**Government of Cyprus selects Israeli company Panaxia:**

**Will purchase its premium oils for the country's medical cannabis patients**

**Dr. Dadi Segal, CEO of Panaxia Global, said, “We are proud to be collaborating with our neighbor, the government of Cyprus, which has selected us to provide medical cannabis products for patients throughout the country. This is an outstanding achievement for us, because it is a true expression of trust by a European government that is choosing Panaxia products for treatment of its citizens. The goodwill we gain from deals of this type will open doors in other countries as well and facilitate penetration of additional markets.”**

**Tel Aviv, February 3, 2021 - Panaxia Labs Israel Ltd.** **(“Panaxia Israel,” TA: PNAX), Israel’s largest manufacturer of medical cannabis products**, today announced that it was selected by the government of Cyprus to supply premium oils it has developed under the Panaxir brand for medical cannabis patients in the country.

In recent months, talks between the government of Cyprus and Panaxia had been ongoing, and yesterday the company received final approval for an order and import permits for the products. As part of the agreement, Panaxia will initially export two types of medical cannabis oil in different concentrations from its premium line, which are produced according to EU-GMP requirements and according to strict pharmaceutical standards. In the future, the option of expanding the range of products will be examined.

**The medical cannabis market in Cyprus**

The Narcotic Drugs and Psychotropic Substances (Pharmaceutical Cannabis) Regulations were approved in Cyprus on 6 March 2019 but have not yet been implemented. Since 2016, and in accordance with the current legislation, the government of Cyprus has permitted the use of cannabis for medical purposes and has allowed patients to purchase medical cannabis products directly from pharmacies, subject to the presentation of a doctor’s prescription, following an approval by the Minister of Health. The main indication for which medicinal cannabis is prescribed in Cyprus is terminal cancer.

**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/>

For more information:

Noa Leviel
Lnoa@ibh.co.il