

Godalming, UK, 27 September 2007

## Sinclair Pharma plc announces Dr Reddy's Laboratories, Inc. as Sebclair marketing partner in US

**27 September 2007, Godalming, UK:** Sinclair Pharma plc ("Sinclair", SPH:L), the specialty pharmaceutical company, announces that it has licensed the exclusive US rights of its seborrheic dermatitis product, Sebclair to Dr Reddy's Laboratories, Inc., a subsidiary of Dr. Reddy's Laboratories Limited (NYSE:RDY). Dr. Reddy's will market the product under a new brand name through its new dermatology division.

The agreement grants Dr Reddy's exclusivity in the US, for Sebclair and associated line extensions for the life of Sebclair's patent protection. Under the agreement Sinclair will receive certain milestone payments over the agreement period. Upon commercialisation of the product, Sinclair will receive royalty payments based on net sales.

Dr Reddy's is focused on building a presence in dermatology in the US, a sector worth an estimated \$5bn<sup>(i)</sup>. Sebclair will be a key component in Dr Reddy's future dermatology product portfolio. Dr Reddy's expects to launch Sebclair within a year through a new salesforce targeting dermatologists.

Dr Michael Flynn, CEO of Sinclair Pharma, said: "This exciting new deal for Sinclair means that Sebclair is now entering the start of its commercial life. Dr Reddy's has a strong global presence and we believe that Sebclair represents an opportunity to support their ambitions for the US dermatology sector."

Jeffery Wasserstein, Executive Vice President of Dr Reddy's Laboratories added "We are very pleased to be partnering with Sinclair at our entry into the US dermatology market."

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### Notes to Editors:

#### About Seborrheic Dermatitis and Sebclair™

Seborrheic dermatitis is a common skin condition that affects areas of the body with a particularly high concentration of sebaceous glands. This may include the eyebrows, bridge of the nose, naso-labial folds, ears and chest. It manifests as erythema (reddening), which progresses to flakiness and at its most severe, crusting of the skin. Seborrheic dermatitis of the scalp is also particularly common, and in its mildest form may be referred to as dandruff.

Seborrheic dermatitis is a common condition characterized by flaky, red skin. It is most common in men and may be present in 5% of the adult population<sup>(ii)</sup>. In 2006, there were over 1.5 million visits to physicians for seborrheic dermatitis (IMS-NDTI). It is estimated that patients spend over \$110 million on prescription products to treat this condition and there is a significant amount spent on Over-the-Counter medications as well.<sup>(iii)</sup>

Sebclair™ cream is registered in the US and EU and addresses the skin market. Sebclair shampoo, recently registered in the EU, addresses the scalp sector of the market.

Seborrheic dermatitis also often appears as cradle cap in infants of around six months. It usually clears by 18 months but can be a persistent problem during this time. After infancy, the condition is most common in middle age or older people. It may also be associated with a poor diet and obesity, HIV and neurological conditions such as Parkinson's disease.

At present there are various approaches to the management of seborrheic dermatitis but there is no 'gold-standard' product. Many of the treatments focus on the potential presence of fungi or other organisms on the surface of the skin, and topical corticosteroids are also frequently employed . Although topical corticosteroids are commonly used, they are also disliked, as these drugs may cause atrophy of the skin and are usually restricted to short treatment periods, particularly on facial skin<sup>(iv)</sup> . Emollients, lithium-based and salicylic acid-based creams are considered to improve the condition.

#### Other seborrheic dermatitis treatments

Seborrheic dermatitis is frequently treated with topical corticosteroids. However, this group of drugs may have unfavourable side effects, especially when used long-term or on sensitive areas of skin such as the face, hands, or on children. These effects vary from mild and reversible thinning, to irreversible telangiectasiae (fine blood vessels becoming visible at the surface of the skin) and striae distensae (marks similar in appearance to 'stretch marks'). Steroids' effectiveness may also become less effective with continued use, which may lead to the escalation to a more potent steroid<sup>(v)</sup> . There may also be a risk of growth suppression and adrenal suppression in children with the use of topical steroids<sup>(vi)</sup> . Sebclair <sup>™</sup> does not contain corticosteroids.

There are also other therapeutic agents that may be used in SD; these include topical antifungal agents, sulfur-sulfacetamide combinations, sulfacetamide, zinc pyrithione and selenium sulfide.

#### About Sinclair Pharma plc [www.sinclairpharma.com](http://www.sinclairpharma.com)

Sinclair Pharma plc is an international specialty pharmaceutical company. It has a growing sales and marketing operation that is already present in France, Italy, the UK, Spain and Portugal, and a complementary marketing partner network that spans 82 countries.

Sinclair has proven expertise in acquiring or developing commercially attractive and undervalued products, registering these products and bringing them to market within a short time frame. The company focuses on niche therapeutic areas and its current portfolio includes products for dermatological conditions and oral health.

*"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.*

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(i) 2005 : Dermatology market to 2010, Fox Analytics

(ii) Pirkhammer D et al, Brit Journal Dermatology 2000, 143 (5), 964-968

(iii) The Burden of Skin Diseases 2004; Journal of the American Academy of Dermatology, September 2006; pp 490-500)

(iii) Tofte SJ, Hanifin JM. Current Management and therapy of atopic dermatitis. J Am Acad Dermatol 2001; 44 (Suppl): S13-16

(iv) Dreno B, Chosidow O, Revuz J et al. Lithium gluconate 8% vs. ketonazole 2% in the treatment of seborrheic dermatitis:

a multicentre, randomized study. Br J Dermatol 2003; 148: 1230-1236

(v) Atherton DJ, BMJ. Topical Corticosteroids in atopic dermatitis. 2003;327:942-943

(vi) Siklar Z, Bostanci I, Atli O, Dallar Y. Pediatr Dermatol. 2004 Sep-Oct;21(5):561-3