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FOR IMMEDIATE RELEASE

S*BIO ANNOUNCES RESEARCH COLLABORATION WITH KAROLINSKA INSTITUTET

Singapore, January 10, 2007 - S*BIO Pte Ltd, a privately held biotech company focused on the research and clinical development of novel targeted small molecule drugs for the treatment of cancer, today announced that it has entered into a research collaboration with Professor Sven Pettersson at the Department of Tumorbiology and Microbiology at Karolinska Institutet, the prominent Swedish medical university, for its histone deacetylase (HDAC) program.

"We are delighted to be working with Professor Sven Pettersson, who is well-recognized for his work in cancer research. This agreement provides an exciting opportunity for S*BIO and Professor Pettersson to combine expertise and resources to evaluate the role of S*BIO's novel and proprietary HDAC inhibitors in the treatment of colorectal cancers and to investigate the underlying mechanisms of the development of gastrointestinal polyps and tumors," said Jan-Anders Karlsson, CEO of S*BIO.

Colorectal cancer is the second leading cause of cancer related deaths in the U.S. Early detection and novel therapies have improved patient prognosis but there is still a significant unmet medical need. Over 100,000 new cases are diagnosed annually in the U.S., and there are more than 50,000 deaths from this disease every year.

Sven Pettersson holds an M.D. and Ph.D. He was appointed professor at Karolinska Institutet in 2000 in the field of innate immunity with a strong emphasis on functional genomics. In 2003 he was also appointed adjunct professor at National University of Singapore. More specifically, Professor Pettersson and his team utilize animal models susceptible to chronic inflammation and cancer to address fundamental questions regarding cell growth and differentiation in health and in disease. For more information please visit <http://www.mtc.ki.se/groups/pettersson/index.html>

Notes to the Editor

About Histone Deacetylases (HDAC)

Histone deacetylases (HDAC) are a class of enzymes that remove acetyl groups from an ϵ -N-acetyl lysine amino acid on a histone. Chromatin re-modelling in part controls the expression of genetic material during cell division and is regulated by histone modifications. Deacetylation of histones by HDAC modifies the chromatin from an open gene-active euchromatin structure to a closed gene-



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silenced heterochromatin structure, which may reduce the transcription of genes that suppress tumour growth.

About Karolinska Institutet

Karolinska Institutet is one of the leading medical universities in Europe and Sweden's largest centre for medical education and research. Research at Karolinska Institutet is of the highest international standard within a range of important fields. Karolinska Institutet collaborates internationally and nationally with healthcare- and medical institutions, industry and other universities. Each year, the Nobel Assembly at Karolinska Institutet awards the Nobel Prize in Physiology or Medicine.

About S*BIO Pte Ltd

S*BIO is a privately held biotech company focused on the research and clinical development of novel targeted small molecule drugs for the treatment of cancer with leading programs around histone deacetylases (HDAC) and kinases. Its lead candidate SB939, will enter the clinic in 1Q 2007.

S*BIO intends to become a leading fully integrated oncology-focused biotech company in Asia Pacific. It has developed a fully integrated state-of-the-art R&D infrastructure and has built a strong clinical development team. The Company is actively fostering close ties with medical oncology networks in Asia Pacific. S*BIO is aggressively building a pipeline of internal and in-licensed compounds. More information about the Company can be found at www.sbio.com.

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