



PRESS RELEASE

FOR IMMEDIATE RELEASE

Burdica Biomed signs major contract to supply to China.

Edinburgh – 14 January 2010

Fife based biotech company Burdica Biomed has concluded a major deal with Sinopharm, China's largest pharmaceutical and medical device distributor. Under this long-term partnership agreement, Sinopharm has contracted to undertake the Chinese regulatory compliance process for products from the Burdica portfolio, and subsequently distribute these products in China with marketing support from Burdica.

This is a remarkable accomplishment for the young Scottish company, which was established in 2007 and launched its first product early last year. Burdica specialises in the development of therapeutic applications of hyaluronic acid (HA). HA occurs naturally in the matrix between the cells of many types of body tissue, and may be described as a natural provider of moisture and lubricity. It has a number of important functions in different types of tissues - for example, it contributes to the lubricating properties of the fluid in joints, it is involved in the repair processes of skin tissue and it has a role in creating the elastic properties of cartilage.

In April 2009 Burdica launched its Zestica™ product range with the introduction of Zestica™ Fertility, the first fertility lubricant to use the properties of HA in supporting the motility and hence fertilising capacity of sperm. The range has recently been augmented by the introduction of Zestica™ Moisture, designed to alleviate the dryness and discomfort experienced by many women during and after the menopause, and following certain medical procedures.

The relationship between Sinopharm and Kevin Burd, founder and CEO of Burdica, was initially established when Burd met Sinopharm representatives at a trade event soon after establishing his company. He maintained contact and over a period of several years played roles in facilitating a number of agreements involving Sinopharm and European and American healthcare companies. This working relationship and basis of trust meant that, when the time came to develop Burdica's international distribution infrastructure, it was natural to look to Sinopharm as a partner with which to address the Chinese market.

Burd said "This is an enormously significant milestone for us. We anticipate that the regulatory process in China will take twelve to eighteen months to complete. Thereafter, the sales projections we have developed jointly with Sinopharm indicate total revenues in the higher reaches of the tens of millions sterling range over our ten year distribution agreement with them."

Sinopharm employs around 3500 people and has some 12% of the Chinese market for pharmaceutical products and medical devices. Its activities range from research & development through manufacturing, marketing, import and export to distribution through 1000 of its own pharmacy outlets and other channels. It has a number of existing joint ventures with European and US multinational pharmaceutical companies. Its interest in Burdica's product range reflects its estimate that at any time approximately 40 million couples in China are experiencing difficulty in achieving conception.

Burdica is at present actively rolling out its products in international markets. "Our relationship with Sinopharm has been exceedingly positive and constructive, and we're aiming to build similar partnerships in a number of other territories," comments Brian Butchart, Burdica's Head of Sales. "We also have several interesting pipeline projects that will add unique and complementary product offerings to our range."

Contact: Gordon Eadie
M: 07939 211656
E: geadie@burdica.com

www.zestica.co.uk
www.burdica.com

ENDS