



FOR IMMEDIATE RELEASE

## **Distribution Agreement Signed with Italfarmaco of Italy for Serestill<sup>®</sup> in China**

(Hong Kong, 15 June 2007) – Lee's Pharmaceutical Holdings Limited (GEM) Stock: 8221; Website: [www.leespharm.com](http://www.leespharm.com)) announced today that the Group has signed a Distribution & Supply Agreement with ITALFARMACO S.p.A. for the distribution and marketing of Serestill<sup>®</sup> (Paroxetine Betaciclodextrin), in the People's Republic of China.

Serestill<sup>®</sup>~Paroxetine Betaciclodextrin, is an innovative paroxetine drop formulation that allows the best treatment of each individual patient. Paroxetine is a highly Selective Serotonin Reuptake Inhibitor (SSRI) with a little anticholinergic or anti-histaminergic activity. It has a strong anxiolytic effect. Currently, Paroxetine is the most used and preferred SSRI in the world. However, Paroxetine is known to induce withdrawal symptoms in over 30% patients upon abrupt cessation of the treatment. As a result, the EU has mandated that necessity to gradually increase the dose (up-titration) and of gradually decrease the dose (tapering off) of paroxetine. Serestill<sup>®</sup>, with its unique formulation of drop, is the only formulation fully compliant with EU decision and recommendation on Paroxetine. It is well positioned to penetrate rapidly the existing Paroxetine market by fulfilling an unmet demand.

Depression disorders affect a total of 121 millions people worldwide every year. According to WHO, it is estimated that 340 million individuals suffering from major depressive disorder, and depression will be the second leading disability cause worldwide by year 2020. As China's economy has been growing astronomically in recent years, so has been the increase in the number of depression patients. Anti-depression drug market in China has been one of the fastest growing markets in China's pharmaceutical industry in recent years with over 30% growth rate and the total market was reached over 100 million euro last year. The market trend is expected to continue as more and more people pay attention to their mental health.

"We're extremely pleased with our new partnership with Italfarmaco S.p.A. It again illustrates the successful efforts of the Group on growing through partnership and innovative products," stated Dr. Benjamin Li, the Chief Executive Officer of the Group. "By some estimation, the number of people suffered from depression is approximately 26 millions in China, the Group is expected to tap into this fast growing market and further broader the revenue and profit base of the Group."

### About ITALFARMACO

Italfarmaco Group markets ethical products in Italy, Spain, Portugal and Greece, where it employs a workforce of over 1300. It operates in both the pharmaceutical and the fine chemical industries. The Group is particularly active in the field of research, mainly oriented towards the cardiovascular area and disease associated with alterations of the immunological system.

## About Lee's

Lee's Pharmaceutical Group is a research-driven and market-oriented biopharmaceutical group with operation focused in China. It is a fully integrated biopharmaceutical company with solid infrastructures in drug development, clinical development, regulatory and sales and marketing in China with global perspective. It currently markets four products in China. At present, the Group has entered into agreements with US and European companies for over 10 licensed technologies or products.

### **Safe Harbor Statement**

*The statements in this news release, other than the historical financial information, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ from anticipated results. Further information on risk factor that could affect, among other things, Lee's financial condition and results of operations is detailed in Lee's IPO prospectus, as filed with the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited.*

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