

27th July 2005

AGM STATEMENT AND ACQUISITION OF PRODUCT RIGHTS

Alastair Macpherson, Chairman of Maelor plc, will make the following statement at today's AGM:

"The past financial year has seen another twelve months of steady progress for your Company. Turnover increased by 22% and losses were substantially reduced. A year ago we stated that we believed that we had sufficient funds to see the Company through to profitability. Since the interim statement in November 2004 our cash resources have increased, thus underlining the future viability of our business, and indicating progress towards profitability.

One of the most significant achievements of the past year was securing marketing approval for ContiSol®, our range of urethral catheter cleansing products, in Canada. We have appointed American Australian Medical, Inc, as our partner for North America, and they have launched ContiSol in Canada this month. We are also working with them on the necessary submissions that need to be made in the United States, the world's biggest medical devices market.

OptiFlo®, the brand name of our urethral catheter cleansing products sold by Bard Limited, has again made good progress, and its share of the UK community prescriptions market stands at a new high of 46%, compared with 42% in 2004.

We are pleased to announce today that Maelor is taking a significant step towards becoming a fully integrated healthcare company. We have reached agreement with Cambridge Laboratories Limited (Cambridge) to re-acquire the marketing rights to Volplex®, our blood plasma volume substitute, following its successful launch in the UK by Cambridge. I can report that the two companies have agreed to ensure a smooth handover as soon as the necessary regulatory approvals are granted. There will be some set-up costs which will impact in this financial year, but with an established market presence and good relationships in place with key customers, Maelor expects to sustain market share for Volplex with a small investment in extra resources. We will also be seeking to add further products to our portfolio over time, potentially as a result of our continued good working relationship with Cambridge.

Bringing this successful product back to Maelor is intended to accelerate our progress towards profitability, and marks an important milestone in our growth into a mature healthcare company. Maelor intends to attract new and innovative products to build on the substantial growth that we have been experiencing over the past three years, during which time we have almost trebled sales. Maelor is approaching its 2005/6 financial year with confidence, and plans to continue its drive to profitability."

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Notes to Editors

Maelor plc

Maelor is an AiM-listed specialist healthcare products company. The company has several products on the market including OptiFlo, ContiSol and Volplex.

OptiFlo, a urethral catheter maintenance range, launched in the UK in June 1999 and distributed through Bard Limited, has gained a 46% share of the UK community prescription market (source: IMS).

ContiSol, Maelor's own-brand urethral catheter maintenance range, has already been launched in Canada (by American Australoian Medical Inc.), in Spain (by CAIR España SL) and in Greece (by M. S. Jacovides SA).

Volplex, the company's blood plasma volume substitute, is used for patients suffering from the effects of trauma, surgery or certain medical conditions which result in hypovolaemia (lower than normal blood volume).

Maelor has various products under development including micelle propofol, a reformulation of the world's biggest-selling general anaesthetic.

*Volplex® and ContiSol® are trademarks of Maelor Pharmaceuticals Limited
OptiFlo® is a trademark of Bard Limited*