

**From vision to reality:**

**Panaxia and Neuraxpharm are the world's first  
companies to sell medical cannabis extracts for  
inhalation in Europe**

**This week, first export of medical cannabis extracts for inhalation  
left Israel to Germany, the largest and fastest growing medical  
cannabis market in Europe**

Dr. Dadi Segal, CEO of Panaxia Global, said, "After obtaining a marketing permit in Germany, which was a very significant milestone for us, we are proud to announce the first commercial shipment of cannabis extracts for inhalation to Europe, where there is already strong demand by physicians and patients who are eagerly awaiting the arrival of the product. This is a strategic opportunity for us to reach the widest audience of customers possible while being the first and, at the moment, the only company with a permit to market cannabis extracts for inhalation in Germany specifically and in Europe in general. In parallel, we are working to make our extracts for inhalation accessible to patients in other countries on the continent as well as to register them in the appropriate regulatory tracks."

Dr. Jörg-Thomas Dierks, CEO of Neuraxpharm, which will market the products in Germany, said, "We are excited that our successful strategic partnership with Panaxia has enabled us to offer a broad portfolio of high-quality medical cannabis products to the German market so quickly. Thus, we provide the best solutions for our patients as well as true added value to healthcare professionals by offering the possibility of tailored treatment options. Going forward, our collaboration with Panaxia will allow us to further develop our product offering and provide medical cannabis to promising markets."

**Tel Aviv, November 3, 2021- Panaxia Labs Israel Ltd. ("Panaxia Israel," TA: PNAX), a global pharma company that develops, manufactures and markets advanced medical cannabis products of pharmaceutical quality** announced the first commercial export of its medical cannabis extracts for inhalation to Germany, where it will be marketed under the Naxiva-Panaxol brand, which Panaxia shares with its partner, **Neuraxpharm**, Europe's leading Pharma Company focused on the treatment of Central Nervous System (CNS) disorders.

The shipment left earlier this week to Germany, after the required tests are completed by the Israeli Health Authorities and the Israeli Customs.

The extracts for inhalation will be available in pharmacies throughout Germany and will be dispensed against a branded prescription from a physician for a wide variety of medical indications.

The first shipment follows the company's announcement it had been granted an import and sales permit for cannabis extracts for inhalation in Germany, the first and only permit of its kind.

Following the approval, Panaxia and Neuraxpharm became the first and only companies to import and market this type of advanced product in Germany, and in Europe in general. This is in addition to its being the first and only companies in Europe to have received a regulatory permit to distribute medical cannabis sublingual tablets in France, as part of a French government program by the Safety of Medicines and Health Products (ANSM). Additionally, the company's premium oils are marketed regularly in Germany, France, and Cyprus.

The essences, which are manufactured by Panaxia and are EU-GMP certified, are produced at strict pharmaceutical standards according to know-how and clinical methods developed at the company. Neuraxpharm will market the products in Germany to physicians certified to prescribe medical cannabis products to patients to treat a wide variety of medical indications.

#### Market potential:

According to publications and market research,<sup>1</sup> the total market share of cannabis essences for inhalation in North America is 27% in 2020 compared to approximately 20% in 2018. This

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<sup>1</sup> Arcview Market Research and Greentank Technologies, North American Vape Market, Q1 2021 Report.



is opposed to the drop in market share of inflorescence during these periods. Total sales of cannabis essences for inhalation in the 9 large states that permit use of cannabis in the US and Canada reached over \$0.5 billion in the first quarter of 2021, reflecting annual sales of over \$2 billion, with growth of dozens and even hundreds of percentage points over 2020. This is thanks to the clear advantage of cannabis extracts for inhalation as a cleaner cannabis product that contains active ingredients only, without waxes and chlorophyll found in inflorescence that is smoked. The vaporization process of the essences for inhalation is known to be a healthier process than smoking, does not require burning and does not produce smoke. It also does not require the harmful substances that are produced during the burning processes to be inhaled and exhaled.

Panaxia views its medical cannabis extracts for inhalation as a strong growth and profitability driver and expects the medical cannabis products for inhalation to capture significant market share in Germany in the coming years, as they have in North America.

As part of the strategic partnership with Neuraxpharm, applications will be submitted for registration and marketing of additional advanced products developed by Panaxia, including sublingual tablets and additional products.

### **About Panaxia Labs Israel**

**Panaxia Labs Israel, Ltd.**, which is traded on the Tel Aviv stock exchange (TASE: PNAX), is a global pharma company, which develops, manufactures, and markets advanced medical cannabis-based products of pharmaceutical quality and the largest manufacturer of medical cannabis products in Israel. Panaxia is a pioneer in the medical cannabis market in Israel and the only company in Israel with an EU-GMP European production standard from the EU Health Authority, which is required for the commercial manufacturing and export of medical cannabis and its products to Europe. Panaxia specializes in the development, production, and marketing of complex and advanced cannabis plant products, based on clinical information and a broad database of tens of thousands of patients.

Panaxia Israel is a subsidiary of the Panaxia Pharmaceutical Industries, which was established in 2010 by Dr. Dadi Segal (PhD), Dr. Eran Goldberg (PhD) and Adv. Assi Rotbart (LL. B, BSc), as the cannabis division of Segal Pharma Group, which has been operating for over four decades, manufacturing more than 600 different pharmaceuticals distributed in over 40 countries.



Panaxia USA (a subsidiary of Panaxia Global) manufactures in North America more than 60 medical cannabis-based products, including sublingual tablets, lozenges, oils, inhalers and more, designed to treat diseases such as Post-Traumatic Stress Disorder, Cancer, Chronic Pain, Epilepsy, Anorexia, Burn Treatment and many other diseases.

The Panaxia Group has over 150 employees.

To learn more about Panaxia, please visit: <https://panaxia.co.il>