

Panaxia closes out 2020 tripling revenues to a record breaking 60.7 million

At the end of Q4/2020, Panaxia began commercial exports to Germany, Europe's largest and fastest-growing cannabis market, and in Q1/2021 was selected and began to supply medical cannabis products for the governments of France and Cyprus

Dadi Segal, CEO of Panaxia, said, "We are delighted to cap a successful year of strong growth in our activity in the Israeli market, despite the increasing competition in the industry. We reached a peak by achieving the milestones required for exports from Israel and initial commercial export of our products to Germany. We expect 2021 to be a breakthrough year for Panaxia in the German market and in Europe in general, with our recent selection as the main supplier in the prestigious French government program and as a supplier to the government of Cyprus, which are both strong expressions of regulatory faith in the quality of our products. This year, we plan to continue implementing our strategic plans to expand into Europe and other countries, while focusing on production and marketing of our premium products, as well as the local market and exports."

(Lod, March 31, 2021)- The Israeli subsidiary of Panaxia Global, **Panaxia Labs Israel Ltd.** ("Panaxia Israel," TA: PNAX), Israel's largest manufacturer of medical cannabis products, today announced its financial results for the fourth quarter and 2020.

The results of the fourth quarter and 2020:

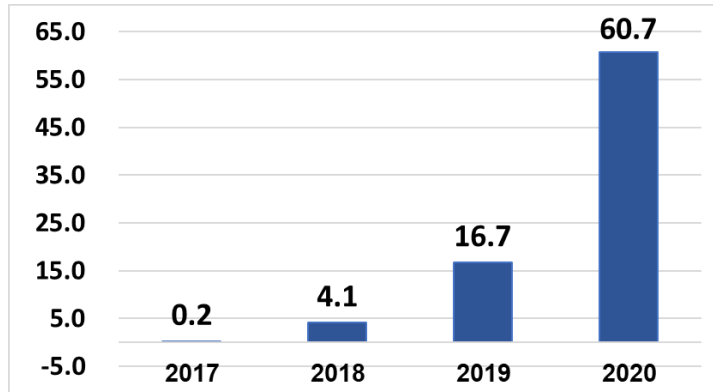
Panaxia's revenues in 2020 amounted to 60.7 million, growth of 263%, more than three times the revenues of 16.7 million in the corresponding period the previous year. **Panaxia's revenues in the fourth quarter of 2020** amounted to 17 million, reflecting growth of 154%, more than double the revenues of 6.7 million in the corresponding period the previous year.

Beginning of exports: In the fourth quarter, Panaxia recognized initial revenues from exports, after receiving an export permit from the Israeli Ministry of Health at the end of December 2020, and exporting the first commercial shipment of medical cannabis products from Israel to Germany, currently Europe's largest market. According to Panaxia's strategic plan, with the start of exports and sales to Germany, along with exports to Cyprus, which the company announced last week and planned entry into other countries in 2021, it is expected to show growth in export revenues in the coming quarters.

Gross profit in 2020 amounted to 4.2 million, compared to gross losses of 1.9 million in the corresponding period the previous year.

Panaxia Israel - revenues:

2017-2020 annual revenues



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 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:

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