**Panaxia announces first retail sales of its products for patients in Germany:**

**The first Israeli company to sell its products on Europe’s highest growth market**

**Dr. Dadi Segal, CEO of Panaxia Global, said,** **“We are kicking off 2021 with the first sales of Panaxia products in Germany and are beginning to see the fruit of the intensive work and investments we made in terms of regulation, manufacturing and marketing over the past two years. We are providing the German market with innovative pharmaceutical products that are produced under a pharmaceutical manufacturing standard and have precise doses of active ingredients, just like medicines, which cannot currently be found on the German market. The quality of the products along with the regulatory power we have along with our partner,** **Neuraxpharm, grant us a competitive advantage that is expected to be a major growth engine for the company and significantly improve its profitability. Panaxia products can already be found in local pharmacies in Germany.”**

**Tel Aviv, February 3, 2021 - Panaxia Labs Israel Ltd.** **(“Panaxia Israel,” TA: PNAX), Israel’s largest manufacturer of medical cannabis products**, today announced the first commercial retail sales of its premium products to patients under the Naxiva-Panaxol brand, which is shares with big European pharma, Neuraxpharm, in Germany. About one month ago, Panaxia dispatched the first commercial shipment of its products to Germany after receiving an export permit from the Israeli Ministry of Health. The products were released after successfully undergoing stringent laboratory testing upon their arrival in Germany and were approved for distribution and sale in pharmacies across the country.

**Tobias Loder, Pharmacist and Owner, Florian Heimann, Pharmacist and General Manager of Pharmacy Lux99, one of the leading medical cannabis pharmacies in Germany, said: "**We are proud to expand the range of medical cannabis-based products for our patients. We have learned a lot about the innovation that the Israeli company, Panaxia brings to the medical cannabis field, and we are excited to announce that Naxiva-Panaxol products can already be obtained at our pharmacy."

**Dr. Bernd Grünberg, pharmacist and owner of the largest chain of pharmacies in Munich active in the field of medical cannabis,** **Apotheke Forum Schwanthalerhöhe, said,** “After two years of anticipation, we welcome the arrival of Naxiva-Panaxol products to pharmacies in Munich and await the arrival of additional innovative Panaxia products in the future. The medical cannabis market in Germany continues to show accelerated growth, and the variety of products we can offer patients is growing accordingly.

**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/>

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