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India-based Dr Reddy's to acquire German medical cannabis firm

February 4, 2022 | News

The acquisition will allow Dr Reddy's to introduce medical cannabis-based drugs

Indian firm Dr Reddy's Laboratories has entered into a definitive agreement to acquire Nimbus Health GmbH,a licensed and privately owned pharmaceutical distributor from Germany, focusing on medical cannabis.

Dr Reddy's will acquire Nimbus Health for an upfront payment plus performance-based earnings and milestones over the next four years

Founded in 2018, Nimbus Health is one of the pioneering medical cannabis companies in Germany. The acquisition will allow Dr. Reddy's to build on Nimbus Health's strengths and introduce medical cannabis-based drugs as a promising treatment option for patients. The company will operate under the Nimbus Health brand and as a wholly owned subsidiary of Dr Reddy's.

Demand for medical cannabis has increased in recent years with the legalization of medical cannabis by the German Parliament (Bundestag) in 2017. The medical cannabis market in Germany is already valued at approximately €122 million, with growth of around 25% in 2021 compared to 2020 and a compound annual growth rate (CAGR) of approximately 55% since 2017, making Germany one of the biggest markets in Europe. Around 150,000 German patients benefit from medical cannabis to address unmet health needs .