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## UNITED GENE HIGH-TECH GROUP LIMITED

聯合基因科技集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 399)**

### UPDATE ON LITIGATION

Reference is made to the announcement (the “**Announcement**”) of United Gene High-Tech Group Limited (the “**Company**”) dated 25 May 2012 in relation to the litigation against a subsidiary of the Company, Longmark (Shanghai). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

#### **Update on the litigation against Longmark (Shanghai)**

On 27 May 2012, Longmark (Shanghai) and Jiangsu Tianteng entered into a settlement agreement, pursuant to which, Longmark (Shanghai) agreed to pay, the remaining balance of the construction fee of RMB2,977,586 to Jiangsu Tianteng in accordance with the terms of the Longmark Construction Agreement in the following manners:

- i. the construction fee of RMB2,000,000 shall be payable within 3 business days following the application filed by Jiangsu Tianteng to the Changning District Court of the PRC to withdraw the litigation against Longmark (Shanghai); and
- ii. Jiangsu Tianteng agreed to repair the installed but defective aeration facilities of the relevant building with a guarantee that the relevant fire safety requirements must be satisfied on or before 25 June 2012, otherwise, Longmark (Shanghai) is under no obligation to pay the remaining balance of RMB977,586 to Jiangsu Tianteng. The remaining balance of RMB977,586 shall be payable within 3 business days following the relevant fire safety requirements being satisfied.

Jiangsu Tianteng filed the application to withdraw the litigation against Longmark (Shanghai) thereafter. Accordingly, the construction fee of RMB2,000,000 was paid to Jiangsu Tianteng.

On 20 June 2012, the Company received a notice of withdrawal for the litigation against Longmark (Shanghai) dated 4 June 2012 issued by the Changning District Court of the PRC regarding the out of court settlement of the said litigation.

The aeration facilities of Longmark (Shanghai) was unable to satisfy the relevant fire safety requirements before 25 June 2012, therefore, Longmark (Shanghai) is under no obligation to pay the remaining balance of RMB977,586 to Jiangsu Tianteng.

By Order of the Board  
**United Gene High-Tech Group Limited**  
**Lee Nga Yan**  
*Director*

Hong Kong, 16 July 2012

*As at the date of this announcement, the board of Directors of the Company comprises Ms. Jiang Nian (Chairman & Non-executive Director), Ms. Lee Nga Yan (Executive Director), Dr. Guo Yi (Executive Director), Ms. Wu Yanmin (Non-executive Director), Ms. Xiao Yan (Non-executive Director), Ms. Chen Weijun (Independent non-executive Director), Dr. Zhang Zhihong (Independent Non-executive Director) and Mr. Wang Rongliang (Independent non-executive Directors).*

*Please also refer to the published version of this announcement on the Company's website: [www.unitedgenegroup.com](http://www.unitedgenegroup.com) and [www.irasia.com/listco/hk/unitedgene](http://www.irasia.com/listco/hk/unitedgene).*