PacBio – Revolutionizing Genomic Sequencing

Bernstein's 39th Annual Strategic Decisions Conference (SDC)

Christian Henry, President and CEO
Forward-looking statements

All statements in this presentation (and any accompanying oral presentation) that are not historical of fact are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the U.S. Private Securities Litigation Reform Act of 1995, including statements relating to preliminary future operating results, including revenue, margins, guidance, goals and operating plans; expectations with respect to the commercial success of the Revio and Onso systems; expectations with respect to development and commercialization timeframes; future availability, uses, accuracy, sensitivity, advantages, compatibility, pricing, specifications, quality or performance of, or benefits or expected benefits of using, PacBio products or technologies, including the Revio and Onso systems; throughput, scalability, affordability, coverage, run times, data, density, type and cost per genome, pricing, consumable requirements, number of genomes that can be sequenced per year; the use of NVIDIA GPUs and AI-enabled compute in the Revio system and related improvements in yield and accuracy; schedule flexibility and downtime; expected delivery timeframes; expectations regarding competition in the short- and long-read sequencing technologies markets; market sizes, market and revenue growth and market opportunities, as well as our ability to capture market share; expected use applications; expectations with respect to collaborations and partnerships, and other future events. Readers are cautioned not to place undue reliance on these forward-looking statements and any such forward-looking statements are qualified in their entirety by reference to the following cautionary statements. All forward-looking statements speak only as of the date of this presentation and are based on current expectations and involve a number of assumptions, risks and uncertainties that could cause the actual results to differ materially from such forward-looking statements, including, among others, challenges inherent in developing, manufacturing, launching, marketing and selling new products, and achieving anticipated new sales; challenges related to the testing, validation and commercialization of our products, including the fact that Onso is in beta testing and not yet commercially available, and remains subject to additional development and validation; potential product performance and quality issues and potential delays in development and delivery timelines; assumptions, risks and uncertainties related to the ability to attract new customers and retain and grow sales from existing customers; rapidly changing technologies and extensive competition in genomic sequencing that could make the products PacBio is developing obsolete or non-competitive; supply chain risks; customers and prospective customers curtailing or suspending activities utilizing our products; the impact of U.S. export restrictions on the shipment of PacBio products to certain countries; third-party claims alleging infringement of patents and proprietary rights or seeking to invalidate PacBio’s patents or proprietary rights; and risks associated with macroeconomic and geopolitical conditions. Readers are strongly encouraged to read the full cautionary statements contained in PacBio’s filings with the Securities and Exchange Commission, including the risks set forth in PacBio’s Forms 8-K, 10-K, and 10-Q. PacBio disclaims any obligation to update or revise any forward-looking statements, except as required by law.

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MISSION
Enabling the promise of genomics to better human health
PacBio at a glance

1,000+ Sequencers sold to date in 40 countries

~9,000 Publications to date

~230 customer-facing employees¹
~415 research + ops

Nine offices
Enabling global collaboration

1. As of 12/31/22
Why is our understanding of DNA and genomics important?

Determining the sequence of DNA helps explain differences between diseased vs normal, pathogenic vs benign to help researchers better diagnose illnesses, treat disease, develop drugs, fight infection, or grow better crops.
We serve a large and growing market estimated to be ~$14B by 2026\(^1\)

- **Human genomics**: $4.3B
- **Oncology**: $6.2B
- **Microbial/infectious**: $1.4B
- **Plant + animal**: $300M
- **Other/emerging**: $1.6B

Growth predicted across all segments, with highest growth in human germline + oncology

Increased investment in translational studies, including population-scale programs + expansion of sequencing into routine clinical testing

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1. Based in DeciBio NGS manufacturers report 2021, peer company disclosures, and internal estimates
Revio, our flagship sequencer, is designed to deliver HiFi sequencing at scale

1,300 human genomes per year\(^1\)

- **100 M** ZMW per run
- **360 Gb** HiFi yield per run
- **24 hour** Sequencing time
- **15–18 kb** Read length
- **5mC** DNA methylation
- **90% Q30+** Base quality

1. Based on 90% utilization at 30x coverage
### PacBio HiFi delivers a new class of Whole Genome Sequencing (WGS)

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<th>Short-read genomes</th>
<th>HiFi whole genomes</th>
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<td>...</td>
<td>Structural variation</td>
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<td>SNPs/small indels</td>
<td>SNPs/small indels</td>
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- ✗ Needs a reference genome
- ✗ Miss 100s of millions of base pairs
- ✗ Blind to ~400 medically relevant genes in dark regions
- ✓ Reference quality
- ✓ Complete T2T assemblies
- ✓ All known variant classes

⚠️ Not all genome sequence data is created equal

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PacBio
Nearing first customer shipments for Onso – PacBio’s first short read platform

Initial beta feedback demonstrating the value of highly accurate reads

We believe that more accurate reads will be transformative for many genomic applications, including oncology. We are excited to be evaluating the Onso platform with this in mind.”

Niall Lennon, PhD, Senior Director of Translational Genomics, Institute Scientist, Broad Institute

We’ve been extremely impressed by Onso’s levels of accuracy. This accuracy can open exciting new opportunities to transform agricultural biotechnology, specifically in areas like gene editing specificity analysis.”

Gina Zastrow-Hayes, Biotechnology and GT-Genomics Technology Manager, Corteva Agriscience

Weill Cornell Medicine

Impressive data rolling off the new @PacBio Onso sequencer, with Q-values staying above 50 for the full length of the read with the SBB chemistry, and starting up at 55 in the beginning!

Tweet from Christopher Mason, PhD (@mason_lab) Professor, Department of Physiology and Biophysics, Weill Cornell Medicine
A portfolio of both short- and long reads allows PacBio to offer the best-suited technology in each application for optimal results

HiFi sequencing
Delivers long reads with the highest accuracy even in hard-to-sequence regions

SBB sequencing
Promises significant accuracy improvements over conventional NGS approaches

Complex disease research
Plant + animal sciences
Neuroscience
Immunology

Rare + inherited disease
Gene editing confirmation
Infectious disease/microbiology
Targeted clinical panels

Therapy selection
Noninvasive prenatal screening
Early-stage cancer screening
Cancer recurrence monitoring

1. Based on product comparison as published in Nature Biotechnology (https://doi.org/10.1038/s41587-021-01049-5)
We are off to a great start in 2023 with record quarterly revenue in Q1

- **$38.9M**
  - Record product and service revenue in Q1

- **38**
  - Systems shipped including 32 Revio systems

- **~38%**
  - 2023 revenue growth at mid point of range\(^1\)

- **$875M**
  - Cash, cash equivalents, + investments\(^2\)

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1. Represents guidance as provided on May 2, 2023 and is not intended to be an update or reaffirmation of guidance
2. As of 3/31/2023
2023 is first step on path to achieve >$500M in revenue in 2026\textsuperscript{1}

From one platform to **multiple platforms** across long and short reads

**More frequent platform launches** to expand product portfolio and build momentum

**Expanding pull-through** with faster run-time, multiple chips, and denser flow cell

**End-to-end workflows** and kitted solutions targeting applications

**Expanding market opportunity** and increased market share underpinning growth

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1. Represents guidance as provided on May 2, 2023 and is not intended to be an update or reaffirmation of guidance
2. Represents guidance as provided on November 15, 2022 and is not intended to be an update or reaffirmation of guidance