



Sinclair Pharma plc

ATOPICLAIR™ SHOWS POSITIVE RESULTS IN CONTACT DERMATITIS STUDY

Godalming UK, 10 June 2004: Sinclair Pharma plc, the pharmaceutical company developing novel patented products in niche markets, announces that Atopiclair™ its product for atopic dermatitis (eczema) and contact dermatitis (allergic skin reactions), has delivered positive results in a clinical study of irritant contact dermatitis (ICD).

The study, which was conducted at the University of California in San Francisco, is being presented today at the European Society of Contact Dermatitis (ESCD) congress in Copenhagen. The study was designed to evaluate whether Atopiclair™ influences the objective measures of the inflammation that occurs in contact dermatitis. The study tested Atopiclair™ against a vehicle-only control¹ and the objective measurements included: Blood flow volume which is an indicator of the increased blood flow that accompanies inflammation. Erythema (redness) which is one of the features of contact dermatitis and skin irritation in general. Water loss across the skin which is increased in contact dermatitis as the integrity of the barrier function is breached. The study showed that Atopiclair™ was statistically superior to control for each of these all-important outcomes in treating ICD.

Atopiclair™ is designed to relieve the symptoms and signs of many types of dermatitis by improving the environment of the skin. It is steroid-free and so avoids the side effects seen with topical corticosteroids, which are frequently used in dermatitis. This can therefore relieve the unpleasant itch associated with many types of dermatitis, as well as improving the appearance of the skin. Atopiclair™ is presented in a novel airless jar that allows patients to dispense and apply the cream with just one hand.

ICD is a common skin reaction seen as a response to certain irritants, for example sodium lauryl sulphate (detergent), nickel, and some plants or foods. It is particularly common in specific groups of people with high exposure levels to these substances, for example healthcare professionals, hairdressers and gardeners.

Atopiclair™ received US FDA (Food and Drug Administration) registration (510k) in July 2003 as a prescription medical device designed to relieve the symptoms of atopic dermatitis and irritant contact dermatitis. Atopiclair™ also obtained EU approval for Atopiclair™ as a Class 2 medical device enabling it to be dispensed by medical professionals or sold in the retail market OTC in February 2004.

According to IMS Health² the dermatitis market sector that Atopiclair™ addresses is currently worth US\$1.9 billion and grew at over 11% in 2003.

¹ The vehicle is the emollient cream that Atopiclair™ is based on. Patients are expected to see some benefit from the vehicle alone.

² IMS Health is the world's leading provider of information to the global pharmaceutical and healthcare industries.



Dr Michael Flynn, CEO of Sinclair Pharma, commented: "Atopiclair™ is potentially the largest product we have developed to date and we are currently in licensing discussions for its global marketing. We believe that this product offers a new safe non-steroidal approach to the management of atopic dermatitis. We also believe that the high acceptability and good tolerance of Atopiclair™ will offer our global partners a significant marketing advantage in a growing market. This study endorses the findings of an earlier randomised, double-blind vehicle controlled study carried out by the Institute of Dermatology Sciences in Milan last year to evaluate the safety and efficacy of Atopiclair™ in mild to moderate atopic dermatitis."

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Notes to Editors

Sinclair Pharma plc is an international pharmaceutical company focused on the acquisition and development of niche patented products in the fields of oral health, oncology support and dermatology and brings them to the international market place. The Company combines product evaluation, product development, regulatory and business development expertise to add value to its acquired and in-house developed products. A key element of the Sinclair business model is to reduce risk and exposure by avoiding involvement in lengthy R&D programmes and rapidly achieving global distribution through a network of marketing partners. The Company has already licensed distribution in over 40 countries for the Group's products.

In this study, the objective measurements of blood flow volume (BFV), erythema (reddening, a*) and transepidermal water loss (TEWL) all showed statistically significant benefits of Atopiclair over the vehicle-only control. BFV and a* were significantly better at all time points ($p=0.046$, $p=0.045$ respectively at 72 hours) and TEWL at 48 and 72 hours ($p=0.02$ at 72 hours).

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