**Panaxia joins the front line of the largest companies in the world:**

**The first and only company in Israel to successfully complete a European regulation audit towards receiving a European EU-GMP manufacturing standard which enables export of pharmaceutical cannabis products to Europe**

**Dr. Dadi Segal, Panaxia CEO: "Once we receive the approval to export from Israel – the standard will enable us to export to Europe immediately; it is impossible to export, market or even apply to register a drug in Europe without complying with the standards"**

**(Tel-Aviv, October 30th, 2019) – The pharmaceutical company Panaxia Israel**, the largest manufacturer and distributor of pharmaceutical cannabis in Israel, announced today, that the audit of the regulatory body of the EU which was conducted at the plant in the past weeks, was successfully completed, and subject to a number of completions which will be conducted in the next few weeks, it is expected to receive the EU standard (EU-GMP) to manufacture pharmaceutical cannabis products.

The EU-GMP standard is a binding quality assurance standard to manufacture drugs marketed in the EU. The comprehensive audit included, among other things, an inspection of the manufacturing facilities, the manufacturing conditions, quality assurance, quality control, and an analytical laboratory, all according to EU-GMP standards.

The EU-GMP standard is necessary in order to export medical cannabis products to most of the EU countries, including Germany, Poland, Italy, Denmark, Greece, and more. Since these countries do not recognize the Israeli standard (IMC-GMP), it is impossible to market products manufactured in Israel in these countries, without complying with the European EU-GMP standard. The regulation requirements compel all plants and companies which manufacture, store, use, and manage drugs of any kind in Europe. It should be noted that there are a few medical cannabis companies around the world, estimated at less than 10, with extraction plants which comply with the rigorous European standard requirements.

Further reports reveal, that the audit also reviewed Panaxia's certification which was granted to its strategic partners, "Seach" and "Better" companies, for complying with the cultivating standard required in Europe (GACP). This audit was successful as well, and according to the audit report, a number of completions are required in order to fully comply with the standard. The compliance of "Seach" and "Better" with the GACP standard, is expected to enable the export of products manufactured by Panaxia, from the produce grown by "Seach" and "Better" to countries of the EU, subject to the regulation.

According to Dr. Dadi Segal, Panaxia CEO, "This is a standard with tremendous strategic significance for the company, and we are proud to have passed the audit successfully. The standard will enable us to be fully prepared to export to Europe from the moment we receive the dispensation to export medical cannabis products from Israel. It is impossible to export, market or even apply to register cannabis drugs or any other drug in Europe, without complying with this standard."

**About Panaxia Israel**

**The Panaxia Group is the first company in Israel which received approval to manufacture cannabis-based medicines and holds a license for providing manufacture and distribution services in Israel for medical cannabis products.**

**Panaxia Israel is part of the pharmaceutical group of the Segal family, operating for over four decades, and manufacturing over 600 different pharmaceutical products, which it markets in over 40 countries. Panaxia was founded by Dr. Dadi Segal, Dr. Eran Goldberg and Assi Rotbart, LL.b, and constitutes the Group's cannabis division. In addition, the sister-division of North America manufactures over 60 pharmaceutical products based on medical cannabis, including sublingual tablets, pastilles, oils, inhaled products, and more, intended to treat diseases such as post-traumatic stress disorder, cancer, chronic pain, epilepsy, anorexia, burns, and many other diseases. Panaxia employs around 100 employees and all their clinical trials are conducted by the company.**

**The pharmaceutical group of the Segal family also includes the Luminera division, which manufacture wrinkle filler injectables, and TREE OF LIFE, which manufactures non-prescription drugs.**