to transition 40 percent of its US customers to the buy and bill model by the end of 2022. Interest in the new model from the provider network to date is very positive, and there is a collective excitement to increase market access to scalp cooling for their patient community.

The buy and bill process is as follows:

- Providers and health systems contract with Paxman to install machines for its facilities.
- Paxman sells cooling cap kits in all sizes to McKesson Specialty Care Distribution (MSCD), the company's new distributor, who also warehouse the cap kits. Providers and systems contract with McKesson individually or as part of a Group Purchasing Organization.
- MSCD sells the cooling cap kits to providers and health systems, who will maintain an inventory of each size of the kits.
- MSCD distributes orders to providers and health systems.
- When a provider prescribes the cap to the patient, the patient is enrolled in the Paxman Hub Scalp Cooling Program.
- Either the Paxman Hub or the provider will do a benefits investigation to determine if the patient's insurance will cover scalp cooling.
- The patient is measured and the cap is calibrated, and then the patient is sent home with the cap and brings the cap along with them for each treatment.
- At the first treatment, the provider bills for 0662T, which covers the cap sizing and other administrative costs.
- At the first and each ensuing treatment, the provider bills 0663T, which is for the cooling treatment itself.



New Patient Assistance Program and expanded Paxman Hub services

Comprehensive services to find the best solution for every patient

In 2021, Paxman began a process to help open access to Paxman Scalp Cooling to any US patient regardless of their insurance coverage or financial situation.

Under this new system, any patient receiving solid tumour chemotherapy that is likely to cause hair loss (primarily taxanes and anthracyclines) will have a better chance of receiving scalp cooling coverage either through their insurance or another method.

Previously, Paxman Scalp Cooling was only available to patients in the USA who could pay for the treatment themselves, or were supported by foundations like Hair To Stay. Some patients submitted their cost to their insurance companies and received reimbursement, but many were not reimbursed. Furthermore, many patients cannot afford to pay outright for scalp cooling, regardless of whether or not they would be reimbursed. Therefore, many patients were not able to use Paxman Scalp Cooling.

Several new programs to launch in 2022

Paxman is in the process of launching several programs in early 2022 designed to help patients and their providers with access to Paxman Scalp Cooling. As Paxman introduces the new buy and bill business model in the USA, the company is also expanding its service offerings to patients and providers through Paxman Hub services, and these services will be offered through CoverMyMeds – a McKesson Company.

These enhanced services include

- Benefits investigation to determine patient insurance coverage and its level
- Prior authorization assistance to support use of Paxman Scalp Cooling
- Patient foundation referral to direct patient and provider to independent assistance groups
- Appeal support to support Paxman use when coverage denied by insurance company
- Paxman Patient Assistance Program (PAP) for free goods to qualifying patients

Patient-specific support by Paxman and McKesson

Providers will start with completing the Paxman Hub Enrollment Form with patients and submit the form to the Paxman Hub. This form captures patient information that will help determine which services the patient qualifies for. McKesson will then determine if patients have insurance coverage, and what the level of coverage is. Additionally, if patients are uninsured or underinsured, based on household income, they may qualify for patient assistance – free goods – from Paxman, enhancing scalp cooling access like never before.

About McKesson Specialty Care Distribution

Based in Irving, Texas, McKesson unites independent providers with manufacturers and payers to deliver end-to-end efficiencies and clinical excellence.

The Company delivers a third of all pharmaceuticals used in North America and employs over 78,000 people.

McKesson's CoverMyMeds solution network includes approximately 75 percent of electronic health care record systems, over 50,000 pharmacies, 750,000 providers and most health plans and Pharmacy benefit managers (PBMs) - companies that manage prescription drug benefits on behalf of health insurers.

Continued global expansion for short- and long-term revenue

Paxman's flexible scalp cooling system enables regional business models

With PSCS, the company's latest scalp cooling system, personal and regionally adjusted cooling caps can be used to provide the best possible patient results and a more personal experience. Paxman is also able to use regional business models with payment received for each treatment and/or sold personal cooling cap. The company is now developing a more cost-efficient version of the personal cooling cap for increased flexibility and potentially expanded utilisation of these business models in important growth markets.

The USA, Paxman's largest market, became the first market where the company finances the full cost of the system in return for a payment per treatment and each personal cooling cap sold. Similar business models are also used in Mexico with the license partner Teva and in Canada. In 2022, Paxman takes the next step in the USA as the company starts to transfer customers to a new buy and bill model which enables reimbursement. With increasing possibilities to achieve reimbursement, a very powerful increase in sales is expected in the USA over time.

Strong business outlook in Asia

In addition to the USA, Asia is expected to become a strong growth region for Paxman in the coming years with Japan and China as key markets. In Japan, the world's second largest cancer market, Paxman receives payment for each system sold and each personal cooling cap sold, and the order flow is expected to resume in 2022 after the pandemic. In China, Paxman signed a letter of intent with the intended distribution partner Concord Medical in April 2022.

Balancing short- and long-term cash flows

By using several regional business models, Paxman is able to create a good balance between short- and long-term revenue streams. A model with payment per treatment and/or per each cooling cap sold is also gradually implemented in other markets when possible, for example when upgrading older systems to the new PSCS model when they reach the end of their life cycle of around 6-8 years.

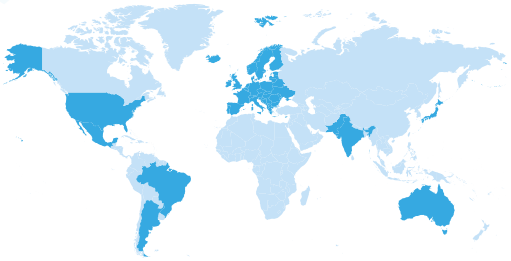
Paxman's regional business models

USA: Paxman finances the system and installation costs and receives payment from patient or customer (new model) for each treatment and personal cooling cap sold.

Europe: System sales while also phasing in a model with payment per treatment and/or personal cooling cap when installed systems are upgraded.

Japan: System sales to the distributor CMI and payment for each personal cooling cap sold.

Canada: Business model similar to the one in the USA.



Mexico: Business model similar to the one in the USA together with the license partner Teva.

Asia (except Japan): System sales while also phasing in a model with payment per treatment and/or personal cooling cap when installed systems are upgraded.

Central- and South America (except Mexico): System sales while also phasing in a model with payment per treatment and/or personal cooling cap when installed systems are upgraded.

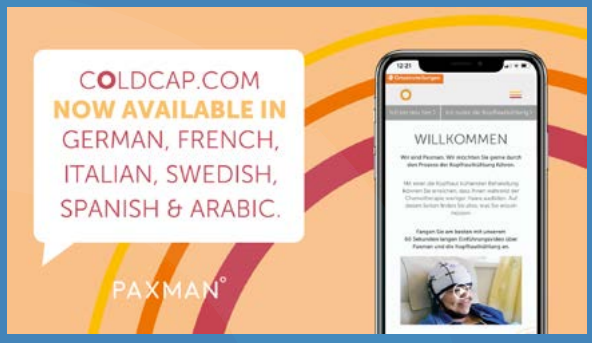
Oceania: System sales while also phasing in a model with payment per treatment and/or personal cooling cap when installed systems are upgraded.

Paxman's increased international coordination

Direct sales, digitalisation and increased regional presence

Paxman's direct sales markets have shown a tremendous resilience during the pandemic. The company is therefore investing in efforts to expand its direct sales to Scandinavia and to use these markets recipe for success, including local Paxman presence, adjusted marketing and digital solutions in additional markets, together with local distributors. Regional Managers have been appointed for India, France, Scandinavia, Germany and Austria, with promising progress achieved in 2021 and so far in 2022.

By strengthening the marketing function in the UK, Paxman is expanding its international coordination and digital support to all markets. Activities encompass updated digital and printed communication, including translation of coldcap.com to several languages, as well as the launch of new digital efforts, such as the research-focused website the Scalp Cooling Study Library and the global Scalp Cooling Summit which will be held in May 2022.



Some of Paxman's markets with recently appointed Regional Managers

Sweden

- Population: 10.2 million
- Diagnosed cancer cases (2020): 62,494, 33,689 male and 28,805 female
- Most common cancers: prostate (17.5%), breast (12.1%), colorectum (10.8%)
- Health care system: Mostly public, tax-funded system with universal access

Germany

- Population: 83.8 million
- Diagnosed cancer cases (2020): 628,519, 344,451 male and 284,068 female
- Most common cancers: breast (11.1%), prostate (10.8%), lung (10.3%)
- Health care system: Universal access, dual public-private system

India

- Population: 1,409,307 million
- Diagnosed cancer cases (2020): 1,324,413, 646,030 male and 678,383 female
- Most common cancers: breast (13.5%), lip, oral cavity (10.3%), cervix uteri (9.4%)
- Health care system: Universal access in public, government facilities, however underfunded and mostly based on by out-of-pocket payments. 37% have governmental or employment-based access to private healthcare, 63% are not covered at all

France

- Population: 65.5 million
- Diagnosed cancer cases (2020): 467,965, 260,169 male and 207,796 female
- Most common cancers: prostate (14.1%), breast (12.4%), lung (10.3%)
- Health care system: Universal access, mix of public and private providers and insurers

Interview with Paxman's Regional Manager for India

Garima Vyas, Paxman's Regional Manager for India, is aiming to get Paxman's scalp cooling available at all corporate hospital sites with cancer care across India.

Can you tell us about your professional background before joining Paxman?

I have been in the sales and marketing profession for healthcare (pharmaceuticals & diagnostic) in the oncology sector for around 15 years. During this time, I have successfully developed the business for product concepts across India and neighboring emerging markets.

What was your primary motivation behind joining Paxman as its Regional Manager for India?

Paxman is recognized for its scientifically and clinically proven scalp cooling product. The company promotes the product by developing a scientific concept for clinicians to practice and use it for patients. The patient's benefit is a visible outcome for their quality of life which personally gives a kind of job satisfaction to me. The Indian oncology pharmaceutical and diagnostic market is growing exponentially, and scalp cooling technology is very new here – which presents a huge scope to build the concept and reach maximum deserving patients to avail the benefit and prevent hair loss.

Can you describe the main achievements for Paxman in India in 2021 and your first time as Regional Manager?

- Organizing the Nurses Webinar and Clinicians Webinar in June and September of 2021.
- Excerpts of clinicians practising scalp cooling was published in a digital media newspaper to raise awareness during the October Breast Cancer Awareness Month, which helped to reach a large segment of the general public.
- Regular email conversations and personal meetings at the leading KOLs has led to success at many hospitals.
- Overall, with this consistent work, we have reached around 34 units in India.

What are the main targets for Paxman in India during 2022 and 2023?

Our aim is that India shall reach the goal of 50 installed scalp cooling units from the baseline of around 34 units.

The main target is for Paxman's scalp cooling to be available at every corporate hospital site across India.

Can you describe your strategy to achieve these targets, and the main challenges you are facing?

"Evidence Sharing Practice" – it is time to reach the maximum number of clinicians. To accomplish this, we are organizing a round table meeting of doctors. The Scalp Cooling Summit on May 5 will be a major initiative and support the business goal.

We are aiming to adopt two regions every quarter and work personally at the hospitals within those regions.

We face two challenges:

- Patients are not so vocal and do not come forward to share their experiences or stories easily, so to have local patients endorsements is difficult.
- Decision making to purchase the machine at the center usually takes almost 2-3 months' time, as the finance capacity and approvals takes a long time.

Is there any additional information on Paxman's operations in India that you wish to highlight?

Paxman Scalp Cooling is now available or being practiced at around 34 centers here in India. This indicates the demand from clinicians and patients. Hospitals offering scalp cooling leverages it as promotional activities, as this kind of high end/international technology is now available in their respective hospital of that city.

Paxman is appreciated for the support system offered to clinicians and the training of the nursing staff on how to give scalp cooling. The patient website to boost patient confidence is also appreciated, along with the video tutorials for training.

Interview with Paxman's Regional Manager for Germany and Austria

Sylvia Klefken is focusing on increasing awareness, strengthening relationships with organisations and ultimately improving availability of Paxman's scalp cooling in this region.

Can you tell us about your professional background before joining Paxman?

Previously I worked as the DACH (German speaking countries) Country Manager, having worked for over 20 years in pharmaceutical companies – and over 16 years in the oncology field in marketing and sales related roles.

What was your primary motivation behind joining Paxman as its Regional Manager for Germany and Austria?

I am always patient oriented, and I want to make a difference in my work. For many years I have been dedicated to developing special markets and building relationships in these markets. I am passionate to give patients and doctors the best support possible.

How were your first months of working at Paxman, and what has been your main focus during this time?

The first months have passed by very quickly. My focus has initially been on German marketing materials, as well as contacting key opinion leaders (KOL's) and organisations, strategy planning and seeking out opportunities and writing press releases, follow up on open offers, new patient requests and encouraging existing customer hospitals to engage and promote scalp cooling. I have targeted and started relationships with many sector-appropriate organisations such as KOK, Mammazone, EONS, Cancer self-help groups etc.

The new German version of coldcap.com has now been launched and we have had positive meetings regarding reimbursement of scalp cooling treatment.

Many conferences and events continue to be held on digital platforms, and so whilst the planning continues, we really need more in-person events to return instead of virtual events.

I have also been involved in the market overview and training of our new distributor for the Austrian market, along with

recruitment and training of a new sales manager to ensure that they are on board and able to train our customers as soon as possible.

This time has been incredibly busy and indeed very exciting! Often customer decisions are protracted and very slow and coupled with the pandemic this is not easy. However, every day I am happy for the individual achievements we have made in the last months. It´s challenging – but I like it!

Can you describe the main achievements for Paxman in your region in 2021 and your first time as Regional Manager?

- Translated website and marketing materials including German coldcap.com.
- Patient activities – creation of more patient awareness and thereby requests.
- Engaging hospitals to return to offering scalp cooling treatment.
- 4 PSCS systems sold in 2021, 2 for rent.
- Building a relationship with Mammazone and the first Patient Day with Paxman.
- Increased patient requests due to more patient focused activities, as well as increased requests from hospitals and office-based physicians.

What are the main targets for Paxman in your region during 2022 and 2023?

- Retraining of existing customers – to secure correct usage protocols, good patient outcomes and successful treatments as well as getting new customers on board.
- Strengthen relationships with organisations and patients. Getting recommendations!
- Sales and marketing efforts to follow up open offers and with potential new business.
- Work on data publication with Dr. Kurbacher on his current clinical study regarding the outcome of scalp cooling with sequencing therapy.

Interview with Paxman's Development Managers for French Speaking Markets and France

Charlotte Fraser (CF), International Development & Manager French Speaking Markets and Clément Achard (CA), Business Development & Training Manager for France are working to establish scalp cooling as best practice in French supportive oncology care.

Can you describe the main achievements for Paxman in France in 2021?

CF: Since taking on France as a direct market nearly ten years ago, we have seen Paxman Scalp Cooling go from strength to strength in the territory with sales to the market quadrupling over the period. While the market outperformed all expectations during the pandemic year of 2020, 2021 was a key milestone year – seeing our 100th system installed in August. Of key strategic significance, also in 2021, we appointed Clément Achard who is based in Paris and is an invaluable resource to our development work and ambition for the market.

CA: In 2021, market research and dialogue with customers has enabled me to effectively network and build rapport with customers to encourage them to talk about scalp cooling. Word of mouth in the French market is key, and we have achieved several sales thanks to positive feedback and media coverage when installing units. The company has installed the two first systems in the South of France, with further prospects looking promising for an additional new customer currently evaluating Paxman Scalp Cooling in another Southwest hospital.

What are the main targets for Paxman in France during 2022 and 2023?

CA: Key to the focus for 2022 in France is a comprehensive education and awareness strategy. The primary objectives being to drive up customer engagement and patient outcomes, and to engage in proactive development work with key opinion leaders and organisations of influence in France. We aim to develop new partnerships with organisations in supportive cancer care to harness the ESMO guidelines in profiling scalp cooling as best practice in French supportive oncology care.

Can you describe your strategy to achieve these targets, and the main challenges you are facing?

CA: France has a long history with scalp cooling. Historically (pre-Paxman), efficacy was poor so enthusiasm for and confidence in the treatment among practitioners is a hurdle that needs to be overcome. Significant efforts need to be made to raise awareness of the efficacy of the treatment and improve understanding of the clinical guidance on cooling times.

With this in mind, implementation of the marketing strategy for France is key to our activities in France this year, ensuring quarterly touch points with existing customers to deliver improved customer service focusing heavily on training, education and tools for enhanced patient engagement.

France is a very fragmented market, though we have seen collaborative work from sites on a regional level in recent years, so we will look to build on this approach. It has already proved to be successful in the region of Brittany and will roll out to other regions in the coming years.

A proactive engagement plan with new sites is underway, along with dialogue with key influential partners surrounding best practice oncology care. A key target organisation for the year will be the Association Francophone of Supportive Oncology Care (AFSOS) to raise the profile of mechanised scalp cooling as best practice.

Participation is already confirmed at the annual conference of the French Association of Nurses in Oncology (AFIC) in March, as well as ESMO 2022 being based in Paris in September for 2022.

Interview with Paxman's Regional Manager for Scandinavia

Camilla Magnusson draws on her own breast cancer experience to bring authenticity when working to increase awareness and availability in Scandinavia. She assumes the sales responsibility in Scandinavia from her father Kenneth Magnusson, who worked for Paxman's previous distributor in this region until his retirement. Kenneth passed away in 2022. Paxman is grateful for his work in Scandinavia over the years.

Can you tell us about your professional background before joining Paxman?

I used to work as Area Sales Manager for the Swedish watch and jewelry market with responsibility for sales, merchandising and customer in store events/fairs for several well-known brands. I was responsible for opening new stores as well as servicing existing accounts in eastern and northern Sweden.

What was your primary motivation behind joining Paxman as its Regional Manager for Scandinavia?

After being diagnosed myself with triple negative breast cancer in 2006 and going through the trauma of losing all my hair I became more interested in scalp cooling. Today I am sure scalp cooling could have changed my whole cancer journey – to maintain the feeling of control and self-confidence. Sharing my own story together with the Paxman story in the presentation of the system gives me a sense of authenticity – to be involved and able to change something that you suffered from yourself.

Can you describe the main achievements for Paxman in Scandinavia in 2021 and your first time as Regional Manager?

- The SOTA conference in Malmö.
- Contacting and building a relationship with the Breast Cancer Association.
- All the training done together with hospital staff. You can feel the importance of being out there, including seeing their reactions after giving them advice on how to use the system and to fit the cap better.
- Creation of social media accounts.
- Sharing my own story together with Sverigelotten and the Breast Cancer Association.

What are the main targets for Paxman in Scandinavia during 2022 and 2023?

- Keep on focusing on all the above. Follow up the ongoing projects/dialogues with hospitals.
- Installation of two new systems and training Kalmar and Västervik Hospital.
- Hopefully join some conferences.
- More research of associations and groups.
- Finding pioneers who can share their stories.
- Scalp Cooling Summit 2022 – I believe this will be a real game changer, and especially a little help for the Scandinavian market.

Can you describe your strategy to achieve these targets, and the main challenges you are facing?

- My strategy ahead will be to follow up ongoing projects, doing more research and to make sure hospitals increase their knowledge about scalp cooling.
- Advertising in Magasin B in March 2022 – with hair loss as the theme of the issue.
- Conferences (Oncology days in March are fully booked since two years ago when they had to cancel due to pandemic).
- Inviting physicians/decision makers and highlighting the Summit – this will really bust the myths, but also become an eye-opener.
- The challenge in the Scandinavian market is to raise awareness, not only among patients. It is vital to reach the physicians and decision makers to make them aware of all the studies that are made but also make them understand what scalp cooling is and what it does for the patient.

Research and development

Paxman is committed to an ambitious research and development program, allowing the company to continuously pursue improvements of the scalp cooling system's efficiency and user-friendliness, as well as lowering its environmental impact. The company is also developing a portable cryocompression product to prevent the related indication chemotherapy-induced peripheral neuropathy (CIPN). A prototype version of this product has been completed and is being used in a clinical trial in Singapore which was initiated in November 2021.

Paxman Scalp Cooling Research Centre – the world's first multidisciplinary research centre focused on scalp cooling

A significant share of Paxman's research and development program is conducted in collaboration with a multidisciplinary research team at the University of Huddersfield. The research team has expert knowledge in relevant areas, including biological and chemical research on hair follicles and product development. In February 2019, the collaboration was formalised into the Paxman Scalp Cooling Centre, the world's first multidisciplinary research centre focused on scalp cooling.

During the first five years, the parties will invest a total of 12 MSEK in liquid funds, personnel, and other resources in the centre. Paxman's investment during the first year was covered by a partly EU-funded grant of 1.2 MSEK.

The picture shows Pat Burke, Head of Operations and R&D, Dr. Ertu Unver and Richard Paxman at the Paxman Scalp Cooling Research Centre/University of Huddersfield.

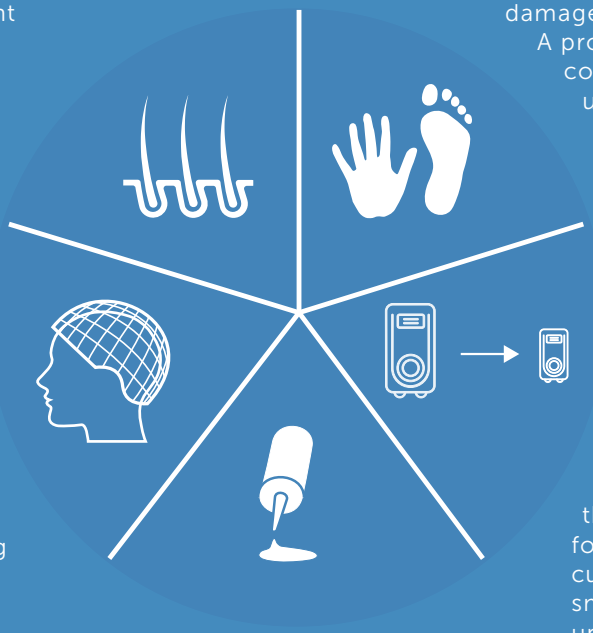
Selected research and development projects at the Paxman Scalp Cooling Research Centre

• Biological research with cultivated human hair follicles

By examining cultivated human hair follicles in connection with chemotherapy treatment and scalp cooling under different conditions, researchers can deepen their knowledge of underlying biological and chemical mechanisms. This research is used in the further development of Paxman's current and future product range.

• Product to prevent chemotherapy-induced nerve damage in hands and feet (CIPN)

Researchers at Paxman Scalp Cooling Research Centre are collaborating with the National University Hospital in Singapore (NUH) within the project to develop a new product in chemotherapy-induced peripheral neuropathy (CIPN) that causes nerve damage to the hands and feet. A prototype version has been completed, and it is being used in a clinical trial in Singapore which was initiated in November 2021.



• Individual 3D-printed cooling caps for a more efficient scalp cooling

Individual 3D-printed cooling caps have the potential to increase the efficiency of Paxman's scalp cooling on markets where the company currently uses personal cooling caps, including the USA, Canada, Japan and Mexico. Test versions of 3D-printed cooling caps for internal evaluation were finalised in 2021.

• Development of a miniaturised cooling and compression system

As a part of the CIPN development project, Paxman is developing a cooling system with compression capability that has a significantly smaller form factor compared to the current scalp cooling system. A smaller form factor means taking up less valuable space in hospitals and cancer centres, which can sometimes be a limiting factor.

• Topically applied product to enhance the effect of scalp cooling

The biology team has already shown that their first substance being developed for topical use can enhance the effect of scalp cooling in connection with specific chemotherapy treatments. Additional possible substances and chemotherapy types are now tested, which is expected to provide stronger evidence for the concept and to clarify if the most optimal route is to aim for a general topical product or several cytotoxin-specific topical products. The product can be applied directly onto the head of the patient, which means that it can be used together with Paxman's current scalp cooling systems. This means that the customers do not need to upgrade their systems, allowing a faster and broader market launch.

Development of a new Paxman product to prevent chemotherapy-induced nerve damage

In 2021, the next phase of the project began as a clinical trial with healthy volunteers and cancer patients was initiated in Singapore.

Paxman is well aware of the fact that chemotherapy can cause other serious side effects in addition to hair loss, including nerve damage in hands and feet (chemotherapy-induced peripheral neuropathy, CIPN). CIPN can cause several different symptoms from tingling and sensory impairment to severe pain and temperature sensitivity. Therefore, the company is developing Paxman Cryocompression System (PCCS), a portable cooling and compression system to prevent CIPN.

Significant milestones reached in 2021

In the beginning of 2019, Paxman signed a research collaboration agreement with the National University Hospital in Singapore, (NUH) for the development of a portable cooling and compression system to prevent CIPN. The research team at NUH is led by Dr. Raghav Sundar, who has examined the possibility of using cooling and compression to prevent CIPN for some time. Dr. Sundar sees Paxman as an ideal partner to take the product to market and distribute it to healthcare providers worldwide. The development of the actual device is conducted in collaboration with researchers from Paxman Scalp Cooling Research Centre at the University of Huddersfield.

Paxman further developed its relationships with key clinical opinion leaders in 2020, including the renown Prof. Charles Loprinzi from the Mayo Clinic, Rochester, USA, who was elected as a new member of Paxman's advisory board. Prof. Loprinzi is one of the world's top key opinion leaders in the CIPN field and the first author of the ASCO 2020 CIPN guidelines. He is now involved in the work of designing the project's clinical program.

The development of the system continued to achieve progress in 2021. In May, the project received a research grant of 1.57 million SGD from National Research Foundation (NRF) in Singapore. Thereafter, a clinical trial was initiated with National University Hospital, Singapore, in collaboration with The N.1 Institute for Health, National University of Singapore to evaluate the system with healthy volunteers and cancer patients. This pilot trial in Singapore has now completed recruitment, and data should be available by Q4 2022, however we expect to expand the study to include additional sites in Singapore. A larger randomized phase 3 efficacy study is being planned to open in the USA. The data from the trials will be used in regulatory documentation to support the cryo-compression system as a new medical device, initially in Singapore, and then the United States.

Paxman holds the exclusive right to commercialise the technology

Any patents and additional intellectual properties conceived from the partnership will be jointly owned by the two parties, while Paxman receives exclusive rights to commercialise and sell market- approved products. The first patent applications for the cooling and compression system, and the limb wraps, were filed in 2020.

The goal is to launch a cooling and compression product used to reduce the amount of cytotoxin that reaches hands and feet, as well as minimising its harmful effects by slowing down the metabolic activity in the nerve cells.

Interview on the clinical CIPN trial with PCCS in Singapore

Dr. Raghav Sundar and **Dr. Aishwarya Bandla** at National University Hospital, Singapore (NUH) are responsible for the ongoing clinical study with healthy volunteers and cancer patients.

Can you describe the overall study design?

The Singapore study is the first clinical trial to investigate the feasibility of the Paxman Cryocompression System (PCCS). The main goal of this Phase I study is to establish safety in healthy volunteers followed by a single-arm trial in cancer patients undergoing weekly paclitaxel treatment to assess safety, usability and early effectiveness of the PCCS over multiple cycles of chemotherapy.

What is the status of the prototype cryocompression system being used in the study?

Beta prototypes of the PCCS are currently in use at the chemotherapy suites of the National University Hospital Singapore. These are fully functional delivering continuous cryocompression therapy to the arms and legs of cancer patients over extended durations of up to four hours and concomitantly with chemotherapy administration. Design feedback on usability from key stakeholders including patients, nurses, caregivers, trial administrator, engineers and physicians is being gathered to be incorporated into the pilot production phase.

When is the first arm of the study expected to be completed, and when will the second arm be able to start?

The pilot trial in Singapore has now completed recruitment, and data should be available by Q4 2022, however we expect to expand the study to include additional sites in Singapore.

The next phase will be a larger Phase 3 study in the USA led by teams from the National Cancer Institute, and this study will be aimed towards FDA approval.

What is the current status of the study?

The study has picked up tremendous pace both due to the awareness among physicians and patients about quality of life and survivorship related issues of CIPN, and the global interest in the technology and cryotherapy as a preventive intervention for CIPN. Currently we have recruited over 10 patients who are undergoing concomitant PCCS cryocompression and chemotherapy and nearly half of them have completed their weekly paclitaxel chemotherapy regimens successfully with no discontinuation of cryotherapy due to intolerance.

Is it possible to share some early feedback from the study?

The early feedback from both healthy volunteers, cancer patients and nurses is promising. Safety and tolerability of the cryocompression delivered by the PCCS is very good and well tolerated over multiple cycles of chemotherapy averaging durations of three hours. Patient user satisfaction levels have been generally good, and limb cryotherapy administration via the PCCS has been perceived favorably by nurses, especially those trained in the use of the Paxman scalp coolers.

What are the benefits of planning a broader phase 3 study while the phase 1 studies are ongoing?

We are currently in the process of planning a broader phase 3 trial to demonstrate unequivocally the effect of the PCCS device in preventing CIPN. The earlier phase trials in Singapore are aimed to provide sufficient data to fine-tune the devices and parameters to allow smooth delivery of the phase 3 trial. It is likely that the pilot studies will have concluded before the larger phase 3 trial opens. However, further improvement/modification trials may continue in Singapore simultaneously.

Is there any additional information on this study that you would like to highlight?

Early evidence is promising, and the current study has given us plenty of valuable user feedback to incorporate into the device development ahead of larger studies. Patients and nurses feel this will be a valuable addition to improving quality of cancer survivorship.

Paxman supports diversity and optimal scalp cooling for all patients

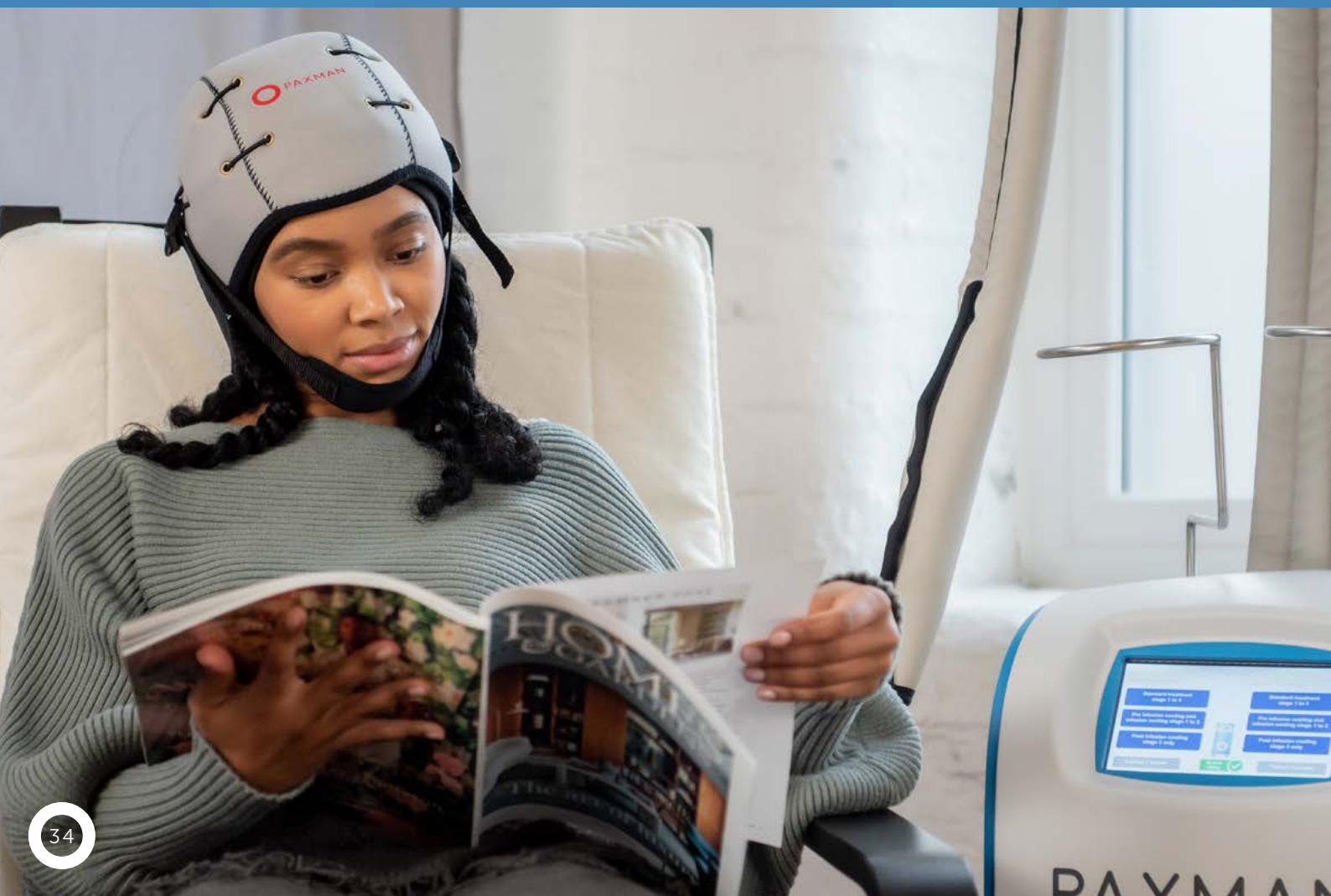
The company's vision to make scalp cooling available for all cancer patients has given rise to an international expansion encompassing a growing number of markets, and Paxman is constantly working to get the treatment available regardless of economic status, ethnicity, sex or age. The company is also contributing to research to establish optimal scalp cooling effect for different ethnicities and hair types.

Even though reimbursement for scalp cooling is becoming more available, including in the USA, the world's largest cancer market, Paxman is aware of the fact that most patients still have to be ready to pay for their own scalp cooling costs.

The company therefore has a long history of support non-profit organisations, in several markets, who are collecting funds to buy equipment and/or reducing the cost of scalp cooling for different groups. Paxman has also founded the Sue Paxman Fund together with HairToStay in memory of Sue and her importance for the company. This fund is supporting mothers with low incomes going through chemotherapy.

Research for optimal effect regardless of ethnicity and hair type

As Paxman reaches patients in many parts of the world, it has become increasingly important to establish that scalp cooling is working in an optimal way for different patient groups. In addition to supporting research involving more chemotherapy treatments and cancer types, the company is also working to adapt its solutions to variations due to ethnicity, such as different head shapes and hair types. Paxman has among other things launched a cooling cap specifically developed for the Asian market, and the company is supporting various research projects and clinical studies. This includes an ongoing study where Paxman is collaborating with University Hospital for Albert Einstein College of Medicine, Montefiore Medical Center in the USA to increase the knowledge on scalp cooling efficiency for patients with different ethnicities and hair types.



Interview on clinical study in the USA to evaluate scalp cooling and different hair types

Beth N. McLellan, M.D., Associate Professor, Department of Medicine (Dermatology), Albert Einstein College of Medicine, Montefiore, NYC is principal investigator for a clinical study to evaluate the effectiveness of scalp cooling for patients with various hair types. The study is conducted with support from Paxman.

Can you tell us briefly about your professional background and why you started to work in the dermatology field?

I am a board certified dermatologist and have specialized in supportive oncodermatology since I completed my residency in 2011. I have served as the Director of Supportive Oncodermatology at the Montefiore Einstein Cancer Center since 2013, and Chief of the Division of Dermatology at Montefiore-Einstein since 2020. I was drawn to the intersection of oncology and dermatology because I enjoy supporting patients during this most difficult time, and I appreciate the tremendous impact quality dermatology care can have on a patient's overall experience with cancer.

What are the main focus areas of your work in your current position?

I currently treat patients with complex skin cancers as well as toxicities related to cancer therapy. My research focus has been on radiation dermatitis, where I am examining the roles of the microbiome and the immune system in promoting radiation dermatitis.

What are the key drivers behind your involvement in this study with Paxman?

Serving the Bronx community, which is uniquely diverse but also has the highest rate of

poverty in New York City. Our patients have not had access to scalp cooling and while investigating the possibility of bringing cooling to our center, I realized the lack of data supporting its efficacy in patients with skin of color and hair types 3-4. I am interested in decreasing this significant disparity in cancer care.

Can you describe your role in this study?

I am the Principal Investigator (PI) for this study.

What are you hoping to see in the study results, and how will you make use of the study results going forward?

I hope we can show that scalp cooling can be effective in patients with various hair types, and that it can successfully be implemented in a busy urban cancer center with a high number of Medicaid patients.

How has this study been financed?

The American Academy of Dermatology (AAD) has approved funding of the scalp cooling project, along with a grant from Pfizer and the Skin of Color Society supporting the salary of a research fellow.

Is there any additional information on the study that you would like to highlight?

This study would not be possible without the support of Paxman, and we are very grateful to have this collaboration in place which will be of great benefit to our patients and hopefully will help patients with skin of color globally.

Clinical studies and collaborations

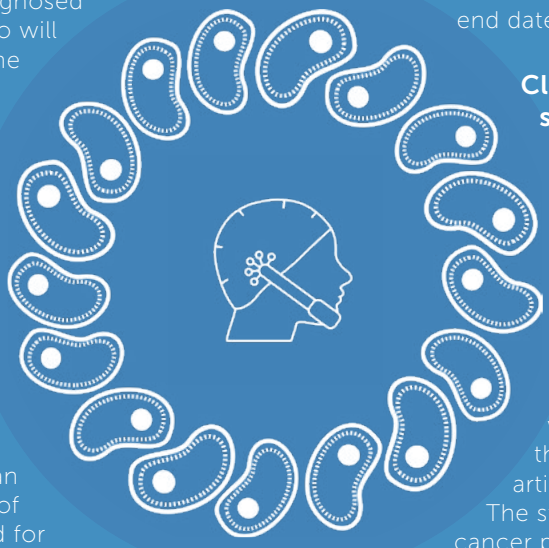
The Paxman Scalp Cooling System is continuously evaluated with different types of chemotherapy treatments and patient groups, hair types and ethnicities from around the world in order to gain further knowledge, improve patient experience and efficacy and ensuring a diverse and inclusive approach to provide the best possible outcome and patient education.

Some of the studies that were active or saw results published in 2021

Large open randomized breast cancer trial in South Korea

An open label randomized controlled trial of Paxman's PSCS system with chemotherapy-induced alopecia in breast cancer patients was initiated in South Korea in December 2020. The trial will study stage I-III breast newly diagnosed cancer patients, aged 20-69 who will receive Adriamycin and/or Taxane as neoadjuvant or adjuvant treatment.

Paxman, along with their partner TPC (part of the Nokwon Group) will continue to collaborate closely with the study's principal investigator Jin Seok Ahn, MD, PhD and its co-principal investigator Juhee Cho, PhD of the prestigious Samsung Medical Center, during the trial period. Patient recruitment began in November 2020. Publication of the data from the trial is planned for early 2023.



The primary objective of the trial is to demonstrate that the PSCS system is effective in reducing permanent chemotherapy-induced alopecia in woman with breast cancer undergoing neoadjuvant or adjuvant chemotherapy. The demonstration that the PSCS is effective in reducing distress due to chemotherapy-induced alopecia and increasing quality of life in women with breast cancer undergoing neoadjuvant or adjuvant chemotherapy is the important secondary objective.

Study with 100 participants in Hong Kong

In December 2020, the "Alopecia Prevention Scalp Cooling in Chinese Breast Cancer Patients" study was initiated at the Prince of Wales Hospital, Hong Kong and is expected to be concluded towards the end of 2023. The trial will aim to enrol 100 patients and measure the success rate of scalp cooling, the rate of perceived hair preservation, quality of life, and the incidence of treatment-emergent adverse events of scalp cooling.

Additionally, the ongoing independent trial "Scalp Cooling in Gynecologic Cancer Patients" continues at the University of Hong Kong, Queen Mary Hospital. This trial will measure levels of anxiety / depression, quality of life, incidence and grading of CIA, and incidence and grading of treatment-related adverse events. Mid-2022 is the anticipated end date.

Clinical study in Japan shows strong scalp cooling efficacy in Asian patients

In the middle of 2020, data from a clinical prospective study at the Shikoku Cancer Center concluded that efficacy in Asian breast cancer patients is comparable to Caucasian patients. This is an important finding following weaker data for Asian patients that was published in 2019. The article is available to read online. The study included 143 female breast cancer patients with an average age of 50 who planned to receive (neo) adjuvant chemotherapy. Its primary aim was to evaluate patients with grade 3 alopecia (>50%) and use of a wig one month after chemotherapy.

The author followed up with these patients, and in 2021 further data was published in the Supportive Care in Cancer Journal in a publication named 'Prospective study of hair recovery after (neo) adjuvant chemotherapy with scalp cooling in Japanese breast cancer patients (Ohsumi et al 2021)'.

In this study, all the women were assessed for the following year and it was found that objective hair regrowth was better at all time points for the scalp cooling group compared to the control. The patient's own (subjective) assessment of hair regrowth was significantly better after SC at 4 and 7 months. In addition, the objective increase in the

rate of hair growth in the SC group occurred in both those that experienced Grade 3 alopecia 1 month after treatment and those that did not, thus scalp cooling could reduce hair follicle damage even in those who suffer Grade 3 alopecia. This theory is supported by the fact that the study also showed that persistent alopecia, defined as hair loss at 13 months, occurred in 1.4% of the SC group compared to 18.4% in the control group.

Indian study on the psychosocial impact of hair loss

An Indian study, "A Descriptive Study to Analyse Chemotherapy Induced Hair Loss and its Psychosocial Impact in Adults: Our Experience from a Tertiary Care Hospital" (2021) claims 'A total of 101 (56.4%) patients felt that hair loss was the worst side effect of chemotherapy, while 29 (16.2%) had to continue because it was life saving.'

The first clinical data report of scalp cooling in Argentina

Paxman's distribution partner in Argentina, Xeikon DIAGNO SA, has been working closely with the prestigious The Sanatorio Parque, Rosario, in the Province of Santa Fe on the first clinical data report of scalp cooling in Argentina, which is now published.

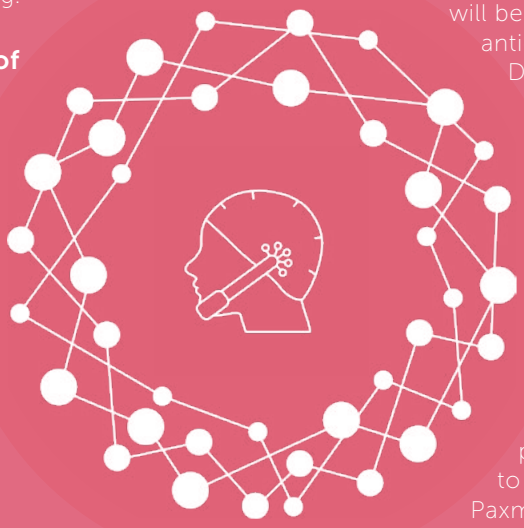
The overall success rate in the prevention of chemotherapy-induced alopecia was 78% in the population analysed, being 90% with taxanes, 71% with anthracycline-taxane and almost 61% with taxanes-platinum and dose-dense anthracyclines / taxanes. The most common adverse events were headache and chills, while no serious adverse effects were recorded. 11.4 % of the patients discontinued the scalp cooling treatment program due to intolerance.

First non-cancer scalp cooling study in pediatric patients

In February 2021, Paxman announced that the "Pilot Study of Cold Cap Therapy for Prevention of Hair loss in Pediatric Patients Receiving Chemotherapy for Non-Malignant Indications" will be the first study undertaken with Paxman in pediatric patients, and also the first time scalp cooling has been investigated as a therapy for the prevention of hair loss for patients receiving chemotherapy for non-malignant indications. High dose conditioning chemotherapy and subsequent hematopoietic stem cell transplant (HSCT) has been associated with permanent chemotherapy induced alopecia. The incidence of permanent alopecia ranges from 0.9% to 43% in adults and 24% in pediatric patients.

The primary aim of the study is to assess the safety and feasibility of the use of scalp cooling in pediatric and young adult patients receiving chemotherapy for non-malignant disorders. Comparisons will be made of hair loss experienced by the scalp-cooled patients receiving chemotherapy and those patients who do not use scalp cooling during their chemotherapy treatment. The incidence and intensity of chemotherapy induced hair loss in patients receiving chemotherapy for non-malignant conditions who have used a scalp-cooling device will also be assessed.

The recruitment of up to 40 participants will begin in mid-March 2022 with an anticipated primary end date of December 2024. Conclusion of the study is expected by the end of 2025.



Assessing the impact of scalp cooling in connection with metastatic breast cancer

November saw the opening of a new clinical trial at the Dana Farber Cancer Institute. This is a prospective, controlled, pivotal clinical investigation to assess the efficacy of the Paxman Scalp Cooling System (PSCS) at preventing hair loss in women undergoing treatment for metastatic breast cancer with Sacituzumab govitecan (IMMU-132 or Trodelvy™), Trastuzumab deruxtecan (DS-8201a or Enhertu®), or Eribulin (Halaven®). 40 participants will be recruited into each treatment arm. In each treatment arm, 20 participants will receive scalp cooling and 20 participants will receive no scalp cooling, for a total of 120 participants. Hair loss and quality of life (QOL) will be measured in participants at baseline, C3D1, and C5D1by CTCAE criteria.

International and digital presence at scientific conferences and industry events

Research conferences and industry events are two of Paxman's most important forums for raising awareness and knowledge of scalp cooling, and to create credibility and enthusiasm for its activities among leading researchers and clinicians. Many events were digital only in 2021 due to the pandemic, but in the second half of the year it became possible to meet again in some regions. During this period, several events used a hybrid model with both on site and digital participation.

During the first half of the year, Paxman participated at events including Best of Breast, SABCS Highlights (Temple Health/Fox Chase), Virtual West Oncology Conference, Miami Breast Cancer Conference, ICCN, St Gallen, the ASCO conference and the international annual MASCC conference.

During the second half of the year, the company attended events including the annual ONS conference, TAPA in Texas, the ASCO Quality Care Symposium, APAO (Association of PA's in Oncology), Evolution (oncologist education conference for women by women), the Kaiser Permanente Annual Breast Cancer Survivor Gala, the UKONS conference, London Global Cancer week, Medica in Germany and San Antonio Breast Cancer Symposium (SABCS).

Paxman contributed with its own comprehensive range of digital activities and events in 2021, including more episodes of Claire Paxman & Special Guests and its Conversations with the CEO series, where Richard Paxman invites experts to conversations on cancer treatments and various aspects of scalp cooling, and its Clinical Pioneer Program. In 2022, the Changing the Face of Cancer Podcast was launched, and Paxman will also host the world's first Scalp Cooling Summit, a global and first of its kind conference with participants including several leading researchers and clinicians. The Scalp Cooling Summit will bring together 49 speakers and over 1,000 delegates.

Confirmed Scalp Cooling Summit keynote discussions at the time of publication for the annual report include

- *Scalp Cooling with Anthracyclines – Breaking Away from 'Taxanes Only'* with Dr Julie Nangia, Dr Jin Seok Ahn, Dr Takayuki Kinoshita, Dr Christian Kurbacher, Nurse Lead Mary Fay, and opening comments by Hope Rugo,
- *Oncodermatologist Perspective – Why Side-Effect Management Should be Preventative, Not Curative* with Dr Nicole LeBoeuf, Corina van den Hurk, Dr Ian Tattersall, and Dr Beth McLellan,
- *Development of the Chemotherapy-Induced Peripheral Neuropathy Cryocompression Device* with Dr Charles Loprinzi, Dr Stephanie Graff, Dr Raghav Sundar, Aishwarya Bandla, Dr Melissa Accordino, and
- *Patient Advocate Anne Marie Mercurio and The Importance of Protocols in Achieving Efficacious Scalp Cooling* with Dr Lindsay Peterson, Dr Steven Isakoff, Mikel Ross, Corina van den Hurk, and Elisa Mills.

Complete information on the event can be found here.

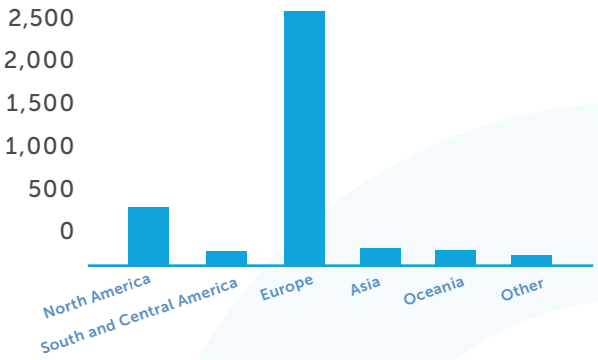
Changing the Face of Cancer Podcast is available via common podcast platforms. All episodes from Conversations with the CEO and Claire Paxman & Special Guests (UK and US versions), are available to listen to here.

Markets and sales

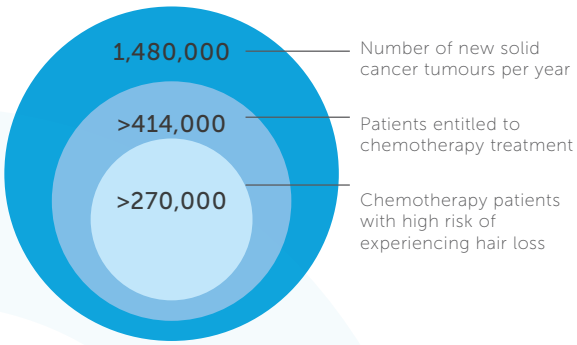
Scalp cooling to prevent hair loss in connection with chemotherapy – a global growth market

Paxman develops and offers complete scalp cooling solutions to prevent chemotherapy-induced hair loss. As cancer affects people in all countries, the market for scalp cooling is truly global and currently Paxman has customers in Europe, North, Central and South America, Asia, Oceania and Africa.

Total number of delivered systems per region



The North American market



Source: American Cancer society.

According to the Global Cancer Observatory, approx. 18 million new cancer cases were discovered in 2018, and 9 million people died of the disease. That makes cancer the most common cause of death after heart and lung diseases. The market for cancer drugs is the world's largest pharmaceutical drug market with a turnover of about 97 billion USD in 2017 according to Global Data.

Chemotherapy is a common treatment for solid tumour cancers when the cancer has spread throughout the body. The company's assessment based on data from UK National Cancer Registration and Analysis Service is that approx. 6 million patients are treated with chemotherapy every year, corresponding to 28 percent of all cancer patients depending on cancer type.

A majority of the patients who undergo chemotherapy are affected by hair loss, and it is one of the side effects that most patients worry about. That makes the issue doubly important for health care providers. Paxman estimates that approximately 4 million cancer patients could be eligible for scalp cooling treatment to reduce hair loss each year.

As the knowledge on the benefits of scalp cooling increases, and thus the demand from both healthcare providers and patients, the scalp cooling market is growing at a strong rate. The inclusion in the NCCN® guidelines and ONS guidelines in the USA, ESMO guidelines in Europe and Cancer Australia's guidelines will also further contribute to the use and acceptance of scalp cooling. It is also of great importance that healthcare systems include reimbursement for scalp cooling, and here 2021 became a breakthrough year in the USA. The AMA issued two CPT codes for scalp cooling, and the CMS decided that Medicare claims using one of these codes will be subject to a National Average Payment of 1,850.50 USD, effective January 1, 2022. Paxman had installed around 4,400 scalp cooling systems at the end of 2021, which means that only a fraction of all patients who could benefit from scalp cooling currently has access to the technology.

The USA is the world's largest health care market, with approximately 1.8 million new cancer cases each year according to the American Cancer Society. About 270,000 of these are invasive breast cancer cases, of which many are treated with chemotherapy. Consequently, the USA is one of Paxman's most important individual markets.

In Japan, where Paxman received market approval in March 2019, about 1 million new cancer cases are discovered each year. Japan is expected to become one of Paxman's most important markets in the coming years, and the company is also aiming to increase its presence in markets such as India, while also establishing the company in China where a letter of intent was signed with a distributor in April 2022.

Competitors

Scalp cooling using gel caps has been used for many years, but require careful and correct handling to work optimally and lack approval from important government bodies such as the FDA in the USA. Consequently, Paxman does not expect any meaningful competition from companies using this method. In the liquid-based scalp cooling sector, Dignitana is the most prominent competitor with some success globally and in the USA, and has sold hundreds of systems in total. However, Paxman has sold thousands rather than hundreds of systems and is the only company to have received market approval in Japan, giving Paxman a head-start of 1-2 years in the world's second largest market. In the USA, Cooler Heads is a new competitor with a device cleared to be marketed and sold since late 2021. In Japan, Reve21 is a competitor with a broader hair loss prevention and hair growth stimulation focus.

Chemotherapy-induced nerve damage in hands and feet (CIPN)

– a global and under-treated health problem

Many people know that chemotherapy treatment can cause hair loss, but nerve damage in hands and feet (chemotherapy-induced peripheral neuropathy, CIPN) is also a severe and common side effect. Paxman is therefore collaborating with the National University Hospital in Singapore (NUH) to develop Paxman Cryocompression System (PCCS), a portable compression and cooling device to prevent CIPN. A clinical trial with healthy volunteers and cancer patients was initiated in November 2021, and it is estimated to be completed in September 2023.

According to Dr. Raghav Sundar at NUH, around 30 to 40 percent of all patients who are treated with neurotoxic chemotherapy are affected by CIPN. The condition is thought to be underdiagnosed, partly because many patients are not aware of this side effect.

There is currently no preventative method nor cure for CIPN, while the market for pharmaceuticals relieving neuropathy-related symptoms has an estimated value of approximately 9 billion SEK (1 billion USD).

Clinical evaluation

Before PCCS can be launched, marketed and sold to customers, the product needs to complete clinical evaluation and receive market approval by relevant governmental bodies. Paxman has excellent knowledge on what is needed to receive market approval, as the company's scalp cooling system has completed a corresponding process. The development project in Singapore received a research grant of 1.57 million SGD from National Research Foundation (NRF) in Singapore in May 2021, and a clinical trial with National University Hospital, Singapore, in collaboration with The N.1 Institute for Health, National University of Singapore to investigate the safety and tolerability of delivering limb cryocompression and efficacy in improving the preservation of peripheral nerves during chemotherapy. The efficacy of prevention will be monitored using various clinical and patient-reported outcomes. Optimal temperature and pressure of limb cryocompression has been established in healthy subjects, and now a group of cancer patients are undergoing limb cryocompression over multiple cycles of chemotherapy to establish safety and tolerability of repeated therapy. The pilot trial in Singapore has now completed recruitment, and data should be available by Q4 2022, however we expect to expand the study to include additional sites in Singapore. A larger randomized phase 3 efficacy study is being planned to open in the USA. The data from the trials will be used in regulatory documentation to support the cryo-compression system as a new medical device, initially in Singapore, and then the United States. The company has also recruited Prof. Charles Loprinzi from the Mayo Clinic, Rochester, USA as a new member of Paxman's advisory board. Prof. Loprinzi is one of the world's top key opinion leaders in the CIPN field and the first author of the ASCO 2020 CIPN guidelines.

Competitors

To date, there is no market-approved cooling product to prevent CIPN. However, the UK-based company Hilotherm is selling a cooling device in this region that is being used for a number of indications including CIPN prevention. There are also other medical device companies conducting research and development in this field. The Swedish company Braincool, listed on Nasdaq First North, is considered the most important competitor. Paxman believes that the company's solid experience from developing market leading scalp cooling equipment, collaborations with world-leading scientists at NUH, excellent relationships and collaborations with leading key opinion leaders in the clinical field, a strong global customer base and an exclusive focus on oncology-related applications constitute substantial advantages over this competitor.

> In addition to the United States, Asia including Japan, India and China is expected to become the most important region for Paxman's future growth.

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. In 2021, the company continued to solidify its position as the superior global market leader by selling and/or installing 401 systems in Europe, North and South America, Asia, Oceania and Africa, despite continued challenges due to the corona pandemic.

In addition to the United States, Asia is becoming an increasingly important region for Paxman. Japan is the company's leading single Asian market, with India and China expected to become additional important contributors of growth. For China, Paxman signed a letter of intent (LOI) in April 2022 with Guangzhou Concord Medical Sci-Tech Innovation Center Co., Ltd., a business subsidiary of Concord Medical Services Holdings Limited (NYSE: CCM), to jointly develop the market for the Paxman Scalp Cooling System within the Greater China territory, including Macau, Taiwan and Mongolia. The initial collaboration is for a period of five years and will include an evaluation period of 24 months to treat up to 300 patients at Concord Medical's Guangzhou Concord Cancer Center, a National Health Commission certified tertiary specialty hospital, situated in Sino-Singapore Guangzhou Knowledge City. Paxman is also established in other Asian markets such as Malaysia, Singapore and Pakistan. So far, the company has delivered over 70 systems to Japan, and continued orders and deliveries are expected to resume as this market gradually returns to a normal state of affairs after the pandemic.

Paxman is also investing in efforts to increase its physical and digital presence in important regional markets, as well as a strengthening of the marketing function in the UK. As a part of these efforts, regional managers have been appointed for European markets such as France, Germany and Scandinavia as well as India in Asia. Additionally, the project for the development of a new product to prevent chemotherapy-induced nerve damage in hands and feet (CIPN) constitutes a promising opportunity to broaden the product portfolio in the future. This project continued to advance in 2021, with a clinical trial initiated in November.

The company will also continue the transition to regional business models, with income generated for each personal cooling cap that is sold and/or each treatment. This business model is fully implemented in the United States, and a similar model is used in Mexico in collaboration with the licensing partner Teva, as well as in Canada. A modified model is used in Japan where the company sells scalp cooling systems to the distributor and receives payment for each personal cooling cap sold. This model will be gradually implemented in additional markets when the company is able to start offering its latest PSCS model.

PAXMAN
CHANGING THE FACE OF CANCER

Systems installed in 2021

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

Australia	10	Ireland	1	Singapore	2
Austria	2	Israel	3	Slovenia	1
Brazil	19	Italy	20	Spain	2
Bulgaria	3	Malaysia	1	Sweden	6
Canada	16	Morocco	1	Switzerland	6
Czech Republic	4	Netherlands	37	Turkey	3
France	13	Poland	3	United Arab Emirates	4
Guatemala	2	Romania	1	United Kingdom	72
Hungary	1	Russia	11	USA	146
India	10	Saint Martin	1	**Total**	**401**

PAXMAN
CHANGING THE FACE OF CANCER

Systems installed in 2020

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

Australia	11	Hungary	1	Russia	12
Bahrain	1	India	3	Saudi Arabia	2
Brazil	8	Israel	1	Singapore	1
Canada	1	Italy	20	Slovakia	1
Cayman Islands	1	Japan	21	Spain	2
Cyprus	3	Malaysia	1	Sweden	5
Czech Republic	1	Netherlands	33	Switzerland	12
France	19	Pakistan	1	UK	74
Germany	4	Poland	4	United Arab Emirates	1
Greece	1	Portugal	3	USA	97
				Total	**345**

The people behind Paxman

All holdings refer to current holdings at the time of publication for this annual report.

Management team

Richard Paxman

CEO and member of the board since February 10, 2017.

Richard Paxman has extensive experience from global market development, including design of clinical studies and regulatory approvals specifically related to scalp cooling. He has worked for the company since 2009. Before Richard Paxman started his assignment at Paxman Coolers Ltd he held a leading position at Brewfitt Ltd.

Born: 1983

Holding: 1,281,000 shares

Emelie Gustafsson

CFO since March 1, 2020.

Since 2015, Emelie Gustafsson is the CFO of the CIMON group, one of PAXMAN's largest shareholders, and she is also a board member of several companies in the CIMON Group. Was also a board member of Paxman's British companies until 2016. She has a solid academic background with a double bachelor's degree in economics and tax law at Kristianstad University.

Born: 1980

Holding: 2,000 shares

The Board

Per-Anders Johansson

Chairman of the board since December 1, 2016.

Per-Anders Johansson has extensive experience from technology and development companies and is an active investor through CIMON AB. CIMON AB has invested in and developed several successful companies. Per-Anders Johansson also has long industrial experience from the Karlshamns group, Nordico and Ellos where he has held leading positions.

Born: 1954

Holding: 1,263,992 shares via CIMON Venture Trust AB, 5,000 shares privately held, 310,000 shares via NOMIC AB.

Robert Kelly

Member of the board since January 10, 2017.

Robert Kelly is a lawyer specialised in corporate law.He is also an authorized accountant and has extensive experience from management of both private and public companies before his career as a lawyer. Robert Kelly has also been CFO and later CEO of the technology company, Minorplanet Systems plc, that was listed on the London Stock Exchange. Before that he held leading positions at Caudwell Group and Kunick plc.

Born: 1961

Holding: 11 250 shares

Björn Littorin

Member of the board since December 1, 2016.

Björn Littorin has extensive experience as a management consultant, business leader and board member of both manufacturing and service-based companies as well as 20 years' experience as Investment Manager and board member of technology and development companies, mostly within medical technology. Some of the companies where he has been CEO or board member have been listed on the Stockholm Stock Exchange. He was also a board member of Paxman Group Ltd and its subsidiary Paxman Coolers Ltd until 2017. Björn Littorin is Chairman of the Board in Klaria Pharma Holding AB, listed at Nasdaq First North Growth Market.

Born: 1947

Holding: 465,076 shares

The Board

Glenn Paxman

Member of the board since January 10, 2017.

Glenn Paxman is the founder of PAXMAN and responsible for the design and development of the scalp cooler. He has over 40 years of business experience including management strategy and product design of medtech products, and over 25 years of experience in developing manufacturing processes for the pharmaceutical and chemical industry sectors. Glenn is also the founder and chairman of Brewfitt Ltd. Currently, his role in the company is to support the board and management in strategic matters and assist in growth-stimulating projects on the American market.

Born: 1956

Holding: 5,857,395 shares

Richard Paxman

CEO and member of the board since February 10, 2017.

Richard Paxman has extensive experience from global market development, including design of clinical studies and regulatory approvals specifically related to scalp cooling. He has worked for the company since 2009. Before Richard Paxman started his assignment at Paxman Coolers Ltd he held a leading position at Brewfitt Ltd.

Born: 1983

Holding: 1,281,000 shares

Maria Bech

Member of the board since January 10, 2017.

Maria Bech has extensive experience from several companies in the biotech and pharmaceutical sector, and has held leading positions including Clinical Project Manager and Study Delivery Director at AstraZeneca, Director Clinical Operations and Principal Project Manager at Karo Bio AB and Chief Scientific Officer at Smartfish AB. Maria is a board member in Neuronano AB and Iconovo AB, and CEO in EpiEndo Pharmaceuticals.

Born: 1968

Holding: 4,200 shares held directly and 4,500 held through the company Bech Pharma Consulting AB

Directors' report 2021

The Board of Directors and the Chief Executive Officer of Paxman AB (publ), hereby submit the annual accounts and consolidated accounts for the financial year 1 January–31 December 2021.
Amounts in the annual report are reported in thousands of Swedish kronor (TSEK), unless otherwise stated.

Corporate information

The company

Paxman AB (publ), with corporate registration number 559079-3898, was established in October 2016. Its current name and operations were registered on 14 December 2016. Paxman AB is a public limited liability company, and its legal form is thus regulated by the Swedish Companies' Act (2005:551). The parent company has its registered office in Karlshamn, at Pirgatan 13, SE-374 35 KARLSHAMN. Production and sales are handled by the UK subsidiary Paxman Coolers Ltd, International House, Penistone Road, Fenay Bridge, HD8 0LE HUDDERSFIELD, England. The group also has a subsidiary in the US, Paxman US, Inc. with its registered office in Houston, Texas. Paxman Coolers Ltd as well as Paxman US, Inc. are wholly owned subsidiaries of Paxman Group Ltd, in its turn a fully owned subsidiary of Paxman AB (publ).

Paxman AB has appointed FNCA Sweden AB (tel +46 8 – 528 003 99, info@fnca.se) its Certified Adviser.

Earnings and financial position

- The group's turnover amounted to 96,202 (78,053) TSEK.
- The group's net profit/loss was -12,776 (-19,186) TSEK, with profit/loss per share amounting to -0.67 (-1.2) SEK.
- Consolidated equity as of 31 December totalled 125,755 (10,889) TSEK. The equity/assets ratio for the group was 75.6 (14.1)%.
- The cash and bank balances for the group was 72,266 (3,577) TSEK.
- At year end, the group had 17,154 (48,230) TSEK in external interest bearing liabilities, of which 11,328 (31,817) TSEK were current.
- Cash flow from operating activities amounted to -4,143 (-8,484) TSEK, and this year's net investments affecting cash flow to -24,446 (-6,320) TSEK. Cash and cash equivalents increased by 68,689 (1,974) TSEK during the year.

The parent company

- Up until the summer of 2021, the parent company's operations only included group functions such as finance, legal and communication. However, during the second half of the year, the company has also initiated sales of systems.
- The parent company's cash and bank balances amounted to 69,419 (50) TSEK on 31 December.
- Cash flow from operating activities was -4,784 (-4,974) TSEK. Net investments affecting cash flow for the year amounted to -70 (0) TSEK.
- The parent company had 1 (0) employee on the balance sheet date.

Multi-year summary for the group

	2021	2020	2019	2018
Operating income, TSEK	104,708	85,478	95,670	68,563
EBITDA [1)]	2,882	-1,045	2,438	-95
Operating profit/loss, TSEK	-10,587	-11,690	-5,960	-4,782
Profit/loss after financial items, TSEK	-12,670	-20,096	-2,674	-5,164
Total assets, TSEK	166,341	77,011	84,973	55,739
Equity/assets ratio, % [2)]	75.6%	14.1%	33.4%	45.6%
Total number of employees at year end	56	51	48	41

1) Earnings before interest income, interest expenses, tax and depreciation.
2) Adjusted equity as a percentage of total assets.

Significant developments in 2021

In the beginning of the year, it was announced that the American Medical Association (AMA) had issued two separate CPT® codes for the "mechanical scalp cooling". The CPT® Category III codes are 0662T and 0663T, and they will come into effect on July 1, 2021.

At the beginning of February, Paxman resolved on a directed issue of approximately 59 MSEK before transaction costs. The aim of the directed issue was:

- to strengthen Paxman's financial position with the continued execution on strengthening the company's commercialization strategy including strengthen the company's sales organization with direct presence as well as new and established distribution partners in key regional markets
- advancement of the company's reimbursement strategy in the USA and investments in the company's R&D pipeline through the development of the miniature cryo-compression device for the prevention of chemotherapy induced peripheral neuropathy (CIPN).

During the first quarter, it was announced that an observational, prospective pilot study will be the first to use a Paxman Scalp Cooling System for prevention of chemotherapy-induced hair loss in pediatric patients.

In the beginning of the second quarter, a bill proposing mandatory insurance coverage for FDA cleared scalp cooling costs for cancer patients, passed the Texas House committee on insurance with 8 votes to 1.

In May, Paxman appointed Sistemplus S.A. as exclusive distribution partner for the new territory of Chile, and Medinova LLC as the global distribution partner for Ukraine.

In late May, Paxman's research collaboration with clinicians and researchers at National University Health System (NUHS) in Singapore for the development of a mobile cryo-compression system to prevent chemotherapy-induced peripheral neuropathy (CIPN), received a 1.57 million SGD research grant from National Research Foundation (NRF) in Singapore.

In mid-June, Paxman signed distribution agreements with PT. Gekha Karunia Abad for Indonesia and VisionTech International for Bangladesh. With these agreements Paxman will establish its business in two countries with large populations: Indonesia is the world's fourth most populous country and Bangladesh has a population of over 164 million.

During the third quarter, it was announced that Paxman reopened their operations in Canada. The obstacles that led to the company leaving the market in 2019 have now been overcome.

In September, testing of Paxman's CIPN system on healthy volunteers was initiated in Singapore, as part of the CIPN project run in conjunction with the National University of Singapore (NUS).

During the fourth quarter, it was announced that the US Centers for Medicare & Medicaid Services (CMS) has reassigned payment for scalp cooling for Medicare claims filed using CPT code 0662T to New Technology APC 1520 with a National Average Payment of 1,850.50 USD, effective January 1, 2022. An Ambulatory Payment Classification (APC) is the US government's method of paying healthcare facilities for outpatient services for the Medicare program. The new payment assignment enables facility reimbursement under the Medicare Hospital Outpatient Prospective Payment System (OPPS).

In November, Paxman initiated a clinical trial with National University Hospital, Singapore, in collaboration with The N.1 Institute for Health, National University of Singapore. The study aims to investigate the safety and tolerability of limb cryocompression in preventing of Chemotherapy-induced Peripheral Neuropathy (CIPN) via the newly developed Paxman Cryocompression System (PCCS) in healthy subjects and cancer patients and is estimated to be completed in September 2023.

In December, Paxman completed a directed share issue and thereby received SEK 77 million before transaction costs. The proceeds will be used to strengthen the company's financial position and the continued work to execute on its commercialization strategy, including the launch of a new buy and bill business model in the United States to enable reimbursement.

For significant events after the end of the financial year, see note 2 (only included in the full Swedish version).

Employees

As of 31 December 2021, the Paxman group had a total of 56 employees, of whom 1 person in the parent company, 48 in Huddersfield, England and 7 in Houston, USA.

As of 31 December 2020, the Paxman group had a total of 51 employees, of whom 44 in Huddersfield, England and 7 in Houston, USA.

Incentive programmes

At the Annual General Meeting on May 23, 2019, it was resolved to issue warrants to employees of the subsidiary Paxman Coolers Ltd. A total of 68,478 warrants have been issued, with the right to subscribe for a maximum of 68,478 new shares in Paxman AB. The warrants entitle the holder to subscribe for shares from June 2020 until June 2029, at a subscription price of SEK 65.37 per share. Upon full subscription, the dilution effect amounts to 0.4% of the total number of shares in the company.

Environment

The Paxman group conducts no operations covered by, or requiring concessions in accordance with, the Environmental Code.

Proposed appropriation of retained earnings

Retained earnings at the disposal of the Annual General Meeting:

Retained earnings	149,489 TSEK
Profit/loss for the year	-4,676 TSEK
	144,813 TSEK

The Board of Directors proposes that the retained earnings are to be appropriated as follows:

Carried forward	144,813 TSEK
	144,813 TSEK

Paxman's net profit/loss for the accounting year 2021, as well as the company's financial position as at 31 December 2021, are disclosed in the following income statements, balance sheets and cash flow statements.

Consolidated income statement

TSEK	Note	2021	2020
Operating income			
Net sales	4,5	96,202	78,053
Work performed by the company for its own use and capitalized		8,506	5,084
Other income	6	0	2,341
Total operating income		104,708	85,478
Operating expenses			
Raw materials and consumables		-40,190	-32,449
Other external costs	7, 9	-29,083	-30,098
Personnel costs	8	-32,553	-23,976
Depreciation and write-downs	10	-13,469	-10,645
Total operating costs		-115,295	-97,168
Operating profit/loss		-10,587	-11,690
Result from financial investments			
Other interest income and similar profit/loss items	11	13	13
Interest expense and similar profit/loss items	12	-2,096	-8,419
Total result from financial investments		-2,083	-8,406
Profit/loss after financial items		-12,670	-20,096
Tax	13	-106	910
Net profit/loss for the year		-12,776	-19,186
Net profit/loss per share*		-0.67	-1.20

* The calculation of net profit/loss per share is based on the average number of shares during the year.

Consolidated balance sheet

TSEK	Note	2021-12-31	2020-12-31
Assets			
Fixed assets			
Intangible assets	14		
Concessions, patents, licences, trademarks and similar rights		16,364	12,424
Total intangible assets		**16,364**	**12,424**
Tangible assets	15		
Plant and machinery		32,367	26,551
Equipment, tools, fixtures and fittings		3,518	2,947
Total tangible assets		**35,885**	**29,498**
Financial assets			
Deferred tax asset	13	6,380	5,735
Participations in associated companies	16	47	42
Total financial assets		**6,427**	**5,777**
Total fixed assets		**58,676**	**47,699**
Current assets			
Inventories etc.			
Finished products and goods for resale		18,111	13,746
Total inventories etc.		**18,111**	**13,746**
Current receivables			
Accounts receivable – trade	19	12,056	6,271
Receivables from associated companies	20	94	527
Other receivables		2,334	1,618
Prepaid expenses and accrued income	21	2,804	3,573
Total current receivables		**17,288**	**11,989**
Cash and bank balances		72,266	3,577
Total current assets		**107,665**	**29,312**
Total assets		**166,341**	**77,011**

Consolidated balance sheet

TSEK	Note	2021-12-31	2020-12-31
Equity and liabilities			
Equity			
Share capital (19 012 500 shares)		19,012	16,012
Non-restricted equity		119,519	14,063
Profit/loss for the year		-12,776	-19,186
Total equity		125,755	10,889
Provisions			
Provisions for taxes	13	939	667
Total provisions		939	667
Non-current liabilities			
Liabilities to credit institutions	22	5,826	16,413
Total non-current liabilities		5,826	16,413
Current liabilities			
Liabilities to credit institutions	22	11,328	31,817
Accounts payable – trade		16,506	10,957
Income tax liability		-	-
Other liabilities		512	2,808
Accrued expenses and deferred income	23	5,475	3,460
Total current liabilities		33,821	49,042
Total liabilities		39,647	65,455
Total equity and liabilities		166,341	77,011

For changes in equity for the group, see page 59.

Consolidated cash flow statement - Note 25

TSEK	2021	2020
Cash flow from operating activities		
Profit/loss before financial items	-10,587	-11,690
Financial items	-2,083	-8,405
Income tax paid	-106	735
Adjustments for:		
Depreciation and write-downs	13,469	10,645
Other non-cash items	-712	1,714
Cash flow before working capital changes	**-19**	**-7,001**
Cash flow from changes in working capital:		
Inventories etc.	-4,365	-1,885
Current receivables	-5,299	7,675
Current liabilities	5,540	-7,272
Cash flow from operating activities	**-4,124**	**-1,482**
Cash flow from operating activities	**-4,143**	**-8,483**
Investing activities		
Investments in intangible fixed assets	-5,590	-1,646
Investments in tangible fixed assets	-18,206	-4,674
Investments in financial fixed assets	-650	-
Cash flow from investing activities	**-24,446**	**-6,320**
Financing activities		
New loans (+) / repayment of loans (-)	-31,076	16,778
New share issue	128,354	-
Cash flow from financing activities	**97,278**	**16,778**
Cash flow for the year	**68,689**	**1,975**
Cash and cash equivalents, opening balance	**3,577**	**1,603**
Cash and cash equivalents, closing balance	**72,266**	**3,577**

Parent company income statement

TSEK	Note	2021	2020
Operating income			
Net sales	5	244	-
Total operating income		244	-
Operating costs			
Raw materials and consumables		-68	-
Other external costs	7, 9	-3,457	-3,110
Personnel costs	8	-890	-512
Depreciation and write-downs	10	-8	-
Total operating costs		-4,423	-3,622
Operating profit/loss		-4,179	-3,622
Result from financial investments			
Interest income and similar profit/loss items	11	823	717
Interest expense and similar profit/loss items	12	-1,320	-2,379
Total result from financial investments		-497	-1,662
Profit/loss after financial items		-4,676	-5,284
Tax	13	-	-
Net profit/loss for the year		-4,676	-5,284

Parent company balance sheet

TSEK	Note	2021-12-31	2020-12-31
Assets			
Fixed assets			
Tangible fixed assets			
Machinery and other technical facilities	15	62	-
Total tangible fixed assets		62	-
Financial assets			
Participations in group companies	17	26,701	26,228
Receivables from group companies	18	67,677	-
Total financial assets		94,378	26,228
Total fixed assets		94,440	26,228
Current assets			
Current receivables			
Receivables from group companies	18	-	46,867
Accounts receivable	19	143	
Other receivables		1,008	600
Prepaid expenses and accrued income	21	-	54
Total current receivables		1,151	47,521
Cash and bank balances		69,419	50
Total current assets		70,570	47,571
Total assets		165,010	73,799

Parent company balance sheet

TSEK	Note	2021-12-31	2020-12-31
Equity			
Restricted equity			
Share capital (19,012,500 shares)		19,012	16,012
Total restricted equity		**19,012**	**16,012**
Non-restricted equity			
Share premium reserve		149,489	28,947
Profit/loss for the year		-4,676	-5,284
Total non-restricted equity		**144,813**	**23,663**
Total equity		**163,825**	**39,675**
Liabilities			
Non-current liabilities			
Liabilities to credit institutions	22	-	9,480
Total non-current liabilities		**-**	**9,480**
Current liabilities			
Liabilities to credit institutions	22	-	23,840
Accounts payable – trade		371	136
Other liabilities		33	
Accrued expenses and deferred income	23	781	668
Total current liabilities		**1,185**	**24,644**
Total liabilities		**1,185**	**34,124**
Total equity and liabilities		**165,010**	**73,799**

For changes in equity for the parent company, see page 59-60.

Parent company cash flow statement - Note 25

TSEK	2021	2020
Cash flow from operating activities		
Profit/loss before financial items	-4,179	-3,622
Adjustments for:		
Financial items	-497	-1,662
Avskrivningar och nedskrivningar	8	
Cash flow from changes in working capital:		
Current receivables	-497	-90
Current liabilities	381	400
Cash flow from operating activities	**-4,784**	**-4,974**
Investing activities		
Investments in intangible fixed assets	-70	-
Cash flow from investing activities	**-70**	**-**
Financing activities		
New share issue	128,354	-
New loans (+)/repayment of loans(-)	-33,320	5,940
Loans to group companies	-20,810	-966
Cash flow from financing activities	**74,224**	**4,974**
Cash flow from financing activities	**69,370**	**-**
Cash and cash equivalents, opening balance	**50**	**50**
Cash and cash equivalents, closing balance	**69,419**	**50**

Changes in equity

The group TSEK	Share capital	Non-restricted equity	Profit/loss for the year	Total equity
Total equity as of 2019-12-31 (16,012,500 shares)	16,012	9,593	2,756	28,361
Profit/loss carried forward		2,756	-2,756	-
Translation gains/losses on consolidation		1,242		1,242
Share related remuneration regulated by equity instruments		472		472
Profit/loss for the year			-19,186	-19,186
Total equity as of 2020-12-31 (16,012,500 shares)	16,012	14,063	-19,186	10,889
Profit/loss carried forward		-19,186	19,186	
New share issue excluding issuing costs	3,000	125,354		128,354
Translation gains/losses on consolidation		-712		-712
Profit/loss for the year			-12,776	-12,776
Total equity as of 2021-12-31 (19,012,500 shares)	19,012	119,519	-12,776	125,755

Parent company TSEK	Share capital	Share premium reserve	Profit/loss for the year	Total equity
Total equity as of 2019-12-31 (16,012,500 shares)	16,012	32,560	-4,085	44,487
Profit/loss carried forward		-4,085	4,085	-
Translation gains/losses on consolidation				
Share related remuneration regulated by equity instruments		472		472
Profit/loss for the year			-5,284	-5,284
Total equity as of 2020-12-31 (16,012,500 shares)	16,012	28,947	-5,284	39,675
Profit/loss carried forward		-5,284	5,284	-
New share issue excluding issuing costs	3,000	125,354		128,354
Translation gains/losses on consolidation				
Share related remuneration regulated by equity instruments		472		472
Profit/loss for the year			-4,676	-4,676
Total equity as of 2021-12-31 (19,012,500 shares)	19,012	149,489	-4,676	163,825

Changes in equity

The share

Paxman has issued a total number of 19,012,500 shares, all fully paid for. Each share has a quota value of 1 SEK, and a voting right of 1. There are no pre-emption clauses, refusal clauses or other restrictions on the transfer of shares in the company. Up to 12 March 2018, the company's four original shareholders were bound by a so-called lock-up agreement, entered into in connection with Paxman's listing on Nasdaq First North Growth Market. By this agreement, these shareholders committed themselves to refrain from selling shares (directly or indirectly) in a nine-month period from the first day of trading on Nasdaq First North. In all, 12,810,000 shares were bound by the lock-up agreement. Prior to the listing this corresponded to 100 % of all issued shares; after the listing and the new shareissue to 80 %.

The share price

The listing price for Paxman's share on 12 June 2017 was SEK 9.50. The closing price at year-end was SEK 65. (2020: SEK 25.40, 2019: SEK 60,00, 2018: SEK 24,10, 2017: SEK 19,50).

Shareholders

The company's 10 largest shareholders as of 2021-12-30 (Source: Euroclear 30/12/2021).

Name	Number of shares held	Shareholding in %
Paxman, Glenn	5,957,395	31.33
Försäkringsaktiebolaget Avanza Pension	1,831,638	9.63
Paxman, Richard	1,281,000	6.74
CIMON Venture Trust AB	1,263,992	6.65
BNY Mellon SA/NV	994,584	5.23
Alcur Grow	887,269	4.67
Littorin, Björn	765,076	4.02
Länsförsäkringar Blekinge	585,000	3.08
Länsförsäkringar Kalmar län	545,185	2.87
Alcur Select	465,853	2.45

On 31 December 2021, Paxman had a total of 1,155 (2020: 963) shareholders. The 10 largest of these held 76.67 (79.5) % of all issued shares.

Data per share	2021	2020
Earnings per share, SEK [1]	-0.73	-1.2
Earnings per share at full dilution, SEK [2]	-0.73	-1.2
Equity per share, SEK , [1]	6.61	0.68
Cash flow from operating activities per share, SEK [1]	-0.27	-0.53
Share price at the end of the period, SEK	65	25.4
Number of shares at the end of the period	19,012,500	16,012,500
Number of shares at the end of the period at full dilution [2]	19,080,978	16,080,978
Number of shares, weighted average during the year	17,470,833	16,012,500
Number of shares, weighted average during the year at full dilution [2]	17,539,311	16,080,978

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

2) As of December 31, 2021, the company implemented an incentive program for employees in the subsidiary Paxman Coolers Ltd. The decision to issue warrants was made at the Annual General Meeting on May 23, 2019, and the warrants were issued immediately thereafter. In total, 68,478 warrants have been issued, which entitles to subscription for a maximum of 68,478 new shares in the company. The warrants entitle the holder to subscribe for shares from June 2020 until June 2029, at a subscription price of SEK 65.37 per share. Upon full subscription, the dilution effect amounts to 0.4% of the total number of shares in the company. As of December 31, 2021, there was no dilution effect to report.

PAXMAN

PIONEERS IN SCALP COOLING

HONEYBADGER

This annual report was made by Honeybadger together with Paxman

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