

Dr. Reddy's Laboratories and MediCane Health announce the launch of medical cannabis products in Germany

- *The launch of medical cannabis products resulted from an agreement between the two companies signed in 2021.*
- *Dr. Reddy's will be the exclusive distributor of several of MediCane's medical cannabis products in Germany.*
- *Additionally, Dr. Reddy's and MediCane have entered into a collaboration and co-funding arrangement relating to a phase II clinical trial for a medicinal cannabis product aimed at symptom relief of Behavioral and Psychological Symptoms of Dementia (BPSD). When launched, Dr. Reddy's holds exclusive sales and marketing rights for the product in Europe (except Russia and CIS countries).*

AUGSBURG, Germany; VANCOUVER, BC, Canada; and HYDERABAD, India, April 1, 2022 – Dr. Reddy's Laboratories Ltd. (BSE: 500124, NSE: DRREDDY, NYSE: RDY, NSEIFSC: DRREDDY, along with its subsidiaries together referred to as "Dr. Reddy's") and MediCane Health Inc. (along with its subsidiaries together referred to as "MediCane") today announced the launch of its medical cannabis product in Germany.

As part of a collaboration between Dr. Reddy's and MediCane that started in 2021, MediCane will supply the medical cannabis products to Dr. Reddy's from its EU-GMP-certified facilities in Portugal along with providing logistical and regulatory support. As the exclusive distributor of the products in Germany, Dr. Reddy's will provide access to MediCane's medical cannabis products under its own brand supported by a specialized field force that can provide education on the use of the products and guidance on the health insurance reimbursement process to healthcare professionals.

The launch marks MediCane's entry into the pharmaceutical sector of a major European market. For Dr. Reddy's, the launch reinforces its presence in Germany's growing medical cannabis market, building on its recent acquisition of Nimbus Health GmbH that specializes in the distribution, registration, sales and marketing of medical cannabis.

With over 83 million inhabitants benefitting from broad access to healthcare services, Germany already represents more than half of the current European Union medical cannabis market, thanks to developed regulations and reimbursement from sick-funds to medical cannabis under certain circumstances¹. The demand for medical cannabis has increased over the past years, driven by the German Parliament's (Bundestag) legalization of medical cannabis in 2017. The medical cannabis market in Germany is valued at ~122 Mio. € with growth of ~25% in 2021 compared to 2020 and a CAGR of ~55 % since 2017. Around 150,000 German patients benefit from medical cannabis for their otherwise unmet health needs², according to the reports³ especially in the area of pain management, spasticity, anorexia, vomiting, depression.

Dr. Reddy's and MediCane have also signed an agreement for the co-funding of a phase II clinical trial for a cannabis product aimed at symptom relief of Behavioral and Psychological Symptoms of Dementia (BPSD). Dr. Reddy's will hold exclusive sales and marketing rights for such product in Europe (except Russia and CIS countries) upon completion of such trial. The parties expect to commence the clinical trial of the product during the second half of 2022. BPSD refers to the spectrum of commonly observed

¹ Source: Federal Office of Statistics Germany (Statistisches Bundesamt)

² INSIGHT Health - Green Line NPI (Sell in/Pharmacy purchase)

³ Bfarm Companion Survey

non-cognitive and non-neurological symptoms of dementia, such as agitation, aggression, psychosis, depression, and apathy.

Patrick Aghanian, Head of European Generics, Dr. Reddy's, said: "This collaboration with MediCane Health demonstrates Dr. Reddy's commitment to take a leadership position in Europe's rapidly growing medical cannabis market. With MediCane, we join forces with a unique and differentiated research-based partner in the medical cannabis field. We are very pleased about the strategic, multi-dimensional collaboration with MediCane, which further complements our mission to accelerate access to medical cannabis to meet unmet patient needs and improve the quality of life of patients."

Yossi BenAmram, co-founder and Group CEO, MediCane, said: "This collaboration articulates MediCane's strategy to develop evidence-based medical products and partnering with leading pharmaceutical companies to maximize the potential of these drugs for patients. This collaboration is a very important step for MediCane, for the short, medium and long term and we couldn't be more excited to partner with a reputable and resourceful company like Dr. Reddy's. With MediCane's agrotechnical and biological cannabis-specific R&D resources and know-how, and Dr. Reddy's proven sales, marketing and distribution capabilities, with wide geographic access in line with our strategy, as well as powerful regulatory and R&D capabilities for generic drug development, I believe this synergistic partnership can be at the forefront of the European medical cannabis market makers in the foreseeable future."

About Dr. Reddy's Laboratories:

Dr. Reddy's Laboratories Ltd. (BSE: 500124, NSE: DRREDDY, NYSE: RDY, NSEIFSC: DRREDDY) is an integrated pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Dr. Reddy's offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars and differentiated formulations. Our major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology. Dr. Reddy's operates in markets across the globe. Our major markets include – USA, India, Russia & CIS countries, and Europe. For more information, log on to: www.drreddys.com

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About MediCane Health Inc.

Founded in 2019, MediCane's seed-to-costumer business model allows comprehensive monitoring and control of the cultivation process, along with subsequent medical and pharmaceutical R&D. This model includes genetic seed development, plant propagation, and cultivation, manufacturing, pharmacological development, medical research, and distribution of the final products to end-users. Our genetic bank contains a verity of strains that are cultivated in our state-of-the-art greenhouses and then processed in post-harvest and manufacturing facilities under GACP and GMP quality standards. The distribution of the final products to end-users is carried out through a global BTB and BTC partner network. MediCane's major markets include Israel, Europe, and Australia. MediCane operates global multi-site pharmaceutical and medical R&D consists of preclinical and clinical trials in various therapeutic areas. MediCane's R&D activities are carried out in-house by its experienced team and through collaboration with world-renowned scientists and leading research institutions, which provide the analytical, biological, and medical expertise. Using a patient-centric approach to clinical trials, MediCane aims to provide potent cannabis-based pharmaceutical products to treat inflammatory and neurological diseases.

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