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Kinetana International Biotech Pharma Limited **健諾國際生化科技藥業有限公司**

(incorporated in the Cayman Islands with limited liability)

TERMINATION OF THE FORMER SPONSOR AGREEMENT AND APPOINTMENT OF A REPLACEMENT SPONSOR

Kinetana International Biotech Pharma Limited and AMS Corporate Finance Limited have mutually agreed to terminate the sponsor agreement dated 21 May 2002 with effect from 20 March 2003 and Hantec Capital Limited will be appointed as the replacement sponsor to Kinetana International Biotech Pharma Limited immediately upon such termination.

The board of directors (the "Board") of Kinetana International Biotech Pharma Limited (the "Company") wishes to announce that the Company and AMS Corporate Finance Limited ("AMS") have mutually agreed to terminate the sponsor agreement dated 21 May 2002 (the "Former Sponsor Agreement") with effect from 20 March 2003. Under the Former Sponsor Agreement, AMS was originally appointed as the sponsor to the Company until 28 February 2005. The Company and AMS decided to terminate the Former Sponsor Agreement based on commercial reasons. The Board considers that the terms of the new sponsor agreement offered by Hantec Capital Limited ("Hantec") are more favourable to the Company and will enable the Company to achieve a cost saving. AMS has confirmed that, as at the date of this announcement, it is not aware of any matters relating to the Company that need to be drawn to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

The Board further announces that Hantec will be appointed as the sponsor to the Company immediately upon the termination of the Former Sponsor Agreement until 28 February 2005.

By order of the Board
Kinetana International Biotech Pharma Limited
Tam Yun Kau
President and Chief Executive Officer

Hong Kong, 19 March 2003

This announcement, for which the directors (the "Directors") of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least seven days from the day of its posting.