



Statement on Jury Verdict in Delaware Trial Against Oxford Nanopore Technologies

March 18, 2020

MENLO PARK, Calif., March 18, 2020 (GLOBE NEWSWIRE) -- Pacific Biosciences of California, Inc. (Nasdaq:PACB), a leading provider of high-quality sequencing of genomes, transcriptomes and epigenomes, announced that the jury verdict in the U.S. District Court for the District of Delaware was not overall favorable for Pacific Biosciences, but mixed in terms of its findings.

Although the jury sided with Pacific Biosciences in finding Oxford Nanopore Technologies Ltd. and its U.S. subsidiary Oxford Nanopore Technologies, Inc. guilty of infringing three of Pacific Biosciences' patents, U.S. Patent Nos. 9,678,056 (the "'056 Patent"), 9,546,400, and 9,772,323, the jury declined to find these patents valid based on enablement and, in the case of claim one of the '056 Patent, written description and indefiniteness. The jury declined to find valid or infringing U.S. Patent No. 9,738,929, also asserted by Pacific Biosciences in the actions.

"We are disappointed with today's verdict, which appears to be internally inconsistent regarding the validity of our patents," said Dr. Michael W. Hunkapiller, President and Chief Executive Officer of Pacific Biosciences. "We were especially dismayed at ONT's brazen attempts during trial, in direct violation of the Court's orders, to improperly sway the jury with references to previous legal proceedings between the parties involving different patents and legal questions, and to profit from the current coronavirus pandemic by incorrectly suggesting that if the jury voted in favor of Pacific Biosciences it would be impeding critical efforts to combat the COVID-19 outbreak."

Pacific Biosciences intends to file post-trial motions with the District Court, seeking to overturn these aspects of the jury verdict and also requesting a new trial if warranted. In addition, if necessary, the company plans to appeal to the U.S. Court of Appeals for the Federal Circuit.

"We continue to believe that all of our asserted U.S. patent claims are valid and infringed by ONT, and we believe the law and the facts support our positions," continued Dr. Hunkapiller. "Pacific Biosciences remains firm in its resolve to protect its investment and leadership position in the field it has created, and we look forward to the next steps in our litigation against ONT."

The jury's verdict has no effect on the previous settlement between the parties, under which ONT has agreed to refrain from offering "2D" sequencing products in the United Kingdom and Germany through 2023. The company's settlement agreement with ONT and other parties remains in effect notwithstanding the outcome of the U.S. District Court litigation or other legal proceedings between the parties in the U.S. or Europe.

About Pacific Biosciences

Pacific Biosciences of California, Inc. (NASDAQ:PACB) offers sequencing systems to help scientists resolve genetically complex problems. Based on its novel Single Molecule, Real-Time (SMRT[®]) technology, Pacific Biosciences' products enable: de novo genome assembly to finish genomes in order to more fully identify, annotate and decipher genomic structures; full-length transcript analysis to improve annotations in reference genomes, characterize alternatively spliced isoforms in important gene families, and find novel genes; targeted sequencing to more comprehensively characterize genetic variations; and real-time kinetic information for epigenome characterization. Pacific Biosciences' technology provides high accuracy, ultra-long reads, uniform coverage, and the ability to simultaneously detect epigenetic changes. PacBio[®] sequencing systems, including consumables and software, provide a simple, fast, end-to-end workflow for SMRT Sequencing. More information is available at www.pacb.com.

Forward-Looking Statements

All statements in this press release that are not historical are forward-looking statements, including, among other things, statements relating to availability, uses, accuracy, quality or performance of, or benefits of using, products or technologies, the suitability or utility of methods, products or technologies for particular applications or projects, the results or ultimate outcome of legal proceedings and other future events. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties, changes in circumstances and other factors that are, in some cases, beyond Pacific Biosciences' control and could cause actual results to differ materially from the information expressed or implied by forward-looking statements made in this press release. Factors that could materially affect actual results can be found in Pacific Biosciences' most recent filings with the Securities and Exchange Commission, including Pacific Biosciences' most recent reports on Forms 8-K, 10-K and 10-Q, and include those listed under the caption "Risk Factors." Pacific Biosciences undertakes no obligation to revise or update information in this press release to reflect events or circumstances in the future, even if new information becomes available.

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