

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN RE COMPLETE GENOMICS, INC.) CONSOLIDATED
SHAREHOLDER LITIGATION) C.A. No. 7888-VCL

**ORDER GRANTING IN PART
PLAINTIFFS' MOTION FOR A PRELIMINARY INJUNCTION**

WHEREAS, plaintiffs in the above-captioned action filed a Motion for a Preliminary Injunction on October 1, 2012 in connection with the proposed purchase of Complete Genomics, Inc. ("Complete Genomics") by BGI-Shenzhen and its wholly-owned subsidiary, Beta Acquisition Corporation (together with BGI-Shenzhen, "BGI") pursuant to an Agreement and Plan of Merger (the "Merger Agreement") through means of an all cash tender offer (the "Tender Offer") to be followed by a second-step merger (collectively, with the Tender Offer, the "Proposed Transaction");

WHEREAS, plaintiffs filed their Opening Brief In Support of Their Motion for a Preliminary Injunction on October 12, 2012; defendants filed their opposing brief on October 15, 2012; and plaintiffs filed their reply brief on October 16, 2012;

WHEREAS, the Court heard oral argument on the Motion for a Preliminary Injunction on October 17, 2012;

WHEREAS, the Court convened a teleconference with the parties on November 1, 2012, to seek further clarification on certain points relating to the operation of the Merger Agreement and the "Outside Date" for consummation of the Proposed Transaction;

WHEREAS, Complete Genomics filed a letter with the Court on November 2, 2012, explaining to the Court that the version of the Merger Agreement that had been publicly filed contained a typographical error in the definition of the "Outside Date" in Section 1.1(e);

WHEREAS, the Court rendered its oral ruling on plaintiffs' Motion for a Preliminary Injunction on November 9, 2012, granting in part and denying in part plaintiffs' Motion and

enjoining the closing of the Tender Offer until the earlier of a post-trial decision on the merits or ten business days after Complete Genomics had issued curative disclosures, namely: (a) a true and correct copy of the Merger Agreement, without the typographical error in the definition of the “Outside Date,” and (b) supplemental disclosure concerning certain communications between defendant Clifford A. Reid and BGI concerning his potential continuing employment after the consummation of the Proposed Transaction;

WHEREAS, Complete Genomics satisfied the Court’s preliminary injunction on November 13, 2012, by making the required curative disclosures in a filing with the United States Securities and Exchange Commission (the “SEC”) on Schedule 14D9/A on the same date;

WHEREAS, plaintiffs filed a Motion for Reargument on November 16, 2012, and defendants filed their opposing brief on November 20, 2012;

WHEREAS, the Court entered an Order denying the Motion for Reargument on November 21, 2012;

WHEREAS, following the entry of the Court’s Order denying the Motion for Reargument, Complete Genomics submitted a letter to the Court clarifying certain facts concerning the terms of certain standstill agreements entered into by Complete Genomics with certain counterparties prior to the execution of the Merger Agreement;

WHEREAS, the Court convened a telephonic conference with the parties on November 27, 2012, during which the Court made additional inquiries regarding certain standstill agreements into which Complete Genomics had entered;

WHEREAS, the confidentiality and standstill agreement between Complete Genomics and Party J, dated July 20, 2012 (the “Standstill Agreement”), contains the following provision:

During the one (1) year period commencing on the date of this letter agreement (the “Standstill Period”), except in connection

with the negotiated Transaction contemplated herein, neither you nor any of your Representatives acting on your behalf will, in any manner, directly or indirectly:

(a) make, effect, initiate, cause or participate in (i) any acquisition of beneficial ownership of any equity securities of the Company or any equity securities of any subsidiary or other controlled affiliate of the Company, (ii) any acquisition of any assets of the Company or any assets of any subsidiary or other controlled affiliate of the Company, (iii) any tender offer, exchange offer, merger, business combination, recapitalization, restructuring, liquidation, dissolution or extraordinary transaction involving the Company or any subsidiary or other controlled affiliate of the Company, or involving any equity securities or assets of the Company or any equity securities or assets of any subsidiary or other controlled affiliate of the Company, or (iv) any "solicitation" of "proxies" (as those terms are used in the proxy rules of the Securities and Exchange Commission) or consents with respect to any securities of the Company;

(b) form, join or participate in a "group" (as defined in the Securities Exchange Act of 1934 and the rules promulgated thereunder) with respect to the beneficial ownership of any equity securities of the Company;

(c) act, alone or in concert with others, to seek to control or influence the management, board of directors or policies of the Company;

(d) take any action that might be reasonably expected to require the Company to make a public announcement regarding any of the types of matters set forth in clause "(a)" of this sentence;

(e) agree or offer to take, or encourage or propose (publicly or otherwise) the taking of , [sic] any action referred to in clause "(a)", "(b)", "(c)" or "(d)" of this sentence;

(f) assist, induce or encourage any other person to take any action "(a)", "(b)", "(c)" or [sic] "(d)" or "(e)" of this sentence;

(g) enter into any discussions, negotiations, arrangement or agreement with any other person relating to or any of the foregoing; or

(h) request or propose that the Company or any of the Company's representatives amend, waive or consider the

amendment or waiver of any provision set forth in this paragraph.

WHEREAS, before Complete Genomics' letter, the Court was under the misapprehension that the Standstill Agreement did not contain a restriction stating that the counterparty would not "request or propose that the Company or any of the Company's representatives amend, waive or consider the amendment or waiver of any provision set forth in this paragraph" (the "Don't Ask Provision");

WHEREAS, after hearing argument from counsel regarding the Don't Ask Provision, the Court rendered an oral decision granting an additional preliminary injunction limited to the enforcement of the Don't Ask Provision in the Standstill Agreement;

WHEREAS on November 28, 2012, Complete Genomics sent a letter to Party J informing it of the Court's preliminary injunction ruling of November 27;

WHEREAS, in a filing with the SEC on Schedule 14D9/A on November 28, 2012, Complete Genomics disclosed (a) the terms of the Court's preliminary injunction ruling of November 27, 2012, and (b) that Complete Genomics so advised Party J of the terms of the Court's preliminary injunction ruling in a letter of the same day; and

WHEREAS, the Court further directed counsel for plaintiffs to submit a proposed form of Order providing a definitive record as to the relief that had been granted;

IT IS HEREBY ORDERED that plaintiffs' Motion for a Preliminary Injunction is GRANTED IN PART insofar as:

1. Defendants were enjoined from closing the Tender Offer until the earlier of a post-trial decision on the merits or ten business days after Complete Genomics had issued curative disclosures, namely: (x) a true and correct copy of the Merger Agreement, without the typographical error in the definition of the "Outside Date," and (y) supplemental disclosure

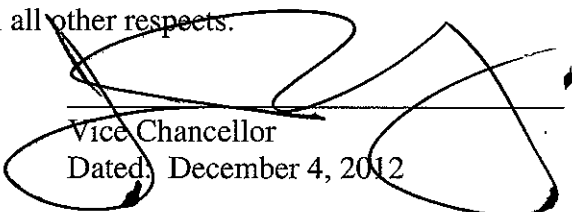
concerning certain communications between defendant Reid and BGI concerning his potential continuing employment after the consummation of the contemplated transaction, consistent with the Court's directive in its oral ruling on November 9, 2012.

2. Complete Genomics is enjoined, pending trial, from enforcing the term of the Don't Ask Provision, insofar as such term purports to forbid Party J from seeking, in a non-public manner, a waiver of the terms of the Standstill Agreement.

3. As required by the November 9, 2012, ruling, defendants shall give plaintiffs prompt notice of any consideration given by the Complete Genomics board of directors to changing its recommendation in favor of the transactions contemplated by the Merger Agreement, regardless of the result of the deliberations, and including if the board of directors concludes that the terms of the Merger Agreement do not permit the board of directors to change its recommendation.

4. As set forth in the November 9, 2012, ruling, Defendants shall give the plaintiffs prompt notice of any non-public request made by any party to a confidentiality or standstill agreement for a waiver from the standstill agreement.

IT IS FURTHER ORDERED that plaintiffs' Motion for a Preliminary Injunction and Motion for Reargument are DENIED in all other respects.



Vice Chancellor
Dated: December 4, 2012