**Panaxia and** **Neuraxpharm Expand Strategic Collaboration to France with medical cannabis**

**The companies are preparing to receive an export permit and begin initial sales in Germany by year end**

**Tel Aviv, 22 November 2020 - Panaxia Global**, the controlling owner of Panaxia Labs Israel Ltd. (“Panaxia Israel”, TASE: PNAX), Israel’s largest manufacturer of medical cannabis products, and its partner**, Neuraxpharm, Europe’s leading pharmaceutical company specialized in the central nervous system (CNS)** today announced that they are expanding their strategic collaboration into the French market and that they have signed a binding memorandum of understanding between Panaxia and subsidiary Neuraxpharm France for the manufacture, commercialization and distribution of Panaxia's advanced medical cannabis products in France, including exclusivity for Panaxia's products.

The commercial collaboration between the parties is based on a model much like that in Germany: Panaxia will be responsible for manufacturing the products it has developed at strict clinically-backed standards, such as medical cannabis-based oils and tablets, in compliance with the European Good Manufacturing Practice (EU-GMP) guidelines, and Neuraxpharm will be responsible for marketing, branding, distribution and sale of the products to physicians, patients and pharmacies in France.

As part of the collaboration, in the first phase, the companies will submit a joint response to the tender issued by the French government and the French National Agency for Medicines and Health Products Safety (ANSM) for a pilot to regulate the country’s medical cannabis industry. This is a prestigious pilot that is expected to begin in the coming months and continue for approximately two years, during which they will select few companies that will provide medical cannabis products free of charge to 3,000 patients who meet the determined criteria.

At the end of the pilot, the French government will decide on a permit to use and sell medical cannabis products in France. Subject to ANSM approval, Panaxia, which is currently the only Israeli company with EU-GMP certification from a European agency for production and export of medical cannabis according to European and international standards, will apply for regulatory approval to the French authorities for the marketing and distribution of the products.

**Dr. Jörg-Thomas Dierks, CEO of Neuraxpharm stated,** “We are delighted to expand our strategic collaboration with Panaxia. As part of our commitment to finding new solutions to respond to the needs of patients, we are very excited to be pioneers in the emerging medical cannabis sector in France and to expand our CNS product portfolio for our patients. We believe that in the coming years, France will also join the accelerated trend in Europe and embrace the use of medical cannabis for patients who meet the criteria for the various indications."

**Dr. Dadi Segal, CEO of Panaxia Global, said,** “We are proud to expand our collaboration with our partner, Neuraxpharm, as the leading European pharmaceutical company specialized in CNS, into France as well. France is a strategic market for Panaxia and reflects the regulatory change process that has taken hold in European countries in recent years. It is showing increasing openness to regulating the use of medical cannabis and is internalizing the advantages of using quality medical cannabis products at scientifically-backed standards. The collaboration with Neuraxpharm positions us as a leading and quality player in the medical cannabis market in France, which is poised to experience accelerated growth, both thanks to our abilities and extensive experience in the development and production of processed and advanced cannabis products that comply with regulatory requirements and to the market leadership and marketing and commercial strengths of Neuraxpharm.”

**About Panaxia Israel**

Panaxia Labs Israel, Ltd. is a publicly-traded company at TASE (TASE: PNAX). It is the largest Israeli manufacturer and home-delivery distributor of medical cannabis products, and the first to have received the approval of the Israeli Ministry of Health for the manufacturing of medicinal cannabis-based pharmaceuticals (under the IMC-GMP directive) as well as EU-GMP standard certification required for commercial production and export of medical cannabis and its products to Europe. The company manufactures over 30 hemp-based medicinal products and has accumulated a broad foundation of clinical experience based on tens of thousands of patients.

Panaxia is a subsidiary of the Segal Pharma Group, owned by the Segal family and founded over forty years ago. The company manufactures over 600 different pharmaceutical products that are distributed in over 40 countries worldwide.

visit the Panaxia website at <https://panaxia.co.il/>

**About Neuraxpharm – the European CNS specialist**

Neuraxpharm is a leading European specialty pharmaceutical company focused on the treatment of central nervous system disorders (CNS) with a direct presence in Germany, Spain, France, Italy, Czech Republic, Poland, Austria, Switzerland, Slovakia, United Kingdom, Hungary and Portugal. Neuraxpharm has a unique understanding of the CNS market built over 35 years.

With its focus on CNS, Neuraxpharm develops and commercializes value added medicines, standard generics and Consumer Healthcare products, e.g. probiotics and other nutraceuticals, and is continuously striving to offer a wide range of effective, high quality and affordable CNS treatment options in Europe.

Present with its products in more than 50 countries, Neuraxpharm also manufactures pharmaceutical products and active pharmaceutical ingredients in its own manufacturing sites in Spain, Lesvi and Inke.

In September 2020, Permira, the global private equity firm, announced it has agreed to acquire Neuraxpharm from Apax Partners. The transaction is subject to customary closing conditions and is expected in the fourth quarter of 2020.

To learn more about Neuraxpharm, please visit: [https://www.neuraxpharm.com](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.neuraxpharm.com%2F&data=04%7C01%7CYelena%40panaxia.co.il%7Cb03307061a864b1f3c0008d88c951861%7C6980ec7aab8741fa9e35899eb6cf6bc6%7C0%7C0%7C637413919280280656%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=yeNLj79p%2BnfVsiP4eHudXEcPGvjhcuuO8k7O3bpBrkk%3D&reserved=0)

For more information:

Noa Leviel
Lnoa@ibh.co.il