

A healthcare professional, a Black woman in blue scrubs, is smiling and showing a tablet to an elderly white woman with glasses. The professional has a name tag that says "HEALTH MEMORIAL HOSPITAL" and "GRAG". The background is a bright, indoor setting with a window.

illumina®

illumina to Acquire GRAIL

Launching a New Era in
Cancer Detection

September 21, 2020

Additional Information and Where to Find It

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,” “intend,” “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 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

GRAIL

\$75B+

NGS Oncology TAM



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

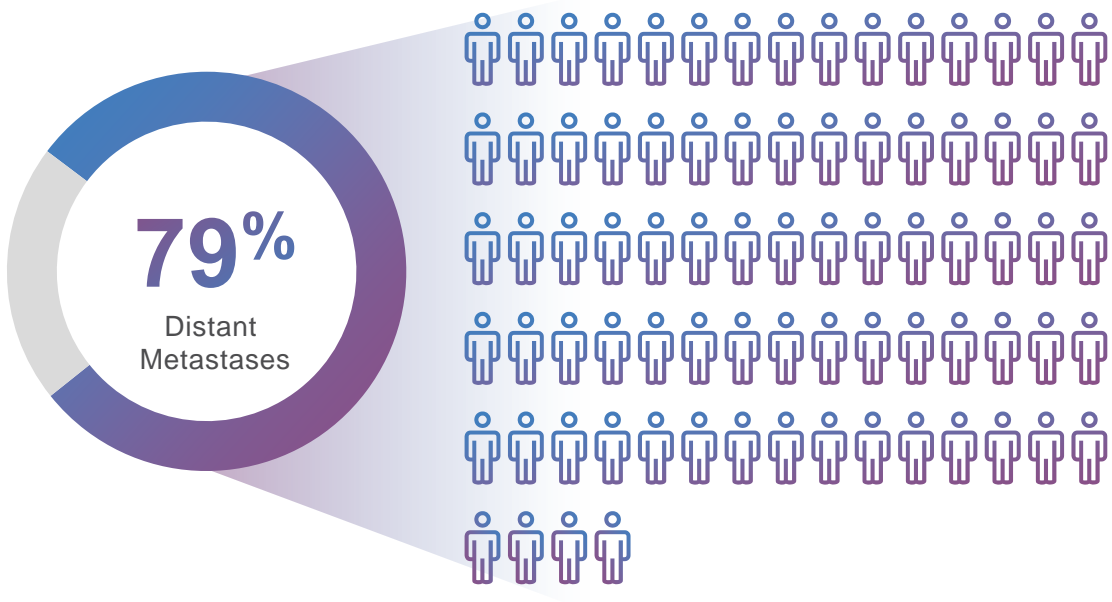


Leverages Illumina's resources and expertise to accelerate GRAIL's commercialization and utilization

Early Cancer Detection Saves Lives

High

5-year cancer-specific mortality when diagnosed late



Low

5-year cancer-specific mortality when diagnosed early



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

4 Source: SEER Program (www.seer.cancer.gov) *Stat Database: Incidence - SEER 18 Regs Research Data, Nov 2018 Sub. Includes persons aged 50-79 diagnosed 2006-2015 "Early/Localized" includes invasive localized tumors that have not spread beyond organ of origin, "Late/Metastasized" includes invasive cancers that have metastasized beyond the organ of origin to other parts of the body. Noone AM, Howlader N, Krapcho M, et al. (eds). SEER Cancer Statistics Review, 1975-2015, National Cancer Institute, Bethesda, MD, http://seer.cancer.gov/csr/1975_2015/, based on November 2017 SEER data submission, posted to the SEER website April 2018.



Beating Cancer Starts with Finding It

Galleri Will Transform Cancer Care

 **Galleri**



**Expected LDT
Launch 2021**

1



Required blood draws

43%



Positive Predictive Value (modeled)

44%



Sensitivity For All Cancers (Stages 1-3)¹

50



Cancers Detected

93%



Tissue Of Origin Accuracy

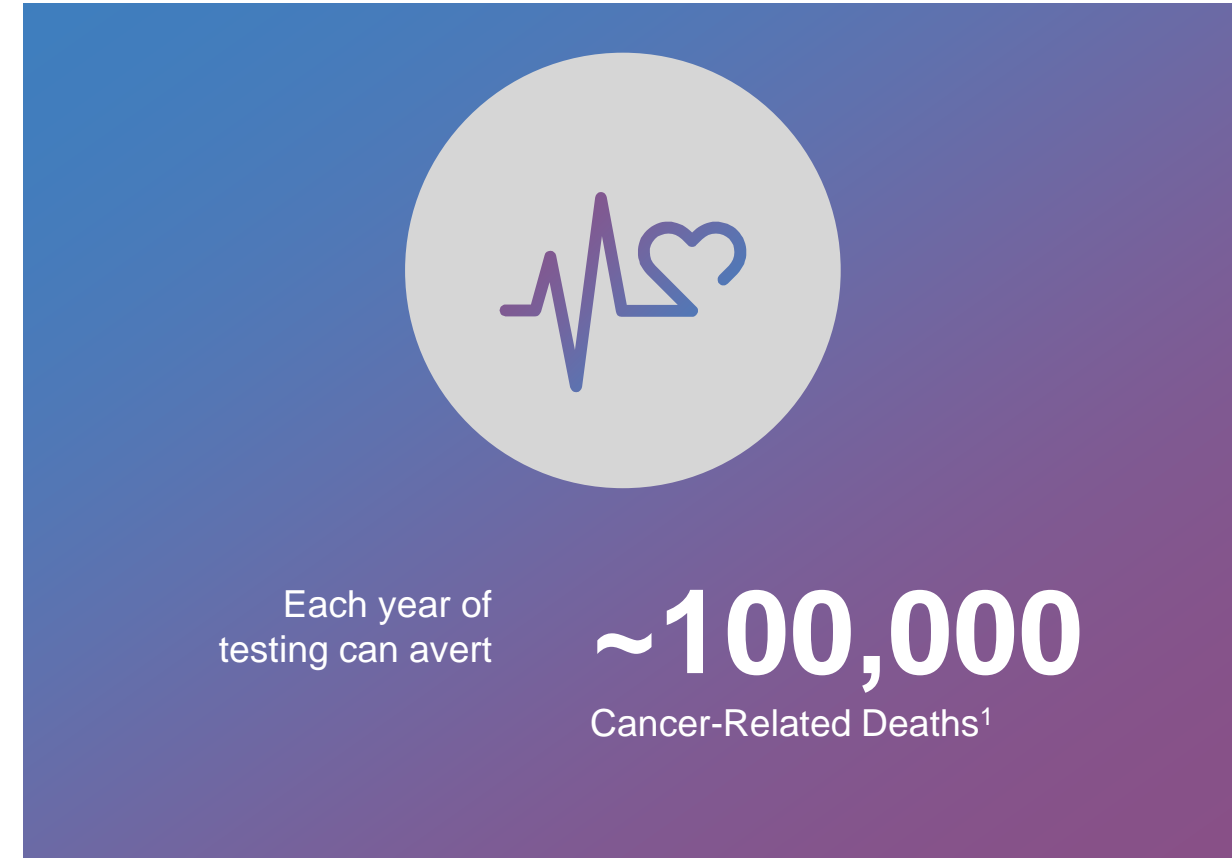
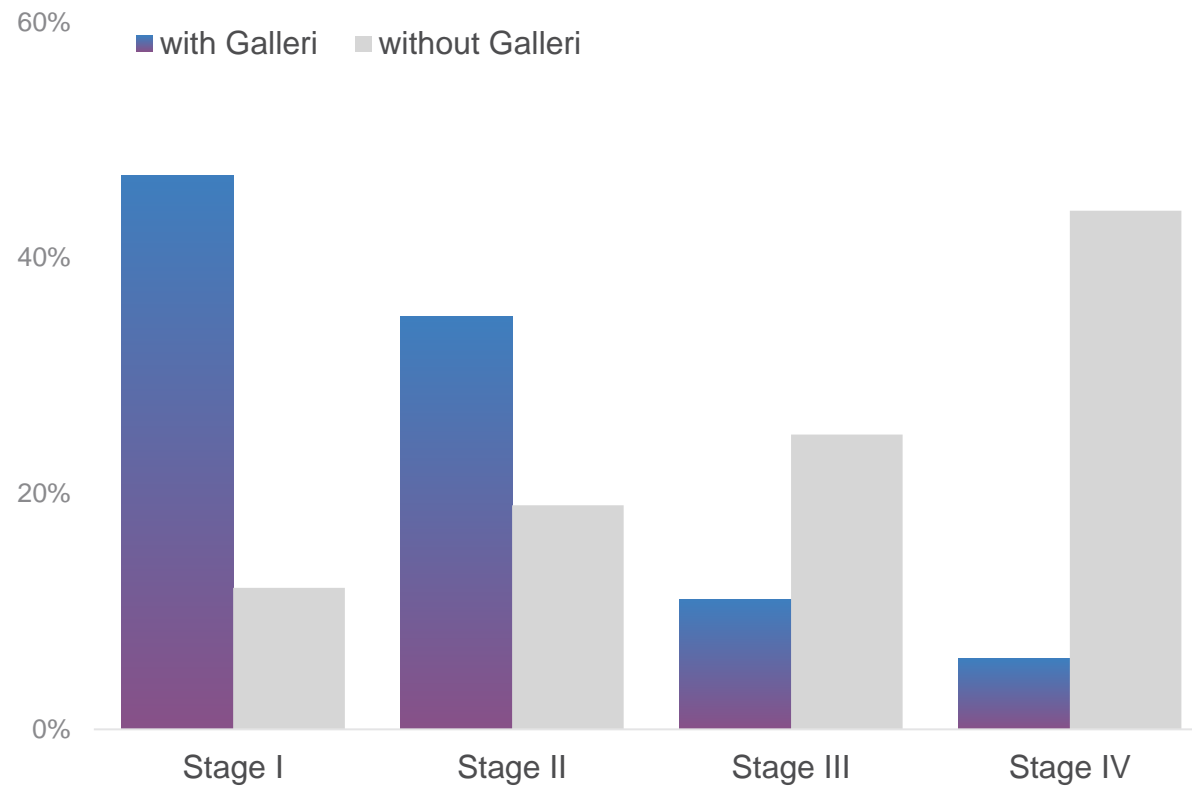
>99%



Specificity

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.

Galleri Detects More Cancer Types and More Cases

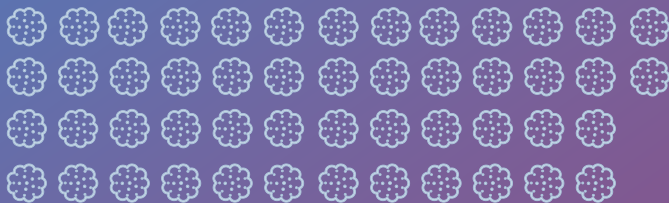
Significantly improves cancers types detected early to minimize unnecessary testing

Cancers Types

5 Cancers
Currently Screened



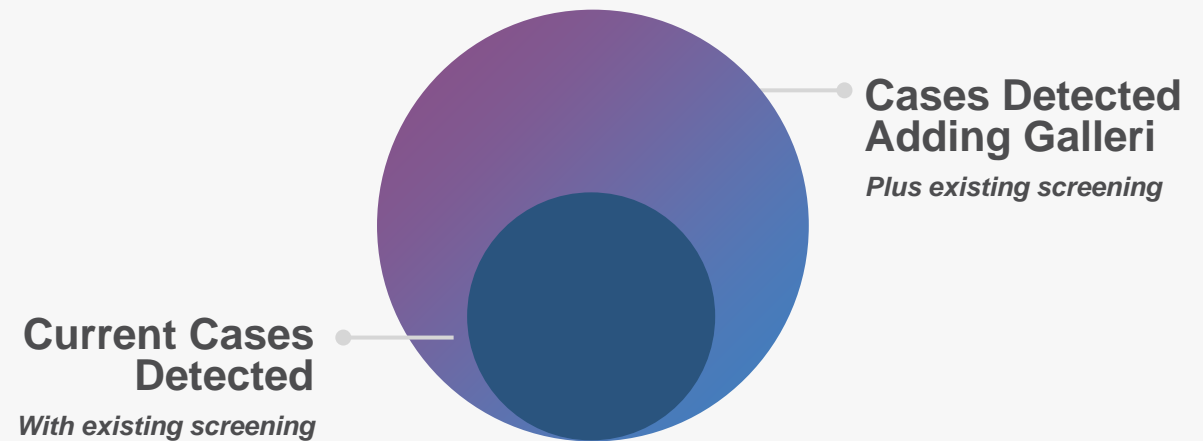
50 Cancers
Detectable by Galleri



10x

Increase in Cancer Types

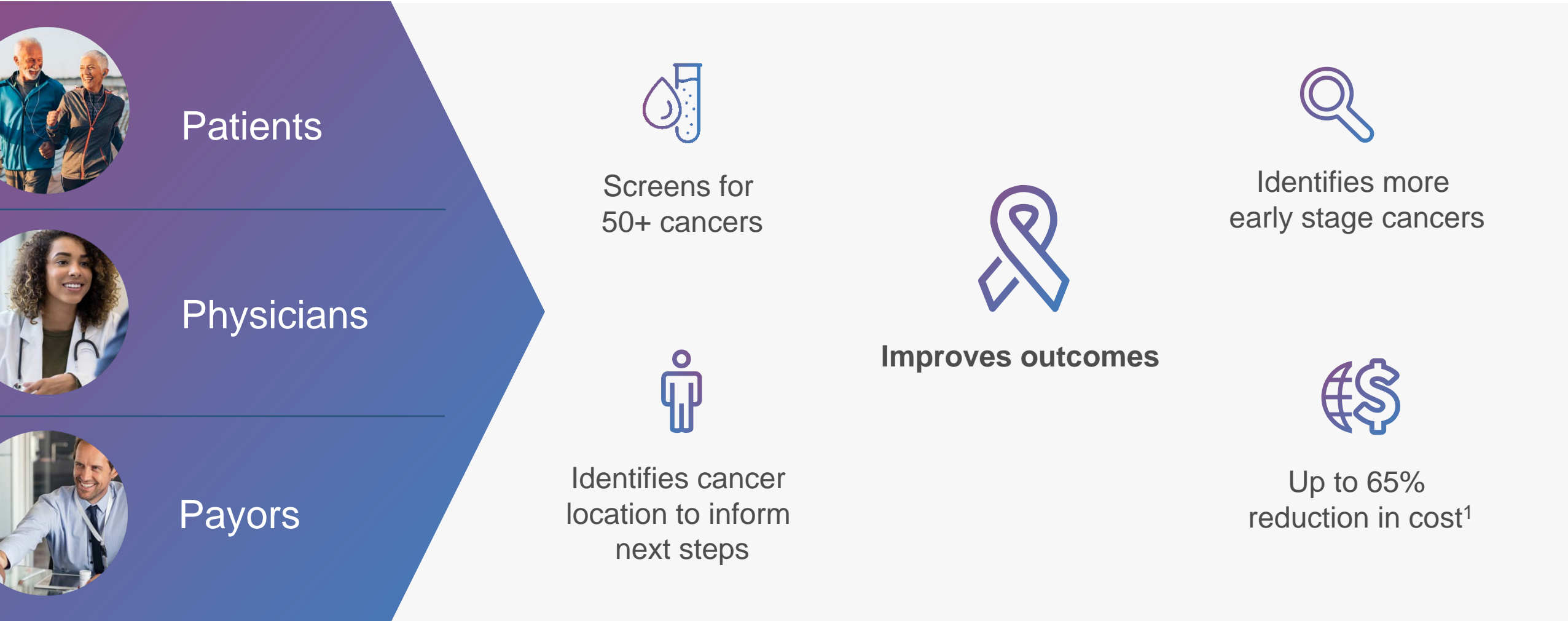
Cancer Detection



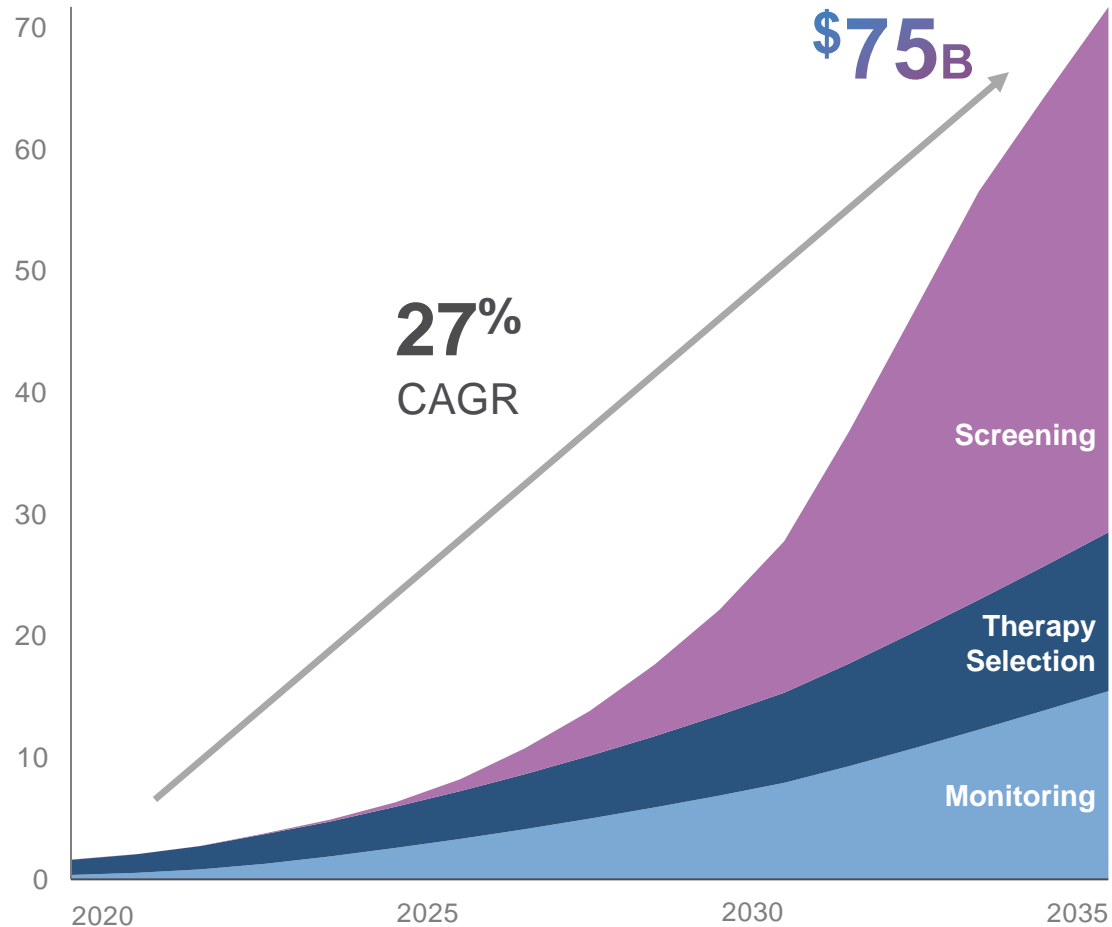
~3x

Increase in Cancer Detection

Meets Patient, Physician & Payor Needs



NGS Oncology Testing Expected to Reach \$75B Market by 2035



Target Population¹

75%
CAGR



Screening

~150 million tests

Asymptomatic population at heightened risk

16%
CAGR



Therapy Selection

~7 million tests

Population diagnosed with cancer

27%
CAGR



Monitoring

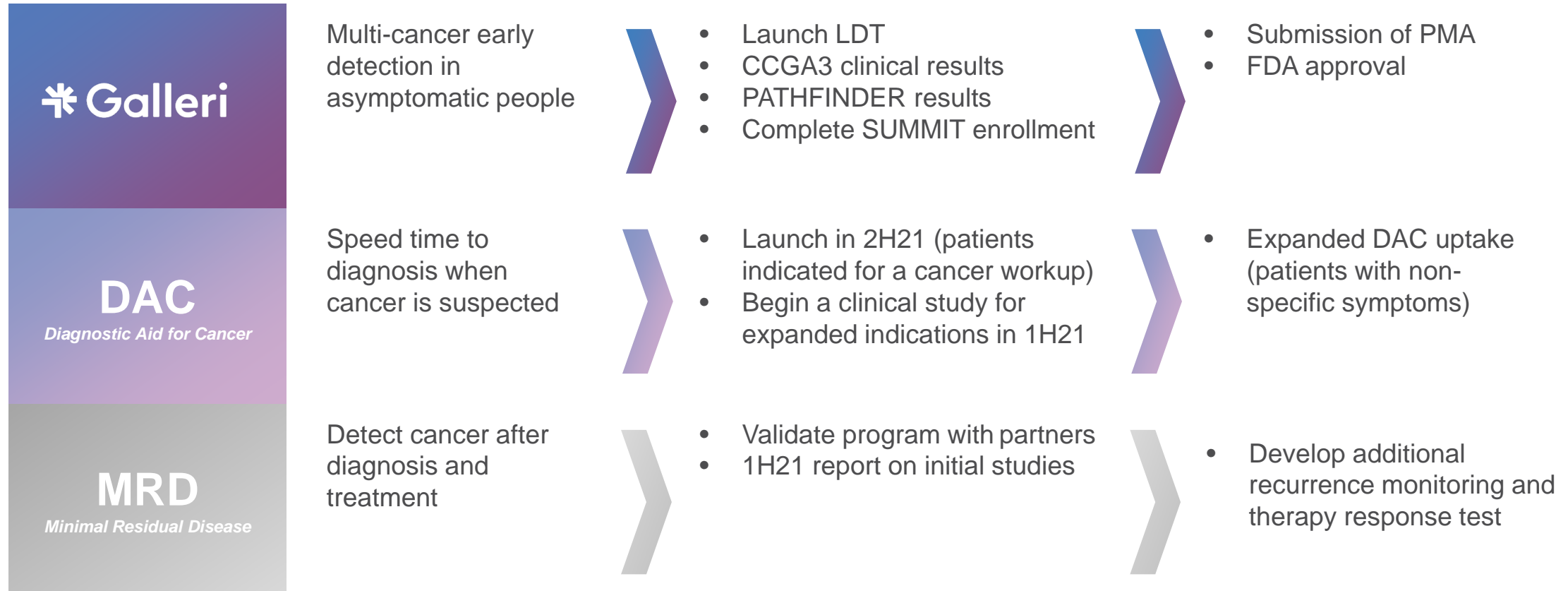
~20 million tests

Population monitored for therapeutic response or disease recurrence

Galleri Launch Addresses Large Initial US Market



Key Milestones for GRAIL



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

illumina®

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 Output¹



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

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

illumina®
+
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



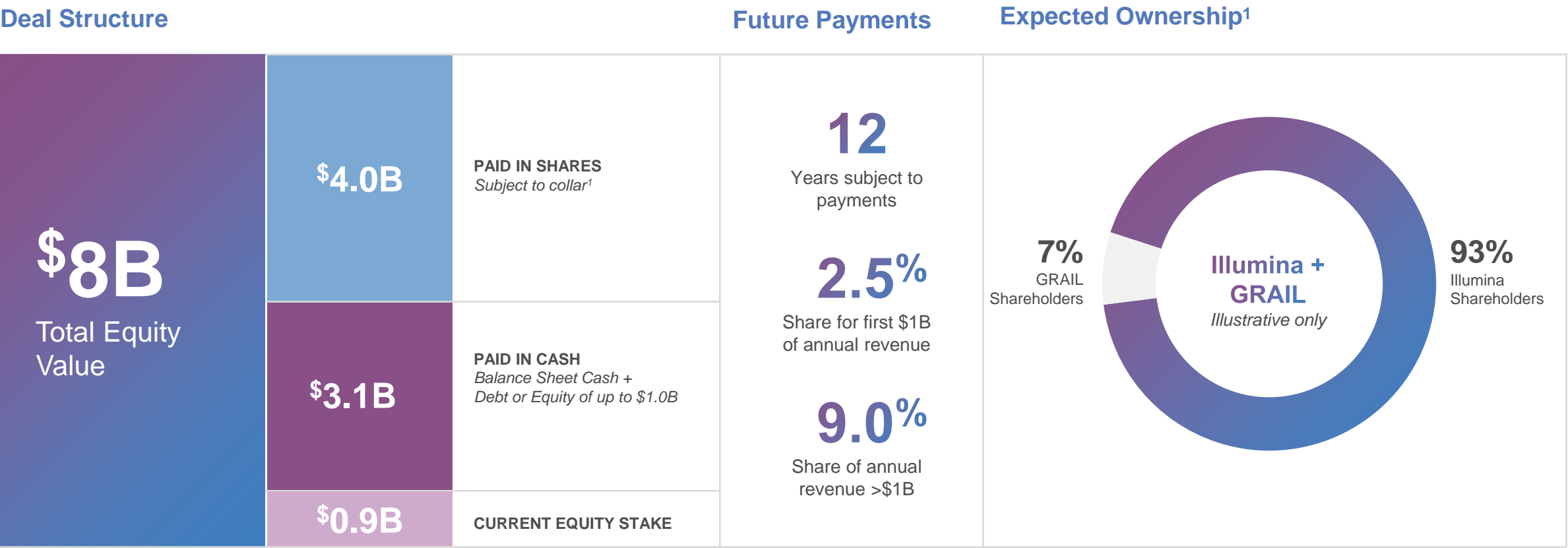
- Expands Illumina's TAM by \$60B+; expands role in clinical market
- Contributes to revenue growth from 2021



- Expected to close in second half 2021, subject to customary closing conditions and regulatory approvals

Pro Forma Financial Outlook

Transaction Overview



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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

GRAIL

\$2B

invested

436

employees

GRAIL Today

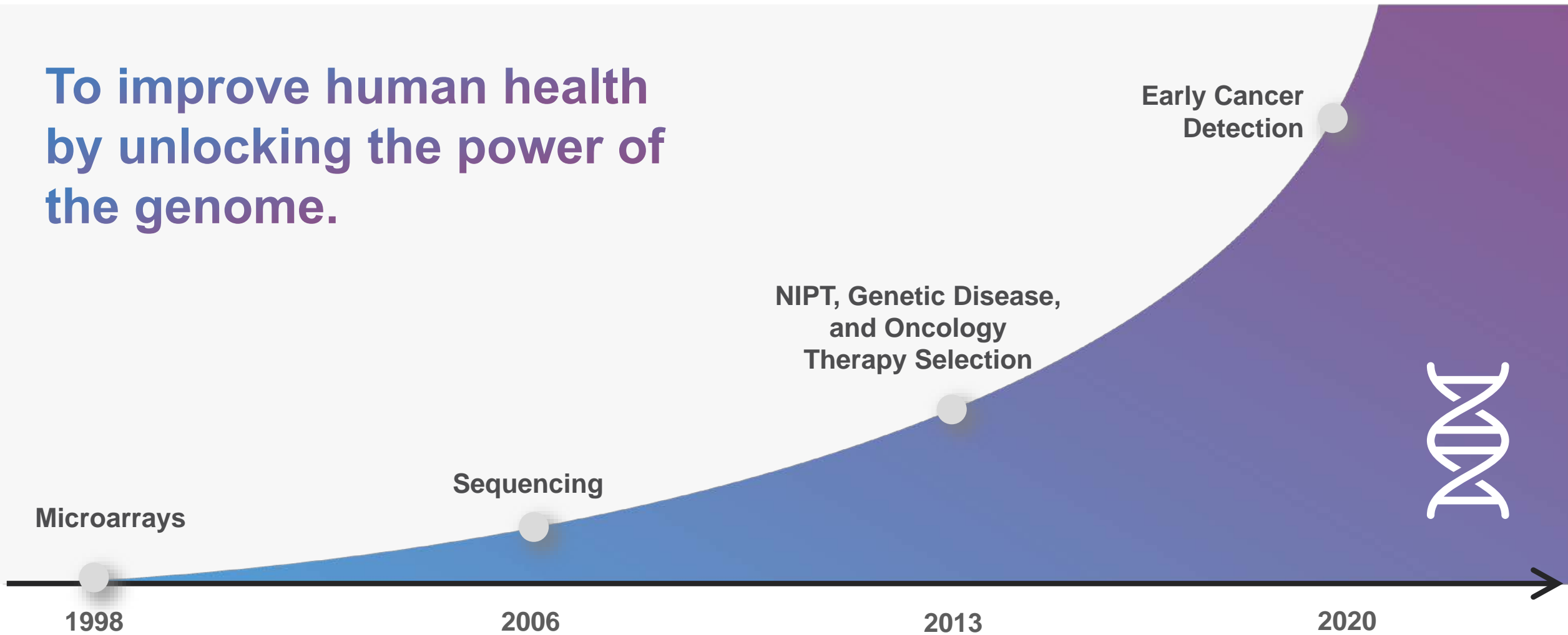


**Ready to
transform
cancer
detection**

illumina®

Acquiring GRAIL Brings Us Closer Towards Our Mission

To improve human health
by unlocking the power of
the genome.



illumina®



illumina[®] + GRAIL

Launching a New Era in
Cancer Detection, Together

Questions

