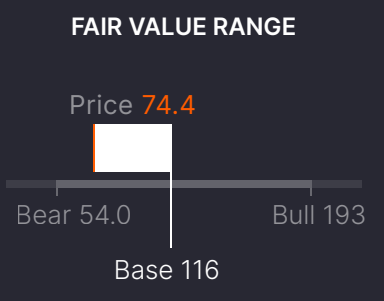
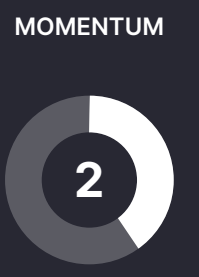
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Paxman

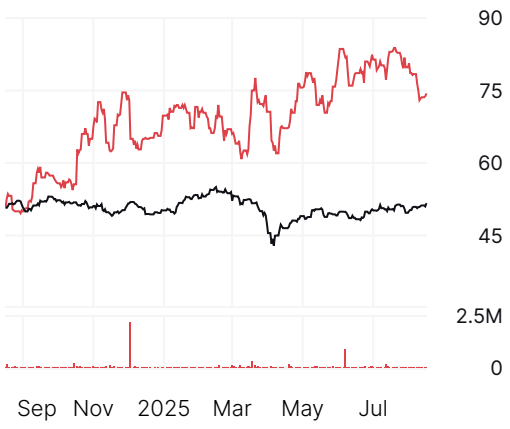
Research Note







Performance VS OMXS30



Paxman Q2: Initial take – A decent quarter and an intact outlook

Redeye provides an initial take following Paxman's Q2 2025 report. The quarterly figures were slightly below our projections, although we had anticipated forecasting challenges this quarter. Overall, we consider the report to be decent. We expect to make minor downward revisions to our short-term estimates but see no material impact on our valuation.

Share Information

Share Price SEK	**74.4**
Number of shares (M)	**23.3**
Marketplace	**First North Stockholm**
CEO	**Richard Paxman**
Chairman	**Per-Anders Johansson**

Key Stats

Market Cap	**1.7bn SEK**
Entprs. Value (EV)	**1.5bn SEK**
Net Debt (2025Q1)	**-143.1m SEK**
30 Day Avg Vol	**15 K**
Dividend Yield	**N/A**

Top Holders

Name	Ownership
Glenn Paxman	18.72%
Per-Anders Johansson	6.03%
Richard Paxman	5.45%
Länsförsäkringar	4.82%
Carl Ejler Rasmussen & Co. A/S	4.53%
Avanza Pension	4.39%
Eiffel Investment Group SAS	4.38%
Andra AP-fonden	4.02%
Unionen	2.79%
SEB Funds	2.71%

Redeye Equity Analysts



Gustaf Meyer
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Shareholder

More research on Paxman

Scan the QR code to access all Redeye publications and research tools regarding Paxman.

redeye.se/company/paxman

Earlier this morning, Paxman released its Q2 2025 report. Sales during the quarter amounted to SEK74.9m (63.4m), representing a y/y increase of 18% and a q/q increase of 12%. The sales can be compared to our estimate of SEK77.1m. In detail, SEK68.0m of the sales came from Paxman and SEK6.9m came from Dignitana. The Paxman sales were slightly lower than our projection of SEK70.1m, and Dignitana's sales were spot on to our estimate of SEK7.0m.

Furthermore, OPEX amounted to SEK-46.7m (-29.9m), compared to our estimate of SEK-41.5m. However, we note that SEK-4.4m of the costs were related to the acquisition of Dignitana and should therefore be seen as one-time costs. Lastly, EBITDA was SEK5.0m (14.8m) and EBIT came in at SEK0.6m (10.6m), compared to our estimate of SEK11.9m and SEK6.9m, respectively, where the differences between actual and estimated figures are both related to the quarterly sales and a bit higher OPEX than expected.

Moreover, cash flow from operating activities came in at SEK0.4m (12.2m), and at the end of the quarter, Paxman disclosed a cash position of SEK149.3m.

Paxman: Deviation table

SEKm	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025a	Q2 2025e	*dev. %*	dev. abs
Net sales	63.4	64.8	66.2	67.1	74.9	77.1	*-3%*	-2.2
Sales growth - YoY	*24%*	*6%*	*19%*	*15%*	*18%*	*22%*		
Sales growth - QoQ	*8%*	*2%*	*2%*	*1%*	*12%*	*15%*		
Gross profit	44.7	44.2	46.1	44.5	51.6	53.4	*-3%*	-1.8
OPEX	-29.9	-32.4	-34.6	-34.1	-46.7	-41.5	*12%*	-5.1
Other operating expenses	-13.1	-15.2	-15.8	-15.7	-20.6	-18.6	*10%*	-1.9
Personnel costs	-16.9	-17.3	-18.8	-18.4	-26.1	-22.9	*14%*	-3.2
EBITDA	14.8	11.8	11.5	10.4	5.0	11.9	*-58%*	-6.9
EBITDA margin	*23%*	*18%*	*17%*	*15%*	*7%*	*15%*		
EBIT	10.6	8.5	7.0	6.2	0.6	6.9	*-92%*	-6.3
EBIT margin	*17%*	*13%*	*11%*	*9%*	*1%*	*9%*		

Source: Redeye research (estimates), Paxman (historical data)

We view the report as decent. Reported sales came in slightly below expectations, although FX headwinds continue to weigh on revenue. Given the Dignitana acquisition, we had anticipated that this would be a challenging quarter to model. During H1, 329 (313) scalp cooling systems were installed, which we view as solid progress. The order book amounted to 124 (130) systems, a touch lower than hoped for.

ADTR (Average Daily Treatment Revenue) reached USD59,000 in Q2 2025, compared with USD41,200 in Q2 2024. Excluding Dignitana, ADTR grew 20.6% (USD49,700), which we see as encouraging.

On costs, we do not read too much into the figures given one-time items related to the Dignitana acquisition. More importantly, we highlight that the critical period lies ahead. In 2026, several key catalysts are expected, including the introduction of new CPT1 codes, new legislation in New York and Louisiana supporting insurance coverage for scalp cooling, and the launch of Paxman's new system for the prevention of CIPN. Following the Dignitana takeover, Paxman now commands a dominant position in scalp cooling and is fully funded to execute on its growth agenda. We remain positive on both the company and its outlook.

We will publish a research update shortly. While we may make some downward adjustments to near-term estimates, we do not anticipate any significant changes to our valuation. With the share down c10% over the past couple of weeks ahead of the report, we see a flat share price reaction today as reasonable.

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