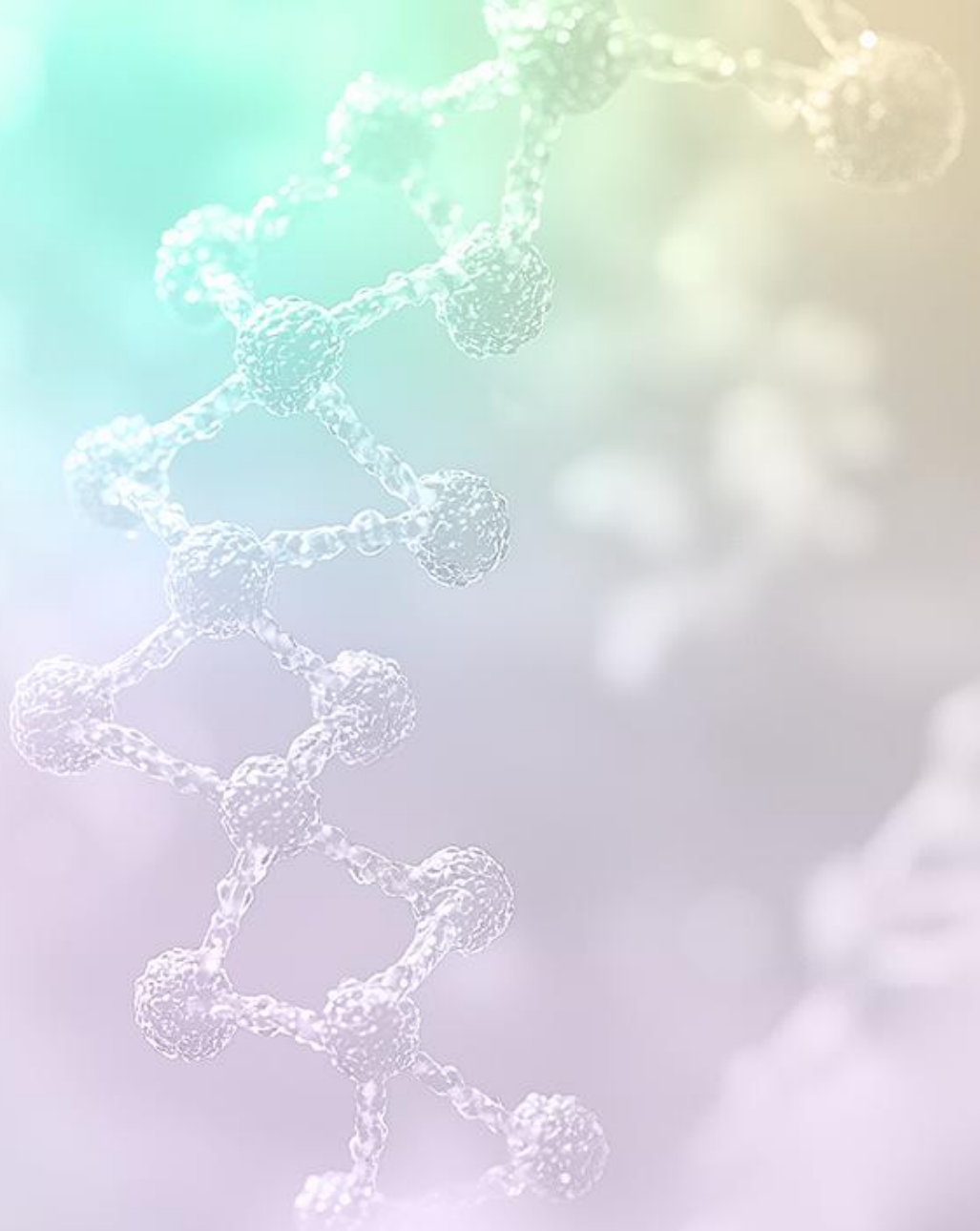
PacBio

Q2 2026 Earnings Presentation

August 5, 2026



Safe harbor and non-GAAP disclosures

Statement regarding use of non-GAAP financial measures

PacBio reports non-GAAP results for basic net income and loss per share, net income, net loss, gross margins, gross profit (loss), and operating expenses in addition to, and not as a substitute for, or because it believes that such information is superior to, financial measures calculated in accordance with GAAP. PacBio believes that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies may calculate similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of PacBio's non-GAAP financial measures as tools for comparison.

PacBio's financial measures under GAAP include substantial charges that are listed in the itemized reconciliations between GAAP and non-GAAP financial measures included in this presentation. PacBio excludes recurring charges from its non-GAAP financial statements, including amortization of acquired intangible assets and changes in fair value of contingent consideration, and further excludes infrequent and limited charges including impairment charges, restructuring related expenses for discrete restructuring events, settlement charges, disposition of short-read assets, benefits from income taxes, and other adjustments and rounding differences. Management has excluded the effects of these items in non-GAAP measures to assist investors in analyzing and assessing past and future operating performance. In addition, management uses non-GAAP measures to compare PacBio's performance relative to forecasts and strategic plans and to benchmark its performance externally against competitors.

PacBio encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. A reconciliation of PacBio's non-GAAP financial measures to their most directly comparable financial measure stated in accordance with GAAP has been provided in the financial statement tables included in this presentation. PacBio is unable to reconcile future looking non-GAAP guidance included in this presentation without unreasonable effort because certain items that impact this measure are out of PacBio's control and/or cannot be reasonably predicted at this time.

Forward-Looking Statements

This presentation contains "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. All statements other than statements of historical fact are forward-looking statements, including, but not limited to, statements relating to PacBio's initiatives as well as the expected financial impact and timing of these plans and initiatives, including our expectations regarding SPRQ-Nx; PacBio's financial guidance and expectations for future periods; new and continued reception of PacBio's products and their expansion into new or existing markets; our expectations regarding our collaboration with Basecamp Research; developments affecting our industry and the markets in which we compete, including the impact of new products and technologies and tariffs; anticipated results of studies and future customer use and costs of our products and consumables, including the increasing clinical adoption of HiFi; and the availability, uses, accuracy, coverage, advantages, quality or performance of, or benefits or expected benefits of using, PacBio products or technologies. Reported results and orders for any instrument system should not be considered an indication of future performance. You should not place undue reliance on forward-looking statements because they are subject to assumptions, risks, and uncertainties and could cause actual outcomes and results to differ materially from currently anticipated results, including, but not limited to, challenges inherent in developing, manufacturing, launching, marketing and selling new products, and achieving anticipated new sales; potential cancellation of existing instrument orders; assumptions, risks and uncertainties related to the ability to attract new customers and retain and grow sales from existing customers; risks related to PacBio's ability to successfully execute and realize the benefits of acquisitions; the impact of new, increased or enhanced tariffs and export restrictions; rapidly changing technologies and extensive competition in genomic sequencing; unanticipated increases in costs or expenses; high costs of computer memory components; interruptions or delays in the supply of components or materials for, or manufacturing of, PacBio products and products under development; potential product performance and quality issues and potential delays in development timelines; the possible loss of key employees, customers, or suppliers; customers and prospective customers curtailing or suspending activities using PacBio's products; third-party claims alleging infringement of patents and proprietary rights or seeking to invalidate PacBio's patents or proprietary rights; risks associated with international operations; and other risks associated with general macroeconomic conditions and global economic or political instability, including war and other international conflicts, such as the conflicts in the Middle East. Additional factors that could materially affect actual results can be found in PacBio's most recent filings with the Securities and Exchange Commission, including PacBio's most recent reports on Forms 8-K, 10-K, and 10-Q, and include those listed under the caption "Risk Factors." These forward-looking statements are based on current expectations and speak only as of May 7, 2026; except as required by law, PacBio disclaims any obligation to revise or update these forward-looking statements to reflect events or circumstances in the future, even if new information becomes available.

Positioning PacBio for the Next Phase of Growth

Mark Van Oene

President and Chief Executive Officer

- Five years as PacBio's Chief Operating Officer
- Led R&D, Operations and Commercial organizations
- Drove Revio, Vega and SPRQ-Nx development
- Deep knowledge of PacBio and the genomics and clinical markets

Goal: Replicate EMEA's clinical success globally, drive SPRQ-Nx adoption, and grow our understanding of disease biology and biomarker discovery by enabling greater HiFi throughput, cost-efficiency and data access

Q2 2026 Summary

$39.0M
Total Revenue

$20.1M
Consumable Revenue

- Record clinical & hospital sales
- ~$202,000 annualized Revio pull-through

$12.8M
Instrument Revenue

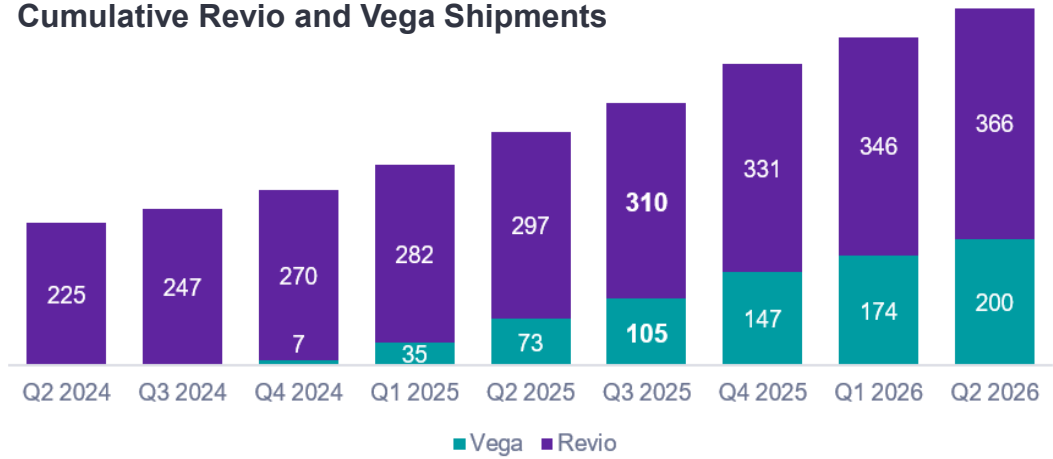
20 **Revio Systems**

~60% to new customers

26 **Vega Systems**

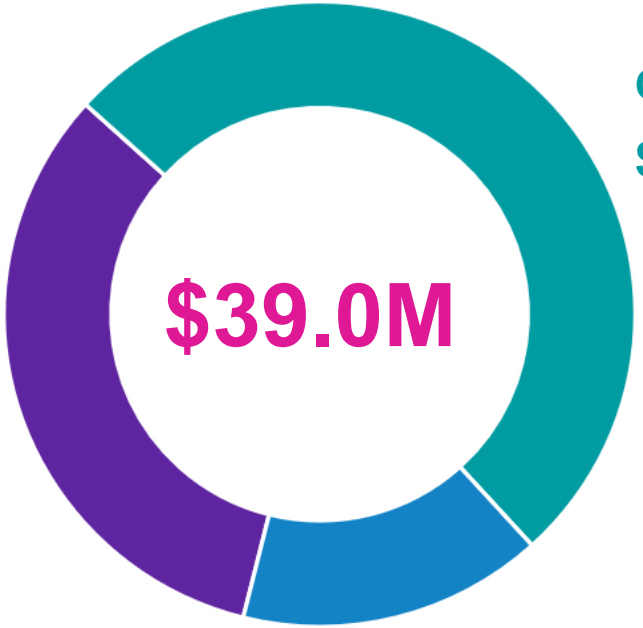
~80% to new customers

Cumulative Revio and Vega Shipments



Q2 2026 revenue breakdown

Product & Service

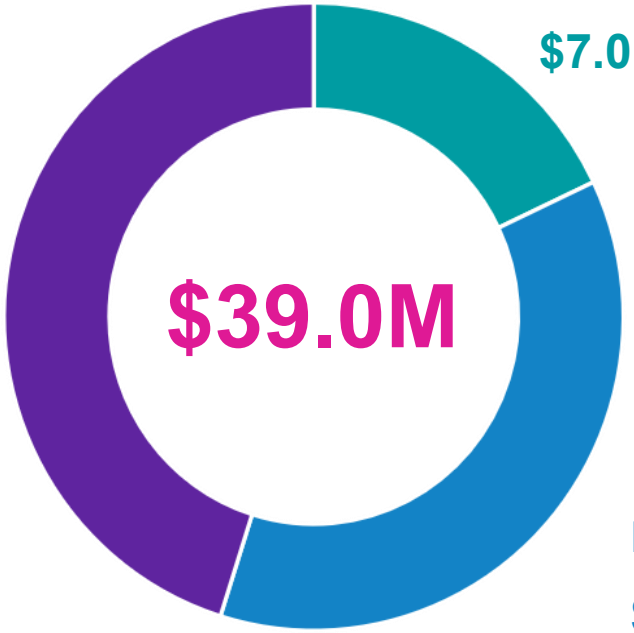


Consumables
$20.1M

Instruments
$12.8M

Service + Other
$6.1M

Regional



Asia Pacific
$7.0M

Americas
$17.6M

EMEA
$14.4M

PacBio

SPRQ-Nx is designed to deliver high-quality HiFi at a highly competitive price point

Designed to deliver among the most complete view of the genome with U.S list price of **$345 per genome**

- **Multi-use SMRT cells**
  Intended to reduce the cost of sequencing for customers and improves PacBio's gross margins
- **Expanded multiomic capabilities powered by AI**
  Expected to improve methylation calling performance with the added ability to call methyl-hydroxy C
- **Increases throughput**
  Can further improve economics

Executed full launch in May 2026

One-third of install base opted into SPRQ-Nx by end of June

PacBio

New publications highlight growing validation of our differentiated technology

Recent publication in NEJM demonstrates HiFi as a clinically effective, first-tier diagnostic test

Article entitled *"Clinical Long-Read Genome Sequencing for Rare-Disease Diagnostics"* proves **HiFi improves diagnostic yield** while also **simplifying the laboratory workflow**, **reducing turnaround time**, and **enhancing the overall economics** of rare disease diagnostics

Second publication in Nature Genetics supports the move to a one-test diagnostic paradigm

Article entitled *"Near-perfect genome sequencing in medical genetics"* proposes that long-read genome sequencing should be considered as one pillar of a broader technological convergence encompassing diploid genome assembly, pangenome references, and AI-driven variant interpretation, termed **near-perfect genome sequencing (or NPGS)**

HiFi Solves Sub-fertility Consortium releases preprint from first major study in Asia Pacific

HiFi SOLVES CONSORTIUM

- ✓ *Multinational study investigating* ***unexplained subfertility and recurrent pregnancy loss***
- ✓ *Comprehensive genomic workflow and secure data collaboration* ***may help reduce fragmented testing for couples seeking answers***
- ✓ *HiFi sequencing identified* ***clinically relevant genomic findings in approximately one in 10 couples***

Q2 2026 non-GAAP financial highlights

Non-GAAP[1] Measures	Q2 2026	Q2 2025
Non-GAAP Gross Profit	$13.9M	$15.2M
Non-GAAP Gross Margin	36%	38%
Non-GAAP Operating Expenses	$56.1M	$58.1M
Non-GAAP Net Loss	$41.9M	$40.0M
Non-GAAP Basic Net Loss Per Share	$0.14	$0.13

	June 30, 2026	March 31, 2026	December 31, 2025
Cash & Investments[2]	$236.9M	$276.0M	$279.5M

1. See Appendix for statement regarding use of non-GAAP financial measures
2. Subsequent to year end, PacBio announced the sale of short-read sequencing assets for net proceeds of ~$48M

Updating 2026 guidance

Revenue

$155M - $165M

(3%) - +3% y/y growth

Non-GAAP Gross Margin

35% - 37%

vs. 40% in 2025

Non-GAAP Operating Expenses

$215M - $220M

vs. $230M in 2025

2026 focus areas

Dramatically improve the economics of HiFi

through SPRQ-Nx with multi-use SMRT cells

Accelerate clinical adoption

across rare disease, oncology, and carrier screening

Enable discovery through large-scale studies

with HiFi's rich data and high-throughput capabilities

Empower next-gen informatics with HiFi and AI

Scaled multiomic HiFi delivers unique biological insights

Drive platform innovation across the portfolio

Our mission

Enabling the promise of genomics to better human health

Creating the world's most advanced sequencing technologies

PacBio

Appendix

Pacific Biosciences of California, Inc.
Unaudited Condensed Consolidated Statements of Operations

(in thousands, except per share amounts)	Three Months Ended June 30, 2026	March 31, 2026	June 30, 2025
Revenue:			
Product revenue	$ 32,950	$ 31,534	$ 33,083
Service and other revenue	6,057	5,644	6,683
Total revenue	39,007	37,178	39,766
Cost of Revenue:			
Cost of product revenue [1] [2] [3]	20,944	19,972	20,022
Cost of service and other revenue	5,242	4,182	4,853
Amortization of acquired intangible assets	183	183	183
Loss on purchase commitment [1]	–	–	24
Total cost of revenue	26,369	24,337	25,082
Gross profit	12,638	12,841	14,684
Operating Expense:			
Research and development	23,022	19,608	22,529
Sales, general and administrative [1] [2]	33,393	31,153	36,175
Settlement charges [2]	–	15,400	–
Gain on disposal of assets [3]	–	(45,796)	–
Amortization of acquired intangible assets	833	833	833
Total operating expense	57,248	21,198	59,537
Operating loss	(44,610)	(8,357)	(44,853)
Interest expense [4]	(2,110)	(1,740)	(1,738)
Other income, net	2,037	2,006	4,696
Loss before income taxes	(44,683)	(8,091)	(41,895)
Income tax provision	58	184	35
Net loss	$ (44,741)	$ (8,275)	$ (41,930)
Net loss per share:			
Basic	$ (0.14)	$ (0.03)	$ (0.14)
Diluted	$ (0.14)	$ (0.03)	$ (0.14)
Weighted average shares outstanding used in calculating net loss per share:			
Basic	310,405	305,819	300,162
Diluted	310,405	305,819	300,162

Pacific Biosciences of California, Inc.
Unaudited Condensed Consolidated Balance Sheets

(in thousands)	June 30, 2026	December 31, 2025
Assets		
Cash and investments	$ 236,873	$ 279,506
Accounts receivable, net	31,104	35,448
Inventory, net	61,084	49,285
Prepaid expenses and other current assets	9,545	10,793
Property and equipment, net	26,972	24,146
Operating lease right-of-use assets, net	40,331	41,695
Restricted cash	1,604	1,552
Intangible assets, net	13,084	15,124
Goodwill	317,761	317,761
Other long-term assets	13,492	8,773
Total Assets	$ 751,850	$ 784,083
Liabilities and Stockholders' (Deficit) Equity		
Accounts payable	$ 19,224	$ 20,770
Accrued expenses	30,322	33,646
Deferred revenue	19,442	19,865
Operating lease liabilities	61,795	57,040
Convertible senior notes, net	644,332	645,382
Other liabilities	9,948	2,031
Stockholders' (deficit) equity	(33,213)	5,349
Total Liabilities and Stockholders' (Deficit) Equity	$ 751,850	$ 784,083

(In thousands, except per share amounts)	Three Months Ended			Six Months Ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
GAAP net loss	$ (44,741)	$ (8,275)	$ (41,930)	$ (53,016)	$ (468,005)
Change in fair value of contingent consideration [1]	–	–	–	–	(18,700)
Settlement charges [2]	284	16,804	–	17,088	–
Amortization of acquired intangible assets	1,016	1,016	1,016	2,032	8,144
Amortization of patent license [3]	516	–	–	516	–
Disposition of short-read assets [4]	611	(45,490)	–	(44,879)	–
Interest expense [5]	369	–	–	369	–
Income tax benefit [6]	–	–	–	–	(546)
Restructuring [7]	–	–	963	–	394,751
Non-GAAP net loss	$ (41,945)	$ (35,945)	$ (39,951)	$ (77,890)	$ (84,356)
GAAP basic net loss per share	$ (0.14)	$ (0.03)	$ (0.14)	$ (0.17)	$ (1.57)
Change in fair value of contingent consideration [1]	–	–	–	–	(0.06)
Settlement charges [2]	–	0.05	–	0.06	–
Amortization of acquired intangible assets	–	–	–	0.01	0.03
Disposition of short-read assets [4]	–	(0.15)	–	(0.15)	–
Restructuring [7]	–	–	–	–	1.32
Other adjustments and rounding differences	–	0.01	0.01	–	–
Non-GAAP basic net loss per share	$ (0.14)	$ (0.12)	$ (0.13)	$ (0.25)	$ (0.28)
GAAP gross profit	$ 12,638	$ 12,841	$ 14,684	$ 25,479	$ 13,313
Settlement charges [2]	–	500	–	500	–
Amortization of acquired intangible assets	183	183	183	366	4,528
Amortization of patent license [3]	516	–	–	516	–
Disposition of short-read assets [4]	611	306	–	917	–
Restructuring [7]	–	–	348	–	12,375
Non-GAAP gross profit	$ 13,948	$ 13,830	$ 15,215	$ 27,778	$ 30,216
GAAP gross profit %	32 %	35 %	37 %	33 %	17 %
Non-GAAP gross profit %	36 %	37 %	38 %	36 %	39 %
GAAP total operating expense	$ 57,248	$ 21,198	$ 59,537	$ 78,446	$ 487,100
Change in fair value of contingent consideration [1]	–	–	–	–	18,700
Settlement charges [2]	(284)	(16,304)	–	(16,588)	–
Amortization of acquired intangible assets	(833)	(833)	(833)	(1,666)	(3,616)
Disposition of short-read assets [4]	–	45,796	–	45,796	–
Restructuring [7]	–	–	(615)	–	(382,376)
Non-GAAP total operating expense	$ 56,131	$ 49,857	$ 58,089	$ 105,988	$ 119,808

www.pacb.com