



SINCLAIR PHARMA PLC LICENSES ATOPICLAIR™ IN US

Godalming, 21 December, 2004: Sinclair Pharma plc (“Sinclair”) (SPH.L) announces today that it has licensed the US rights to Atopiclair™, the first prescription medical device authorised by the US FDA to relieve the symptoms of atopic dermatitis (“AD”) and allergic contact dermatitis (“ACD”), to Chester Valley Pharmaceuticals (“CVP”), a US company focused on the dermatology market.

The agreement licenses responsibility for sales, marketing, distribution and certain other business to CVP and includes up-front and mainly sales performance related milestone payments, that could exceed \$US 15 million, and a royalty on CVP’s sales. CVP plans to promote Atopiclair™ to dermatologists and other specialists who treat these conditions.

CVP is a specialty dermatology company, headed by two highly experienced and respected pharma executives in dermatology each with a significant track record in commercialising dermatology products. Robert J. Moccia, Chief Executive Officer of CVP, is the former President of Bioglan Pharmaceuticals, a specialty dermatology company that was recently sold to Bradley Pharmaceuticals for approximately \$183 million. As President of Bioglan, he grew the organisation to nearly \$60 million in net revenue in less than five years. Prior to Bioglan, Mr. Moccia was the Director of Worldwide Business and Market Development with Dermik Laboratories, the dermatology unit of Aventis Pharma AG. Xavier Yon, Chairman of CVP, was until recently Chief Executive Officer of Galderma, the world's leading dermatology company. At Galderma he was responsible for building a global organization with worldwide sales in excess of \$US 800 million. CVP was formed as a result of a partnership between Moccia, Yon, and GTCR Golder Rauner, LLC (GTCR), one of the leading private equity firms in the US.

Atopiclair™ is a non-steroidal cream indicated for relief and management of the itching, burning and pain that patients experience with atopic dermatitis (AD) and allergic contact dermatitis (ACD). Atopic dermatitis (also known as eczema) is a chronic inflammatory disease that often has its onset in childhood. Sources such as the American Medical Association and the New England Journal of Medicine cite paediatric rates of AD in Western countries at up to 20%. The level of incidence is reduced as children enter adulthood but it is estimated that almost 18 million Americans are afflicted with the disease. There is no recognised cure for AD and episodic symptom relief is the intended result of current therapies. These include the use of corticosteroids of various potencies, but concerns with possible side effects have stimulated interest in non-steroidal products such as Atopiclair™ which is well tolerated by patients.

AD is one of the most common dermatological complaints and accounts for a large number of physician consultations. It is known to affect approximately 20% of school-aged children^{i, ii, iii}. The prevalence in adults is estimated at 1-3%^{iv, v}. According to IMS Health, the dermatitis market sector that Atopiclair™ addresses is currently worth US\$1.9 billion and grew at over 11% in 2003.

Atopiclair™ has also been approved for the relief of the symptoms of ACD. Although the symptoms are similar to atopic dermatitis, the cause is usually an external allergen. ACD is most commonly encountered in the workplace, where personnel may be exposed to a wide variety of skin irritants, causing allergic responses that may require physician intervention. It is estimated that up to 25 million Americans experience allergic contact dermatitis during the course of a year.

Dr Michael Flynn, CEO of Sinclair commented: “Licensing Atopiclair™ to such a specialist partner in the US is a key development for Sinclair. Atopiclair™ is potentially the largest product we have developed to date and under the corporate team at CVP, headed by Xavier Yon and Bob Moccia, we are confident that Atopiclair™ will achieve its true potential in their hands.”

Robert Moccia, CEO of CVP, stated: “CVP is extremely excited about the opportunity to launch an innovative product like Atopiclair™ in the rapidly growing atopic and contact dermatitis markets. This is an excellent first step, and will help build CVP’s foundation for the future. In addition we are very pleased to be partnered with a company like Sinclair and look forward to further collaborations.”

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Contact details

Sinclair Pharma plc

Dr Michael Flynn, CEO

Tel: +44 (0) 1483 426 6444

Jerry Randall ACA, CFO

John Barrington-Carver, Corp. PR

Tel: Mobile +44 (0) 7831 655 630

US contact

Michael Killeen, Vice President

Tel: +1 972 478 4380

Chester Valley Pharmaceuticals

Robert Moccia

Tel +1 610 889 2068

Financial Dynamics

Ben Atwell / Lucy Briggs

Tel +44 (0) 207 831 3113

Sinclair Pharma plc

Sinclair Pharma plc based in Godalming in the UK, is quoted on the Alternative Investment Market (AIM) on the London Stock Exchange and has focused on the acquisition and development of niche patented pharmaceutical products in the fields of oral health, oncology support and dermatology, and bringing them to the international market place via out-licensing partners. 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 minimise 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 its products for distribution in over 40 countries around the world.

www.sinclairpharma.com

Chester Valley Pharmaceuticals, (CVP)

Based in Malvern, Pennsylvania, Chester Valley Pharmaceuticals, is a specialty dermatology company focused on acquiring, in-licensing and developing branded prescription dermatology products for sale in the United States.

"Safe Harbor" Statement under the US Private Securities Litigation Reform Act of 1995: Some or all of the statements in this document that relate to future plans, expectations, events, performances and the like are forward-looking statements, as defined in the US Private Securities Litigation Reform Act of 1995. Actual results of events could differ materially from those described in the forward- looking statements due to a variety of factors.

ⁱ Yura A, Shimizu T. . Trends in the prevalence of atopic dermatitis in school children: longitudinal study in Osaka Prefecture, Japan, from 1985 to 1997 Br J Dermatol 2001; 145 (6): 966-73

ⁱⁱ Tay YK, Kong KH, Khoo L et al. The prevalence and descriptive epidemiology of atopic dermatitis in Singapore school children. Br J Dermatol 2002; 146 (1): 101-6

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- ^{iv} Schultz-Larsen F, Hanifin JM. Epidemiology of Atopic Dermatitis. *Immunol Allergy Clin North Am* 2002; 22: 1-24
- ^v Ellis CN, Drake LA, Prendergast MM. Cost of Atopic Dermatitis and eczema in the United States. *J Am Acad Dermatol* 2002; 46 (3): 361-70