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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)

(Stock code: 8031)

**APPOINTMENT OF DIRECTORS,
RESIGNATION OF PRESIDENT AND CHIEF EXECUTIVE OFFICER AND
CHANGE OF PRINCIPAL PLACE OF BUSINESS**

Appointment of directors

The board of directors (the “Board”) of Kinetana International Biotech Pharma Limited (the “Company”) hereby announces that Mr. Leung Yiu Cho Henry (“Mr. Leung”) has been appointed as executive director of the Company (“Executive Director”) and Mr. Hsu Shiu Foo, William (“Mr. Hsu”) has been appointed as independent non-executive director with effect from 25 October 2004.

Below are the details of the new directors:

Executive Director

Mr. Leung Yiu Cho Henry, aged 31, was appointed as an Executive Director of the Company to represent Neurolink Limited (“Neurolink”), a substantial shareholder of the Company holding approximately 27.01% of shares in the Company at the date of this announcement, following the change in substantial shareholder of the Company announced on 1 September 2004. Neurolink is wholly-owned by Mr. Lee Wai Nung Kingson (“Mr. Lee”). Mr. Leung presently practices as a sole practitioner under his own name and he has accumulated over 7 years of professional legal experience in company matters and litigations. Mr. Leung was appointed as a director of Mr. Lee’s family business in 2003 and is responsible for the development of business in the herbal and pharmaceutical field. Mr Leung was elected as a member of the District Council of Central & Western District as from 2000. He graduated with a bachelor’s degree in law and was awarded the postgraduate certificate in laws from The University of Hong Kong. He is responsible for the overall management and operational activities of the Company.

Mr. Leung does not have any interests in the Company within the meaning of Part XV of SFO. Save as being a director of Mr. Lee's family business as disclosed above, Mr. Leung does not have any relationships with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange ("GEM Listing Rules")). He was appointed as director of Starpilot International Limited, Jalinee Life Products Limited and Jalinee Herbal Limited, which are wholly-owned subsidiaries of the Company. Save as disclosed above, Mr. Leung has not held any directorship in listed public companies in the last three years and does not have any other major appointments and qualifications. Saved as disclosed, Mr. Leung does not hold any other positions in the Company or any of its subsidiaries.

Mr. Leung has entered into a service agreement with the Company for a period of one year commencing from 25 October 2004. His emolument in connection with his position as Executive Director is HK\$45,000 per month plus a year-end discretionary bonus to be determined by the Board from time to time. His emolument is determined after arm's length negotiation between the parties with reference to prevailing market conditions. Mr. Leung is not aware of any other matters that should be brought to the attention of the Stock Exchange or the shareholders of the Company.

Independent non-executive director

Mr. Hsu Shiu Foo, William, aged 53, has over 10 years of global business experience in tourism and service-oriented related fields in various international corporations. He was a visiting fellow at the Faculty of Business of the City University of Hong Kong. Mr. Hsu holds a bachelor's degree in arts from Brigham Young University, Hawaii and a master's degree in hotel administration from Cornell University, New York. He was appointed as a visiting professor in the faculty of tourism at the Zhejiang University in 2001. Mr. Hsu is currently the independent non-executive director of Grandy Corporation which is a company listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Mr. Hsu has no interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), nor any relationships with any directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company (within the meaning of the GEM Listing Rules). Save as disclosed, Mr. Hsu has not held any directorship in listed public companies in the last three years and does not have any other major appointments and qualifications. Save as disclosed, Mr. Hsu does not hold any other positions in the Company or any of its subsidiaries.

Mr. Hsu has entered into a service agreement with the Company for a period of one year commencing from 25 October 2004. His emolument in connection with his position as independent non-executive director is HK\$5,000 per month which is determined after arm's length negotiation between the parties with reference to prevailing market conditions. Mr. Hsu is not aware of any other matters that should be brought to the attention of the Stock Exchange or the shareholders of the Company.

Resignation of President and Chief Executive Officer

The Board further announces that Dr. Tam Yun Kau (“Dr. Tam”) has resigned from the positions as President and Chief Executive Officer of the Company with effect from 25 October 2004 but will remain as an Executive Director of the Company.

Change of principal place of business

The Board also wishes to announce that the principal place of business in Hong Kong will be changed to Unit 1721, Park-in Commercial Centre, 56 Dundas Street, Mongkok, Kowloon, Hong Kong with effect from 1 November 2004.

The Board would like to extend a warm welcome to Mr. Leung and Mr. Hsu in joining the Company. In addition, the Board would like to thank Dr. Tam for his service and contribution to the Company as President and Chief Executive Officer of the Company.

By Order of the Board
Kinetana International Biotech Pharma Limited
Dr. Tam Yun Kau
Executive Director

Hong Kong, 27 October 2004

At the date of this announcement, the executive directors of the Company are Dr. Tam Yun Kau, Mr. Young Chiu Kit, Patrick, Mr. Leung Yiu Cho Henry and Mr. Foo Young Yer, the non-executive director is Mr. Tam Shong-Tak, David and the independent non-executive directors are Mr. Chan Mo Po, Paul, Mr. To Christopher, Mr. Chan Francis Ping Kuen and Mr. Hsu Shiu Foo, William.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, 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 and on the website of the Company at www.kinetana.com.