UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
January 12, 2021

Pacific Biosciences of California, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-34899**	**16-1590339**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

1305 O'Brien Drive
Menlo Park, California 94025
(Address of principal executive offices) (Zip Code)

(650) 521-8000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**PACB**	**The NASDAQ Stock Market LLC**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into A Material Definitive Agreement.

Introduction

On January 12, 2021, Pacific Biosciences of California, Inc. ("we", "us", or the "Company") entered into a Development and Commercialization Agreement (the "Development Agreement") with Invitae Corporation ("Invitae") pursuant to which we will develop a whole genome sequencing platform with high-throughput and ultra-high-throughput capabilities, and related consumables with medical, clinical and other applications (collectively, the "Program Platform"). In connection with the development of the Program Platform, Invitae will reimburse the Company for certain development costs incurred by the Company.

Development Program

Under the Development Agreement, we will be primarily responsible for conducting a development program to develop the Program Platform pursuant to a schedule and budget. We will make decisions regarding the development program jointly with Invitae. The development program is expected to last approximately sixty months, but may be shorter or longer. There can be no assurances that the development program will be successful or that the Program Platform will become ready for commercial sale.

Development Costs

Invitae is obligated to reimburse us for labor and other costs we incur in performing the development program, as agreed between the parties under approved budgets. It is expected that Invitae will reimburse us for substantially all of our development costs for the Program Platform, subject to certain limitations and exceptions detailed in the Development Agreement.

Preferential Pricing

As a benefit of its contribution, Invitae will be entitled to preferred pricing on the Program Platform products if and when they are available for commercial sale. Each model of Program Platform instrument and its related consumables will have a preferred pricing period. During the initial period of preferred pricing for each Program Platform instrument, which will not exceed four years from the date of the first delivery of that Program Platform instrument, Invitae may purchase the Program Platform products at a fixed margin until it has recouped a mutually agreed multiple of its contribution; and for up to three years after the initial period of preferred pricing Invitae has the right to buy the Program Platform products for a higher margin. We refer to these preferred pricing periods collectively as the "Preferred Pricing Period".

During the Preferred Pricing Period, Invitae will be entitled to most favored pricing in respect of the Program Platform products.

Termination

We and Invitae may terminate the Development Agreement if the other party remains in material breach of the Development Agreement following a cure period to remedy the material breach. In addition, the Development Agreement includes other circumstances for termination by each party, including circumstances when Invitae may terminate for delays, IP concerns, if we or our assets are acquired without Invitae's consent, and without cause.

In certain termination circumstances, (i) we will be obligated to refund all or a portion of the development costs advanced by Invitae and/or (ii) we will owe Invitae a share of the revenue generated from the sale of the Program Platform or similar products if and when they are commercialized until such time as Invitae has recouped the amounts reimbursed to us, and in certain circumstances, a mutually agreed return.

The foregoing summary is not complete and is qualified in its entirety by reference to the Agreement, which will be filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Item 7.01. Regulation FD Disclosure.

A copy of the press release dated January 13, 2021 announcing the multi-year co-development agreement between Invitae Corporation and Pacific Biosciences of California, Inc. is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in Item 7.01 of this Current Report on Form 8-K shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Act of 1933, or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such a filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated January 13, 2021, entitled "Invitae and Pacific Biosciences Enter Partnership to Develop Ultra High-Throughput Clinical Whole Genome Sequencing Platform."
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PACIFIC BIOSCIENCES OF CALIFORNIA, INC.

By: /s/ Eric E. Schaefer
Eric E. Schaefer
Vice President and Chief Accounting Officer

Date: January 13, 2021

Pacific Biosciences and Invitae to Develop Ultra-High-Throughput Clinical Whole Genome Sequencing Platform

New platform expected to make whole genome sequencing significantly more affordable and accessible for use in mainstream medical care

MENLO PARK, Calif. – January 13, 2021 – Pacific Biosciences of California, Inc. (Nasdaq: PACB), a leading provider of high-quality, long-read sequencing platforms, today announced a multi-year collaboration with Invitae Corporation (NYSE: NVTA), a leading medical genetics company, to begin development of a production-scale high-throughput sequencing platform leveraging the power of PacBio's highly accurate HiFi sequencing to expand Invitae's whole genome testing capabilities.

"Whole genome sequencing has the ability to significantly improve diagnosis for a wide range of diseases and guide healthcare throughout life. This collaboration is aimed at developing the technology to make it affordable and accessible to all patients who can benefit from in-depth, full genome information," said Sean George, co-founder and Chief Executive Officer of Invitae. "Our work with PacBio to date has demonstrated the increased diagnostic yield and clinical utility of using information from high-quality, long-read genomes to guide patient care. We believe this world-class sequencing technology combined with our clinical capabilities will uniquely position us to deliver those benefits cost effectively at scale. We look forward to working with the PacBio team to develop a new generation of innovative whole genome-based offerings."

Identifying the many underlying genetic influences on human health is becoming increasingly critical to overall clinical care and prognosis and whole genome sequencing offers the most comprehensive view of medically relevant variations. As whole genome sequencing continues to grow into a preferred method for genetic testing, it is expected by the Global Alliance for Genomics and Health that by 2025 as many as sixty million genomes will be sequenced. With the development of a new sequencing platform, Invitae and PacBio aim to enable a new class of cost-effective assays that could be used to accelerate the accessibility of a more comprehensive whole genome sequencing approach in areas including carrier screening, immune system response, and other heritable diseases.

"Invitae is a leader in medical genetic testing and has driven innovation in this area for more than a decade. We are excited to join forces to develop and implement this new platform which is built on our shared vision that broad access to whole genome sequencing in the clinic has the power to improve diagnosis and access to precision therapies," said Christian Henry, President and Chief Executive Officer of Pacific Biosciences. "Building on the proven performance of our HiFi sequencing, we believe that this new system will ultimately enable us to deliver the most clinically relevant whole genome at substantially less than $1,000 which we believe is a critical price threshold needed to expand adoption in routine medical care."

PacBio HiFi sequencing combines the high accuracy of Sanger sequencing (>99.9%) with long reads up to 25 kb. Together, the length and accuracy of HiFi reads provide excellent detection of variants from single nucleotide changes to large structural variants, even in hard-to-sequence regions of the genome.

Through the collaboration, both companies will commit significant resources to support development of a production-scale sequencing platform designed with the capacity to process clinical whole genomes at scale. Those resources are expected to include talent, technology and collaborative oversight, and Invitae will also invest capital to support development throughout the multi-year effort.

About Pacific Biosciences
Pacific Biosciences of California, Inc. (NASDAQ: PACB) is empowering life scientists with highly accurate long-read sequencing. The company's innovative instruments are based on Single Molecule, Real-Time (SMRT®) Sequencing technology, which delivers a comprehensive view of genomes, transcriptomes, and epigenomes, enabling access to the full spectrum of genetic variation in any organism. Cited in thousands of peer-reviewed publications, PacBio® sequencing systems are in use by scientists around the world to drive discovery in human biomedical research, plant and animal sciences, and microbiology. For more information, please visit www.pacb.com and follow @PacBio.

PacBio products are provided for Research Use Only. Not for use in diagnostic procedures.

About Invitae
Invitae Corporation (NYSE: NVTA) is a leading medical genetics company whose mission is to bring comprehensive genetic information into mainstream medicine to improve healthcare for billions of people. Invitae's goal is to aggregate the world's genetic tests into a single service with higher quality, faster turnaround time, and lower prices. For more information, visit the company's website at invitae.com.

Pacific Biosciences Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995,, including, among other things, statements relating to market leadership, uses, accuracy, quality or performance of, or benefits of using, Pacific Biosciences' products or technologies, including HiFi technology; the expected benefits, suitability or utility of Pacific Biosciences methods, products or technologies for particular applications or projects, including for whole genome sequencing; the benefits of whole genome sequencing; market estimates; the ability to provide whole genome sequencing for less than $1,000; the resources to be committed by Pacific Biosciences to the new sequencing platform; the ability of the parties to achieve the goals and realize the expected benefits of the collaboration; 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.

Invitae Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the quality of Pacific Biosciences' technology; the benefits of whole genome sequencing; market estimates; the contributions of Invitae to the collaboration; and the ability of the parties to achieve the goals and realize the expected benefits of the collaboration. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: Invitae's history of losses; Invitae's ability to compete; Invitae's failure to manage growth effectively; Invitae's need to scale its infrastructure in advance of demand for its tests and to increase demand for its tests; Invitae's ability to use rapidly changing genetic data to interpret test results accurately and consistently; security breaches, loss of data and other disruptions; laws and regulations applicable to Invitae's business; the impact of litigation on Invitae's business; and the other risks set forth in Invitae's filings with the Securities and Exchange Commission, including the risks set forth in Invitae's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020. These forward-looking statements speak only as of the date hereof, and Invitae Corporation disclaims any obligation to update these forward-looking statements.

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