



Creating a leading international specialty pharma company

Merger of Sinclair Pharma and IS Pharma

7 April 2011





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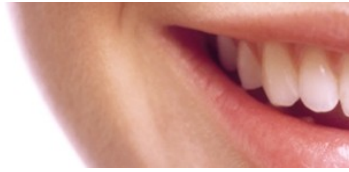
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Key Terms

- ❖ Merger of IS Pharma and Sinclair Pharma to create Sinclair IS Pharma
- ❖ 2.6868 new Sinclair Pharma shares for each IS Pharma share
 - Sinclair Pharma shareholders will hold c.63.3%
 - IS Pharma shareholders will hold 36.7%
- ❖ 99.1 pence per share see through price based on 6 April closing Sinclair Pharma price of 36.88 pence
 - 16.6% premium based on IS Pharma closing price of 85 pence on 6 April
 - 17.2% premium based on IS Pharma closing price on 11 February – just before the announcement of a possible merger
- ❖ SPH to acquire ISPH via an all share offer at 106p and enlarged group ratio of 62.4%/37.6% based on SPH average share price for Dec/Jan



Context



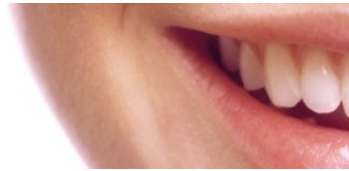
Company Snapshots

Sinclair Pharma

- ❖ Specialist focus
 - Critical care, dermatology, oral health
- ❖ Full in-house infrastructure
- ❖ Direct sales force in France, Germany, Italy and Spain
- ❖ RBD – Regional partnership model
- ❖ Med device/brand strategy
- ❖ Improvement in underlying business
- ❖ Strong pipeline and in-house development

IS Pharma

- ❖ Specialist focus
 - Critical care, supportive oncology, neurology
- ❖ In-house/virtual model
- ❖ Direct sales force in UK and Ireland
- ❖ Distribution relationships ex UK
- ❖ Med device/brand strategy
- ❖ Profitable and cash generative
- ❖ Proven track record of product development



Sinclair 2010 Objectives - Delivered

**Return overall
business to growth**



- ❖ Like-for-like H1 FY11 revenue growth 9%
- ❖ Reduced overheads by 1.5 million vs 2009

**Return French
business to growth**



- ❖ Like-for-like H1 FY11 revenue growth 5%

Rebuild pipeline



- ❖ Multiple new programmes:
 - Terbinafine spray; Kelo-cote line extensions; Flammacerium

**Secure French
reimbursement
for Atopiclair**



- ❖ Launched and approved in September 2010

**Secure Decapinol
deal in US**



- ❖ Delivered and Sunstar launching product in mid-2011

**Fully integrate
country operations**



- ❖ Developed multiple, rigorous business processes



Delivering Sinclair Growth Strategy

Optimising current business

- ❖ Focus on core products
- ❖ Key product launches
- ❖ Drive efficiencies

Acquiring further products targeting specialists

- ❖ Kelo-cote anti-scar treatment
- ❖ Terbinafine – Athlete's Foot spray
- ❖ Looking for further complementary acquisitions

New product development

- ❖ 3 drugs
- ❖ 6 medical devices
- ❖ 3 cosmetics
- ❖ On-going upgrade of dossiers and line extensions

Leveraging partnerships

- ❖ Licensed Decapinol in the US to Sunstar
- ❖ Deal with Invida for South-East Asia
- ❖ Aiming for similar deals in other regions



Strategic Rationale



Strategic Rationale

Creates a leading international speciality pharma company

Accelerates Growth Strategy

- ❖ Complementary businesses
- ❖ Creates substantial international pharma business

Strengthens Financial Profile

- ❖ Stronger and diverse revenues
- ❖ Economies of scale
- ❖ Integration benefits
- ❖ Earnings enhancing

Broadens Product Portfolio

- ❖ Expands international reach
- ❖ Leverages infrastructure
- ❖ Lowers risk profile
- ❖ In-house development capabilities

Strengthens Distribution

- ❖ Vehicle for Sinclair to sell in UK
- ❖ Vehicle for IS to sell in Europe
- ❖ In-licensing competitive advantage
- ❖ Enhanced hospital presence



Combined Strength

Portfolio



Presence

- ❖ Enlarged speciality pharma company
- ❖ Full in-house infrastructure
- ❖ Med device/brand strategy
- ❖ Country Op's – UK, Fr, It, Sp, Ger
- ❖ Non-EU regional partnership model

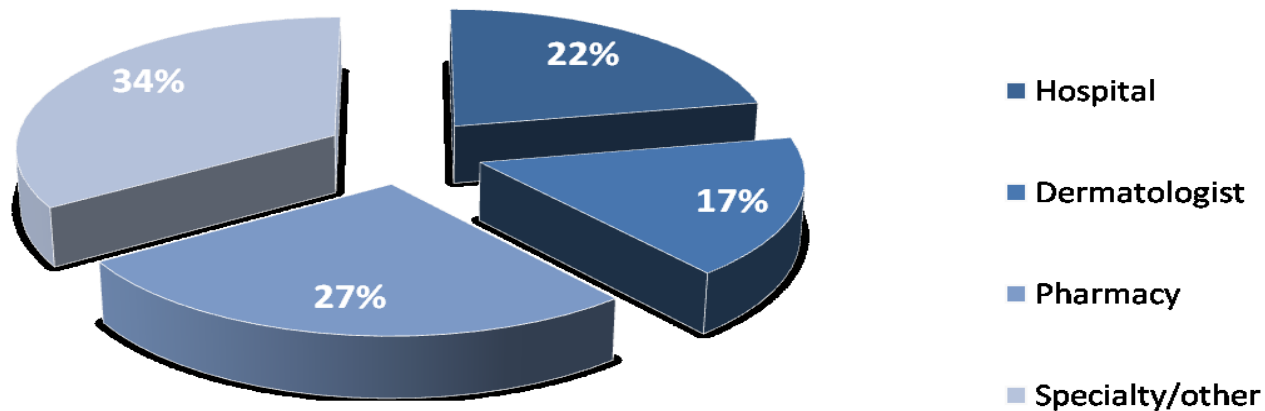


Direct Sales and Marketing Operations
 Sales through Distributors



Diversified and Enlarged Portfolio

% Product Revenue



| | |
|---|---|
| Hospital – Supportive & Critical care | Episil, Aloxi, Aquoral, Variquel, Xclair, Flammacerium, Flammazine (15%), Cryogestic/Dermogestic, Kelo-cote (25%) |
| Dermatologist – Rx Dermatology | Papulex (65%), Bio-Taches (75%), Kelo-cote (55%), Vibramycine N (30%), Atopiclair, Sebclair, Tridesonit (50%), Fazol (30%), Flammazine (25%) |
| Pharmacy – Family dermatology & Oral care | Aloclair, Decapinol, Papulex (35%), Flammazine (25%), Dermacide, Effadiane, Pannogel, Kelo-cote (20%), Jonctum, Fadiamone, Oxyplastine, Terbinafine Spray |
| Specialty other | Tridesonit (50%), Flammazine Rx (35%), Fazol (70%) Mysoline, Vibramycine N (70%), OptiFlo, Sinclair others, IS others |



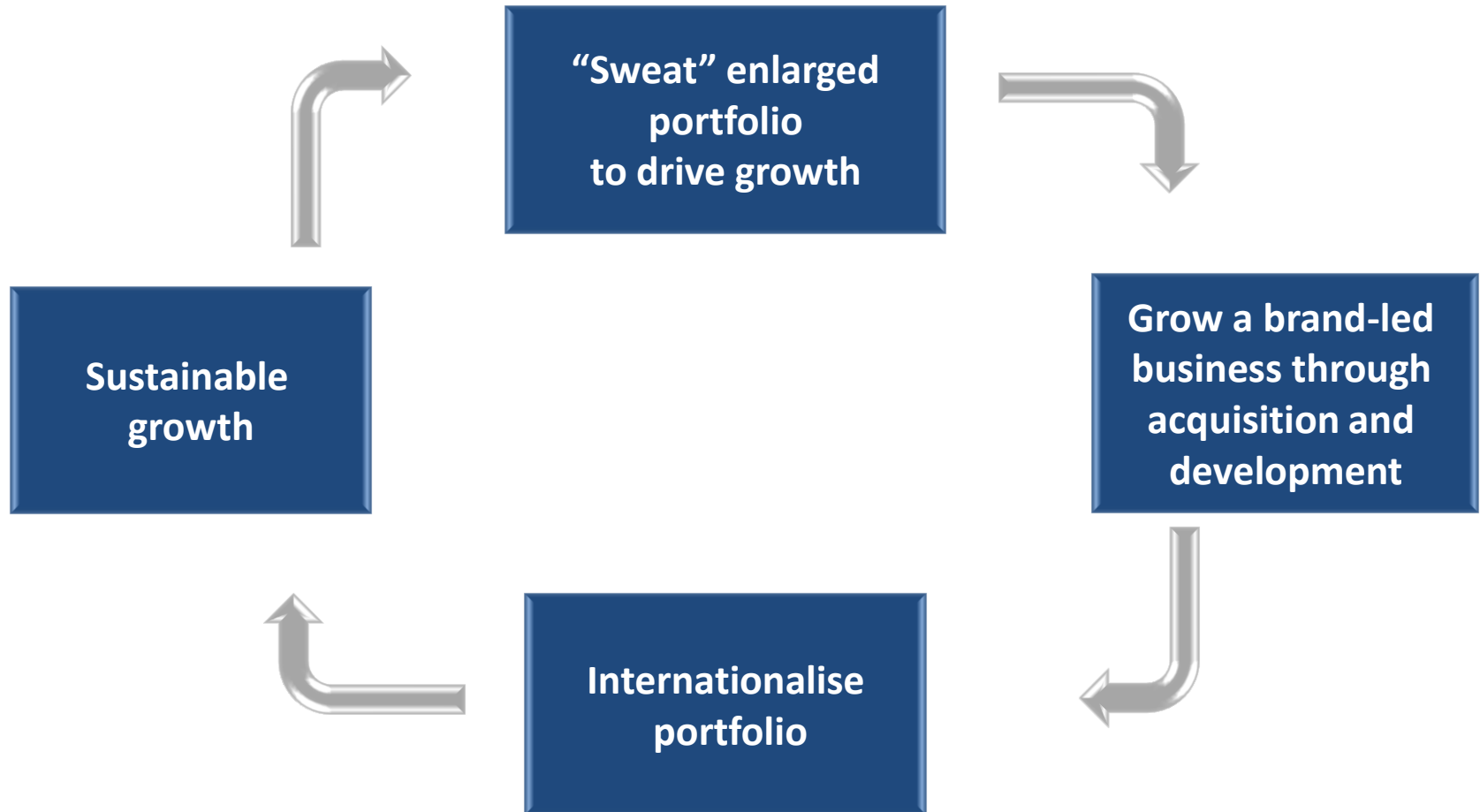
New product development

Enlarged portfolio

| | Product Name/Description | Product Class | Target indication | Estimate launch | | |
|--------------------------|---------------------------|---|--|-----------------|--------|--------|
| | | | | FY2012 | FY2013 | FY2014 |
| WOUND CARE | | | | | | |
| SPH244 | Flamma Dosaderm | Medical device | Minor burns | | | |
| SPH524 | Oxaclair Dosaderm | Cosmetic | Damaged skin | | | |
| SPH291 | Elastene Stretch marks | Cosmetic | Stretch marks | | | |
| SPH1000 | Flammacerium | Drug | Ischaemic ulcers | | | |
| SPH231 | Kelo-cote MedSpray | Medical device | Wound healing with scar reduction | | | |
| ACNE/ROSACEA | | | | | | |
| SPH267 | Nicotinamide + Delmopinol | Medical device | Acne | | | |
| SPH500 | X | Medical device | Rosacea | | | |
| FUNGAL INFECTIONS | | | | | | |
| SPH220 | Terbinafine Spray | Generic drug with proprietary delivery technology | Athlete's foot Single-application anti-fungal spray | EU | | US |
| HYPERPIGMENTATION | | | | | | |
| SPH290 | Bio-Taches Serum | Cosmetic | Age-related pigments, liver spot, melasma | | | |
| ORAL CARE | | | | | | |
| SPH496 | Aloclair patch | Medical device | Mouth ulcers | | | |
| SPH262 | Delmopinol + CHX | Drug | Gingivitis | | | |



Sinclair IS Pharma Strategy





What the Merger Delivers

Strength

- ❖ Fully integrated specialty pharma company
- ❖ Enlarged specialty product portfolio with broader reach
- ❖ Creates substantial international pharma business

Scale

- ❖ Strong European business
- ❖ Emerging market partnerships and opportunities
- ❖ Partner of choice for product distribution

Platform

- ❖ Strong platform for future growth
- ❖ Capability to self-fund future development
- ❖ Reduced risk with enhanced growth profile



Appendices



Board overview

❖ Key Positions:

| | |
|-------------------------|--------------------|
| Non-Executive Chairman: | John Gregory |
| CEO: | Chris Spooner |
| COO: | Christophe Foucher |
| CFO: | Matthew Hall |

| | |
|-----------------|-----------------------|
| Non-Executives: | Grahame Cook |
| | Jean-Charles Tschudin |
| | Tim Wright |