Illumina to Acquire GRAIL
Launching a New Era in Cancer Detection

September 21, 2020
In connection with the proposed transaction, Illumina, Inc. ("the "Company") intends to file with the SEC a registration statement on Form S-4 that will include a preliminary prospectus with respect to the Company’s common stock and contingent value rights to be issued in the proposed transaction and a consent solicitation statement of GRAIL, Inc. ("GRAIL") in connection with the proposed transaction. The Company may also file other documents with the SEC regarding the proposed transaction. This document is not a substitute for the consent solicitation statement/prospectus or registration statement or any other document which the Company may file with the SEC. INVESTORS AND SECURITY HOLDERS OF GRAIL ARE URGED TO READ THE REGISTRATION STATEMENT, WHICH WILL INCLUDE THE CONSENT SOLICITATION STATEMENT/PROSPECTUS, AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and security holders may obtain free copies of the registration statement on Form S-4 (when available), which will include the consent solicitation statement/prospectus, and other documents filed with the SEC by the Company through the website maintained by the SEC at www.sec.gov, through the Company’s Investor Relations page (investor.illumina.com) or by writing to Illumina Investor Relations, 5200 Illumina Way, San Diego, CA 92122.

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to subscribe for, buy or sell, or the solicitation of an offer to subscribe for, buy or sell, or an invitation to subscribe for, buy or sell any securities or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, invitation, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Cautionary Notes on Forward-Looking Statements

This communication contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “indicate,” “plan,” “believe,” “seek,” “see,” “will,” “would,” “may,” “target,” similar expressions and variations or negatives of these words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the consummation of the proposed transaction and the anticipated benefits thereof. These and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements, including the failure to consummate the proposed transaction or to make any filing or take other action required to consummate such transaction in a timely matter or at all. Important risk factors that may cause such a difference include, but are not limited to: (i) the proposed transaction may not be completed on anticipated terms and timing; (ii) a condition to closing of the transaction may not be satisfied, including obtaining regulatory approvals; (iii) the potential impact of unforeseen liabilities, future capital expenditures, revenues, costs, expenses, earnings, synergies, economic performance, indebtedness, financial condition and losses on the future prospects, business and management strategies for the management, expansion and growth of the Company's business after the consummation of the transaction; (iv) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction; (v) any negative effects of the announcement, pendency or consummation of the transaction on the market price of the Company's common stock and on the Company's operating results; (vi) risks associated with third-party contracts containing consent and/or other provisions that may be triggered by the proposed transaction; (vii) the risks and costs associated with the integration of, and the ability of the Company to integrate, Grail’s business successfully and to achieve anticipated synergies; (viii) the risks and costs associated with the development and commercialization of, and the Company's ability to develop and commercialize, Grail's products; (ix) the risk that disruptions from the proposed transaction will harm the Company's business, including current plans and operations, (x) legislative, regulatory and economic developments, (xi) the other risks described in the Company's most recent annual reports on Form 10-K and quarterly reports on Form 10-Q and in the registration statement on Form S-1 filed with the SEC by Grail on September 9, 2020, as amended on September 17, 2020, and (xii) management's response to any of the aforementioned factors.

These risks, as well as other risks associated with the proposed transaction, will be more fully discussed in the consent solicitation statement/prospectus that will be included in the registration statement on Form S-4 that will be filed with the SEC in connection with the proposed transaction. While the list of factors presented here is, and the list of factors to be presented in the registration statement on Form S-4 are, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on the Company’s financial condition, results of operations, credit rating or liquidity. The Company does not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.
Illumina to Acquire GRAIL | New Era in Cancer Detection

Expands Illumina’s role beyond technology innovator and application enabler, to healthcare diagnostics and testing

Enables Illumina to participate more fully in high value clinical market (revenue tied to clinical value, not sequencing output)

Galleri data promising; on track for LDT launch in 2021

Leverages Illumina’s resources and expertise to accelerate GRAIL’s commercialization and utilization

GRAIL

$75B+

NGS Oncology TAM
Early Cancer Detection Saves Lives

High
5-year cancer-specific mortality when diagnosed late

79%
Distant Metastases

Low
5-year cancer-specific mortality when diagnosed early

11%
Localized

71% of cancer-related deaths are in cancers with no recommended screening

Beating Cancer Starts with Finding It
Galleri Will Transform Cancer Care

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Required blood draws</td>
</tr>
<tr>
<td>43%</td>
<td>Positive Predictive Value (modeled)</td>
</tr>
<tr>
<td>44%</td>
<td>Sensitivity For All Cancers (Stages 1-3)(^1)</td>
</tr>
<tr>
<td>50</td>
<td>Cancers Detected</td>
</tr>
<tr>
<td>93%</td>
<td>Tissue Of Origin Accuracy</td>
</tr>
<tr>
<td>&gt;99%</td>
<td>Specificity</td>
</tr>
</tbody>
</table>

\(^1\) Based on current trial status
Blood Testing Can Detect More Cancers Earlier

% of Cancers Detected by Stage

Sources: Modeled based on GRAIL’s recent data from ESMO 2019 and SEER cancer registry

1Number of US cancer-related deaths within subsequent 5 years that can be averted each year of testing.

Each year of testing can avert ~100,000 Cancer-Related Deaths
Galleri Detects More Cancer Types and More Cases

Significantly improves cancers types detected early to minimize unnecessary testing

<table>
<thead>
<tr>
<th>Cancers Types</th>
<th>Cancer Detection</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Cancers Currently Screened</td>
<td>Cases Detected Adding Galleri Plus existing screening</td>
</tr>
<tr>
<td>50 Cancers Detectable by Galleri</td>
<td>Current Cases Detected With existing screening</td>
</tr>
</tbody>
</table>

10x Increase in Cancer Types

~3x Increase in Cancer Detection

Source: GLOBOCAN Estimates; Clarke et al. Cancer Epidemiology, Biomarkers, & Prevention 2020
Meets Patient, Physician & Payor Needs

Patients
- Screens for 50+ cancers
- Identifies cancer location to inform next steps

Physicians
- Improves outcomes
- Identifies more early stage cancers

Payors
- Up to 65% reduction in cost¹

¹Diagnostic workup cost per cancer diagnosed could be reduced by 65% when combined with single cancer screening.
NGS Oncology Testing Expected to Reach $75B Market by 2035

Target Population¹

- **Screening**
  - ~150 million tests
  - Asymptomatic population at heightened risk
  - 27% CAGR

- **Therapy Selection**
  - ~7 million tests
  - Population diagnosed with cancer
  - 16% CAGR

- **Monitoring**
  - ~20 million tests
  - Population monitored for therapeutic response or disease recurrence
  - 27% CAGR

¹Source: Illumina Internal Analysis; Survey Data; Expert Interviews; Secondary Market Research (OECD, Decision Resources Group, GlobalData, IARC, United Nations)
Galleri Launch Addresses Large Initial US Market

**52M lives**
Initial Addressable Market

- Accessible prior to reimbursement
- Aligned incentives for early adoption
- Compelling value proposition

**27M lives**
Integrated Health Systems

**24M lives**
Self-insured Employers

**1M lives**
Concierge Medicine

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1US Census for men and women ages 50-79
Key Milestones for GRAIL

**2021-2022**
- Launch LDT
- CCGA3 clinical results
- PATHFINDER results
- Complete SUMMIT enrollment

**2023 and Beyond**
- Submission of PMA
- FDA approval

**Galleri**
- Multi-cancer early detection in asymptomatic people

**DAC**
- Speed time to diagnosis when cancer is suspected
  - Launch in 2H21 (patients indicated for a cancer workup)
  - Begin a clinical study for expanded indications in 1H21

**MRD**
- Detect cancer after diagnosis and treatment
  - Validate program with partners
  - 1H21 report on initial studies

**illuminant**
- Expanded DAC uptake (patients with non-specific symptoms)
- Develop additional recurrence monitoring and therapy response test
Combination Accelerates GRAIL’s Path to Adoption

**GRAIL**
2016-2020

- Singular focus on detecting cancer early
- >230 granted patents, >170 pending
- Preeminent team of data and computer scientists
- 145K+ clinical trial participants

**GRAIL + Illumina**
2021 on

- Leverage scale for global commercialization and adoption
- Multi-cancer LDT in 2021 based on current trial status
- Accelerate path to IVD
- Leading machine learning capabilities for oncology and beyond
Leveraging Illumina’s Strengths to Scale More Quickly
Building on Global Commercial, Clinical, and Operational Capabilities

**Illumina Today**
- Platform Technology Enabler
- Clinical & Research Lab Service
- Proven Clinical Capabilities; Emerging Clinical Applications
- Revenue Reflects Sequencing Output

**Illumina + GRAIL Tomorrow**
- Platform Technology Enabler
- Clinical Lab Service and IVD Portfolio
- Continue to Enable Innovation and New Clinical Applications
- Revenue Shifts to Reflect Clinical Value

1 Some revenue reflects clinical value from end-to-end solutions e.g. VeriSeq NIPT.
Illumina Will Continue to Enable, Partner & Supply Customers

- GRAIL will operate as a separate division
- Existing Illumina business will operate separately
- Continued access to innovation
- Support and enable the work of our clinical customers
Illumina to Acquire GRAIL

• Upfront cash and stock transaction valued at $8.0B
• GRAIL shareholders will also receive a tiered single digit % of certain product sales over 12 years

• Expands Illumina’s TAM by $60B+; expands role in clinical market
• Contributes to revenue growth from 2021

• Expected to close in second half 2021, subject to customary closing conditions and regulatory approvals
# Pro Forma Financial Outlook

## Transaction Overview

### Deal Structure

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Equity Value</td>
<td>$8B</td>
</tr>
<tr>
<td>PAID IN SHARES Subject to collar²</td>
<td>$4.0B</td>
</tr>
<tr>
<td>PAID IN CASH Balance Sheet Cash +</td>
<td>$3.1B</td>
</tr>
<tr>
<td>Debt or Equity of up to $1.0B</td>
<td></td>
</tr>
<tr>
<td>CURRENT EQUITY STAKE</td>
<td>$0.9B</td>
</tr>
</tbody>
</table>

### Future Payments

<table>
<thead>
<tr>
<th>Years subject to payments</th>
<th>Share for first $1B of annual revenue</th>
<th>Share of annual revenue &gt;$1B</th>
</tr>
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<tbody>
<tr>
<td>12</td>
<td>2.5%</td>
<td>9.0%</td>
</tr>
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</table>

### Expected Ownership¹

| Illumina + GRAIL Illustrative only | 7% GRAIL Shareholders | 93% Illumina Shareholders |

¹Includes a 15% symmetrical collar. Expected ownership is illustrative at the mid-point.

Note: The number of shares issued will be based on the 20-trading day volume weighted average price of Illumina common stock 10 days prior to close.
From Moonshot Mission to Imminent Commercialization

**GRAIL at Inception**
- Moonshot to detect cancer with blood tests

**2016-2020**
- **$2B** invested
- **436** employees

**GRAIL Today**
- Ready to transform cancer detection
To improve human health by unlocking the power of the genome.
Launching a New Era in Cancer Detection, Together
Questions