

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities and Exchange Act of 1934**

**Date of Report (Date of earliest event reported): March 10, 2020**

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**Invitae Corporation**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-36847**  
(Commission  
File Number)

**27-1701898**  
(I.R.S. employer  
identification number)

**1400 16th Street, San Francisco, California 94103**  
(Address of principal executive offices, including zip code)

**(415) 374-7782**  
(Registrant's telephone number, including area code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

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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:

- 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, \$0.001 par value per share	NVT A	The New York Stock Exchange 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.

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**Item 1.01 Entry into a Material Definitive Agreement.****Diploid Acquisition****Diploid Share Purchase Agreement**

On March 10, 2020, Invitae Corporation, a Delaware corporation (“Invitae”), Invitae Netherlands, B.V., an Amsterdam limited liability company and wholly-owned subsidiary of Invitae (“Invitae Netherlands”), and Peter Schols, an individual (“Diploid Seller”), entered into a Share Purchase Agreement (the “Diploid Acquisition Agreement”), pursuant to which, among other things and concurrently with execution thereof, Invitae Netherlands acquired 100% of the issued and outstanding equity of Orbicule BV, a Belgian limited liability company operating under the name “Diploid” (“Diploid”), from Diploid Seller (the “Diploid Transaction”).

The aggregate consideration paid in the Diploid Transaction for 100% of Diploid’s equity securities was approximately \$95.0 million consisting of (i) approximately \$63.0 million in shares of Invitae’s common stock (based upon a trailing average trading price prior to the date of the Diploid Acquisition Agreement) and (ii) approximately \$32.0 million in cash; provided, however, that (x) such cash amount is subject to adjustment based upon various factors, including the final determinations of cash, debt and working capital of Diploid at the time of the Diploid Transaction, and (y) a portion of the stock consideration is subject to a hold-back to satisfy indemnification obligations that may arise in connection with the Diploid Acquisition Agreement.

The shares of Invitae’s common stock issued in the Diploid Transaction were issued in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act of 1933 (the “Securities Act”). The Diploid Acquisition Agreement contains customary representations and warranties by Invitae and Diploid Seller.

**Diploid Registration Rights Agreement**

In connection with the Diploid Transaction, Invitae entered into a Registration Rights Agreement (the “Diploid Registration Rights Agreement”) with Diploid Seller, pursuant to which Invitae will register for resale on Form S-3 the shares of Invitae’s common stock issued in the Diploid Transaction. The Diploid Registration Rights Agreement provides that such registration rights will expire at such time as such shares of Invitae common stock have been disposed of pursuant to the resale registration statement or pursuant to Rule 144 promulgated under the Securities Act (“Rule 144”), or as to any holder when all of such holder’s shares may be sold pursuant to Rule 144 without limitation as to manner of sale restrictions or volume limitation.

**Diploid RSU Agreements**

In connection with the Diploid Transaction, Invitae will grant an aggregate of up to \$5.0 million of restricted stock units (the “Inducement Awards”) to certain employees of Diploid in connection with and as an inducement to their post-Diploid Transaction employment by Invitae (each, a “Continuing Employee”), pursuant to time-based restricted stock unit award agreements (the “RSU Agreements”) with each such Continuing Employee. Under the RSU Agreements, Invitae will issue shares of its common stock to the Continuing Employees at such times, and upon such conditions (including with respect to the vesting of such shares), as are set forth therein.

The Inducement Awards were granted as inducement awards in compliance with New York Stock Exchange Rule 303A.08, with the actual number of shares to be issued pursuant to the Inducement Awards to be determined at vesting in accordance with the terms of the RSU Agreements. The

Inducement Awards were made pursuant to the Invitae Corporation 2015 Stock Incentive Plan, as amended and restated as of March 6, 2020 (the “2015 Plan”) to create a pool of shares of Invitae’s common stock to be used solely for the Inducement Awards.

The restricted stock units granted pursuant to the RSU Agreements vest 12 months and 24 months from the grant date. The number of restricted stock units that vest on each 12 month anniversary will be calculated based on the volume-weighted average trading price of Invitae’s common stock on the New York Stock Exchange for 30 days immediately preceding such vesting date. Any unvested portion of an award granted under a RSU Agreement will accelerate upon the applicable Continuing Employee being terminated for Cause or Good Reason (as such terms are defined in the RSU Agreements).

The foregoing descriptions of the Diploid Acquisition Agreement, the Diploid Registration Rights Agreement and the transactions contemplated thereby, and the RSU Agreements and the 2015 Plan are not complete and are qualified in their entirety by the full text of the Diploid Acquisition Agreement, the Diploid Registration Rights Agreement, the form of RSU Agreement, and the 2015 Plan, which will be filed as exhibits to Invitae’s Quarterly Report on Form 10-Q for the quarter ending March 31, 2020.

### **YouScript Acquisition**

#### **YouScript Merger Agreement**

On March 10, 2020, Invitae, Yasawa Merger Sub A Inc., a Delaware corporation and wholly-owned subsidiary of Invitae (“Merger Sub A”), Yasawa Merger Sub B LLC, a Delaware limited liability company and wholly-owned subsidiary of Invitae (“Merger Sub B”), YouScript Incorporated, a privately-held Delaware corporation (“YouScript”), and Fortis Advisors LLC (as representative of YouScript’s stockholders) entered into an Agreement and Plan of Merger (the “YouScript Acquisition Agreement”), pursuant to which, among other things and subject to the satisfaction or waiver of the conditions set forth in the YouScript Acquisition Agreement, Invitae will acquire 100% of the fully diluted equity of YouScript. Pursuant to the YouScript Acquisition Agreement, Merger Sub A will merge with and into YouScript, with YouScript becoming a wholly-owned subsidiary of Invitae, and promptly thereafter as part of the same overall transaction, YouScript will merge with and into Merger Sub B, with Merger Sub B continuing as a wholly-owned subsidiary of Invitae and the surviving entity in the mergers (collectively, the “YouScript Transactions”). The YouScript Transactions, taken together, are intended to qualify for federal income tax purposes as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

The aggregate consideration in the YouScript Transactions for 100% of YouScript’s equity securities is approximately \$79.3 million consisting of (i) approximately \$54.3 million in shares of Invitae’s common stock (based upon a trailing average trading price prior to the date of the YouScript Acquisition Agreement) and (ii) \$25.0 million in cash; provided, however, that (x) such stock consideration is subject to adjustment based upon various factors, including the final determinations of cash, debt and working capital of YouScript at the time of the YouScript Transactions, and (y) a portion of such cash amount and such stock consideration is subject to a hold-back to satisfy indemnification obligations that may arise in connection with the YouScript Acquisition Agreement.

The shares of Invitae’s common stock issued in the YouScript Transactions will be issued in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act.

In accordance with the terms of the YouScript Acquisition Agreement, YouScript stockholders owning a substantial majority of the YouScript common stock (after giving effect to conversion of certain convertible promissory notes issued by YouScript) (the “Consenting Holders”) have entered into a

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support agreement with Invitae (the “Support Agreement”) pursuant to which such Consenting Holders have agreed to (i) approve the YouScript Acquisition Agreement, the YouScript Transactions, and the other transactions contemplated by the YouScript Acquisition Agreement, (ii) the indemnification provisions of the YouScript Acquisition Agreement, (iii) make customary representations and warranties in connection with the acquisition of Invitae’s common stock in the YouScript Transactions (as applicable), and (iv) release Invitae from certain claims related to the YouScript Transactions.

*Closing Conditions; Closing Date*

The obligations of the parties to consummate the YouScript Transactions are subject to the satisfaction or waiver of various conditions set forth in the YouScript Acquisition Agreement, including, but not limited to (i) the accuracy of the representations and warranties of each party contained in the YouScript Acquisition Agreement (subject to certain materiality qualifications), (ii) each party’s compliance with or performance of the covenants and agreements in the YouScript Acquisition Agreement in all material respects, and (iii) entry by Invitae into employment and non-competition agreements with certain employees of YouScript. The YouScript Transactions are expected to close in April 2020, subject to customary closing conditions.

*Representations and Warranties; Covenants*

The YouScript Acquisition Agreement contains customary representations and warranties by Invitae and YouScript. The YouScript Acquisition Agreement also contains customary covenants and agreements, including with respect to the operations of the business of YouScript between signing and closing, restrictions on alternative transactions by YouScript, commercially reasonable efforts to take actions that may be necessary in order to obtain approval of the YouScript Transactions with certain governmental authorities, and other matters.

The YouScript Acquisition Agreement generally prohibits YouScript’s solicitation of proposals relating to alternative transactions and restricts YouScript’s ability to furnish non-public information to, or participate in any discussions or negotiations with, any third party with respect to any alternative transaction, subject to certain limited exceptions.

*Termination*

The YouScript Acquisition Agreement contains termination rights for Invitae and YouScript, including if the YouScript Transactions are not consummated within 60 days after the date of the YouScript Acquisition Agreement, which may be extended by the mutual consent of Invitae and YouScript.

**YouScript Registration Rights Agreement**

In connection with the YouScript Transactions, Invitae will enter into a Registration Rights Agreement (the “YouScript Registration Rights Agreement”) with certain stockholders of YouScript, pursuant to which Invitae will register for resale on Form S-3 the shares of Invitae’s common stock to be issued in the YouScript Transactions. The YouScript Registration Rights Agreement provides that such registration rights will expire at such time as such shares of Invitae common stock have been disposed of pursuant to the resale registration statement or pursuant to Rule 144, or as to any holder when all of such holder’s shares may be sold pursuant to Rule 144 without limitation as to manner of sale restrictions or volume limitation.

The foregoing descriptions of the YouScript Acquisition Agreement, the YouScript Registration Rights Agreement and the transactions contemplated thereby are not complete and are qualified in their

entirety by the full text of the YouScript Acquisition Agreement and the YouScript Registration Rights Agreement, which will be filed as exhibits to Invitae's Quarterly Report on Form 10-Q for the quarter in which the YouScript Transactions close, which is expected to be the quarter ending June 30, 2020.

### ***Genelex Acquisition***

#### **Genelex Unit Purchase Agreement**

On March 10, 2020, Invitae, David Colaizzi, Chris Howlett, Anthony Muhlenkamp, Gerald Schneider, and Matt Lehrman (collectively, the "Genelex Sellers") entered into a Unit Purchase Agreement (the "Genelex Acquisition Agreement"), pursuant to which, among other things and subject to the satisfaction or waiver of the conditions set forth in the Genelex Acquisition Agreement, Invitae will acquire 100% of the issued and outstanding equity of Genetic Solutions, LLC, a Pennsylvania limited liability company operating under the name "Genelex" ("Genelex"), from the Genelex Sellers (the "Genelex Transaction").

The aggregate upfront consideration in the Genelex Transaction for 100% of Genelex's equity securities is approximately \$20.7 million payable at closing in shares of Invitae's common stock (based upon a trailing average trading price prior to the date of the Genelex Acquisition Agreement); provided, however, that (i) such amount is subject to adjustment based upon various factors, including the cash, debt and working capital of Genelex at the time of the Genelex Transaction, and (ii) a portion of the consideration will be subject to a hold-back to satisfy indemnification obligations that may arise in connection with the Genelex Acquisition Agreement. In addition to such upfront amount, Invitae would become obligated pursuant to the terms of the Genelex Acquisition Agreement to issue additional shares of its common stock to the Genelex Sellers if, within a specified period following the closing of the Genelex Transaction, Genelex achieves a certain product milestone, in which case Invitae would thereafter issue to the Genelex Sellers shares of Invitae's common stock with a value equal to a portion of the gross revenues actually received by Invitae for that product and similar products during an earn-out period of up to four years.

The shares of Invitae's common stock issued in the Genelex Transaction will be issued in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act.

#### *Closing Conditions; Closing Date*

The obligations of the parties to consummate the Genelex Transaction are subject to the satisfaction or waiver of various conditions set forth in the Genelex Acquisition Agreement, including, but not limited to (i) the accuracy of the representations and warranties of each party contained in the Genelex Acquisition Agreement (subject to certain materiality qualifications), (ii) each party's compliance with or performance of the covenants and agreements in the Genelex Acquisition Agreement in all material respects, and (iii) entry by Invitae into employment and non-competition agreements with certain employees of Genelex. The Genelex Transaction is expected to close in April 2020, subject to customary closing conditions.

#### *Representations and Warranties; Covenants*

The Genelex Acquisition Agreement contains customary representations and warranties by Invitae and Genelex. The Genelex Acquisition Agreement also contains customary covenants and agreements, including with respect to the operations of the business of Genelex between signing and closing, restrictions on alternative transactions by Genelex, commercially reasonable efforts to take actions that may be necessary in order to obtain approval of the Genelex Transaction with certain governmental authorities, and other matters.

The Genelex Acquisition Agreement generally prohibits Genelex's solicitation of proposals relating to alternative transactions and restricts Genelex's ability to furnish non-public information to, or participate in any discussions or negotiations with, any third party with respect to any alternative transaction, subject to certain limited exceptions.

#### *Termination*

The Genelex Acquisition Agreement contains termination rights for Invitae and Genelex, including if the Genelex Transaction is not consummated within 60 days after the date of the Genelex Acquisition Agreement, which may be extended by the mutual consent of Invitae and Genelex.

#### **Genelex Registration Rights Agreement**

In connection with the Genelex Transaction, Invitae will enter into a Registration Rights Agreement (the "Genelex Registration Rights Agreement") with the Genelex Sellers, pursuant to which Invitae will register for resale on Form S-3 the shares of Invitae's common stock to be issued in the Genelex Transaction. The Genelex Registration Rights Agreement provides that such registration rights will expire at such time as such shares of Invitae common stock have been disposed of pursuant to the resale registration statement or pursuant to Rule 144, or as to any holder when all of such holder's shares may be sold pursuant to Rule 144 without limitation as to manner of sale restrictions or volume limitation.

The foregoing descriptions of the Genelex Acquisition Agreement, the Genelex Registration Rights Agreement and the transactions contemplated thereby are not complete and are qualified in their entirety by the full text of the Genelex Acquisition Agreement and the Genelex Registration Rights Agreement, which will be filed as exhibits to Invitae's Quarterly Report on Form 10-Q for the quarter in which the Genelex Transaction closes, which is expected to be the quarter ending June 30, 2020.

#### **Item 3.02 Unregistered Sales of Equity Securities.**

Pursuant to the Diploid Transaction, the YouScript Transactions, and the Genelex Transaction (collectively, the "Acquisition Transactions") described in Item 1.01 above, Invitae will issue shares of its common stock upon closing of each of the Acquisition Transactions in reliance upon the exemption from registration provided by Section 4(a)(2) of the Securities Act. Each recipient of such shares will make certain representations as a recipient of Invitae's common stock, including that shares of Invitae's common stock will be acquired for such recipient's own account for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof, and that such recipient is able to bear the risks of the investment and could hold the shares for an indefinite period of time.

#### **Item 7.01 Regulation FD Disclosure.**

On March 10, 2020, Invitae issued two press releases announcing the Acquisition Transactions. Copies of such press releases are furnished as Exhibit 99.1 and Exhibit 99.2 hereto.

#### *Forward-Looking Statements*

*Certain statements either contained in or incorporated by reference into this Current Report on Form 8-K, other than purely historical information, are "forward-looking statements." All statements, other than statements of historical facts, included in or incorporated by reference into this Current Report on Form 8-K regarding strategy, future operations, future financial position, future revenue, projected expenses, prospects, plans and objectives of management are forward-looking statements. Examples of such statements include, but are not limited to, statements relating to the structure, timing*

and expected completion of the proposed Acquisition Transactions (other than the timing and completion of the Diploid Transaction which has closed), and the potential benefits of the Acquisition Transactions. Invitae may not actually achieve the plans, carry out the intentions or meet the expectations or projections disclosed in the forward-looking statements and you should not place undue reliance on these forward-looking statements. Such statements are based on management's current expectations and involve risks and uncertainties. Actual results and performance could differ materially from those projected in the forward-looking statements as a result of many factors, including, without limitation, risks and uncertainties associated with the ability to consummate the proposed Acquisition Transactions (other than the Diploid Transaction) and the ability to realize the intended benefits of the Acquisition Transactions. Invitae disclaims any intent or obligation to update these forward-looking statements to reflect events or circumstances that exist after the date on which they were made.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1#	<a href="#">Press Release issued by Invitae Corporation, dated March 10, 2020, announcing the YouScript Transaction and the Genelex Transaction.</a>
99.2#	<a href="#">Press Release issued by Invitae Corporation, dated March 10, 2020, announcing the Diploid Transaction.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

# This Exhibit is furnished herewith and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or deemed to be incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933 except to the extent that Invitae Corporation specifically incorporates it by reference.

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**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.

Dated: March 10, 2020

INVITAE CORPORATION

By: /s/ Shelly D. Guyer

Name: Shelly D. Guyer

Title: Chief Financial Officer



**Invitae to Acquire YouScript and Genelex to Make it Easier to Use Pharmacogenetic Information at the Point of Care**

*— Unique combination of pharmacogenetic information with sophisticated, EMR-integrated software has been shown to reduce risk and improve outcomes*

*— Hosting conference call and webcast today at 2:00 pm Pacific / 5:00 pm Eastern —*

**SAN FRANCISCO, March 10, 2020** – Invitae Corporation (NYSE: NVTA), a leading medical genetics company, today announced it has entered into definitive agreements to acquire YouScript, a privately held clinical decision support and analytics platform, and Genelex, a privately held pharmacogenetic testing company, to bring best-in-class pharmacogenetic testing, and robust, integrated clinical decision support to Invitae. Pharmacogenetic testing evaluates genetic variations that can impact how an individual responds to prescription medication.

“Adding pharmacogenetics to Invitae’s services enables us to offer greater value to our existing customers and helps us expand into new customer types and clinical areas,” said Sean George, co-founder and chief executive officer of Invitae. “Despite its broad utility, the incorporation of pharmacogenetic information into routine medical care has been slow. We believe that Invitae’s business model and technological capabilities, combined with an offering designed for ease of use in supporting clinical care, can accelerate the use of pharmacogenetic information. This is an exciting next step in our mission to bring comprehensive genetic information into mainstream medical care.”

Pharmacogenetic variants with medical implications are very common. For example, a cross-sectional study of more than 7.7 million U.S. veterans published in 2019 found that 99% of individuals in the Veteran Health Administration system carry at least one actionable pharmacogenetic variant. Furthermore, over half of the individuals had been prescribed a drug for which deciding to use the drug or determining the proper dosage would be affected by relevant pharmacogenetic information.<sup>1</sup> Routine pharmacogenetic testing can provide clinicians with information to improve treatment and reduce the possibility of adverse events, particularly for patients with complex medication regimens or co-existing conditions.

“Pharmacogenetic information becomes clinically actionable when the complex web of multifactor interactions, including drug-drug and drug-gene, is used to characterize risk and benefit,” said Robert Nussbaum, M.D., chief medical officer of Invitae. “Simply detecting pharmacogenetic variation is not nearly enough to make the information clinically useful. Combining Genelex testing with clinical decision support in the EMR using YouScript software enables clinicians to easily navigate this information when making prescription choices at the point of care.”

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YouScript offers an innovative clinical decision support tool for healthcare providers that can assist in patient medication management at the point of care. The software pairs a patient's pharmacogenetic profile with published drug and gene interaction information to assess the risk for adverse drug events and possible side effects. Clinicians receive information, alerts, and possible medication alternatives in real-time through a clear and concise interactive interface to help optimize medication choice to improve patient care. YouScript is integrated with major electronic medical record (EMR) systems, including Epic, Cerner, and Allscripts.

In addition to providing clinical support at the patient level, health systems can use YouScript at population scale to identify patient populations at highest risk for adverse events. The software identifies those patients who are most likely to benefit from pharmacogenetic testing based on their drug regimen. The utilization of YouScript's software, in combination with Genelex pharmacogenetic testing, has been shown to reduce adverse events, costs and hospital readmissions in peer-reviewed published studies.

"Our clinical decision support tool is focused on giving clinicians the most comprehensive, evidence-based information in an actionable, easy-to-use format within the workflow enabling the safest, most informed decision for their patient in real time," said Kristine Ashcraft, chief executive officer of YouScript. "Joining forces with Genelex and Invitae will allow us to help a larger number of clinicians use genetics not just for the few but as a routine practice for all their patients."

Genelex offers pharmacogenetic testing that analyzes the genes that are important for understanding variation in how people metabolize and respond differently to prescription medications. The testing process includes pharmacist review, patient- and clinician-facing reports, as well as access to clinical decision support for the treating provider.

"Accelerating the use of genetic information to inform treatment choices is essential for realizing the power of genetics in mainstream medicine," said Chris Howlett, chief executive officer of Genelex. "The combination of Genelex's expertise in pharmacogenetics, YouScript's advanced clinical decision support and Invitae's expertise in delivering genetic information that is affordable and accessible at scale enables us to help more clinicians and their patients benefit from genetics-informed treatment choice."

Under the definitive agreements, Invitae will acquire YouScript for approximately \$79.3 million, subject to certain adjustments, consisting of \$25 million in cash and the remaining in Invitae common stock (based upon a trailing average trading price as of the agreement date), and Invitae will acquire Genelex for approximately \$20.7 million in upfront shares of Invitae common stock (based upon a trailing average trading price as of the agreement date) plus additional shares of Invitae common stock in the event that certain milestones are achieved. The acquisitions are expected to close in the coming weeks, pending customary closing conditions. The acquisitions are not expected to materially change previously shared guidance on revenue and volume for 2020.

#### **Conference Call and Webcast Details**

Management will host a conference call and webcast today at 2:00 p.m. Pacific / 5:00 p.m. Eastern to discuss the acquisitions. The dial-in numbers for the conference call are (866) 393-4306 for domestic callers and (734) 385-2616 for international callers, and the reservation number for both is 4663118. Following prepared remarks, management will respond to questions from investors and analysts, subject to time limitations.

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The live webcast of the call and slide deck may be accessed by visiting the investors section of the company's website at [ir.invitae.com](http://ir.invitae.com). A replay of the webcast and conference call will be available shortly after the conclusion of the call and will be archived on the company's website.

#### **About Invitae**

Invitae Corporation (NYSE: NVT) 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](http://invitae.com).

#### **About YouScript**

YouScript enables faster, more proactive personalized medication management to reduce avoidable adverse drug events. YouScript is a trusted partner to value-based healthcare organizations, providers, and payers who want to bend the healthcare cost curve with the power of precision medicine. Partners include Clover Health, Group Health of South-Central Wisconsin, Highmark BCBS, and TELUS Health. YouScript's technology synthesizes the evidence impacting drug response, including pharmacogenetic testing, to support doctors and pharmacists at the point of care. YouScript is the only clinically validated system that shows improved outcomes, reduced costs and high patient and provider satisfaction. YouScript is successfully integrated into the clinical workflow of Epic, Cerner, Allscripts, GraneRx and other leading healthcare technology providers. For more information about YouScript, please visit: [www.youscript.com](http://www.youscript.com).

YouScript has not been reviewed or approved by the United States Food and Drug Administration and cannot be used to diagnose or treat any disease or other health condition.

#### **About Genelex**

Genelex is one of the longest-standing laboratories in the United States, specializing in pharmacogenetics testing and was one of the first clinical laboratories to provide pharmacogenetic testing and interpretation as the creator of the patented, proprietary and powerful YouScript Personalized Prescribing System. Genelex pharmacogenetic tests reveal natural variations that determine how the body processes commonly prescribed medications.

#### **Safe Harbor Statement**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the potential benefits of the proposed acquisitions; the expected timing of the closing of the proposed acquisitions; the capabilities and benefits of YouScript and/or Genelex technology; the company's ability to integrate and expand the use of YouScript and/or Genelex technology and the impact thereof; and the company's business strategy, and its beliefs regarding the ways in which the proposed acquisitions will contribute to that strategy. 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: the parties' ability to satisfy the conditions precedent to the consummation of the proposed transactions, including the parties' ability to close the proposed acquisitions; the occurrence of any event that could give rise to the termination of one or both acquisition agreements; unanticipated difficulties or expenditures relating to the proposed transactions; the

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risk that expected benefits of the proposed transactions may not be achieved in a timely manner, or at all; the risk that the YouScript and/or Genelex technology may not be efficiently or successfully integrated into, or otherwise scale with, the company's platform; the company's history of losses; the company's ability to compete; the company's ability to manage growth effectively; the company's ability to use rapidly changing genetic data and technology to interpret test results accurately and consistently; security breaches, loss of data and other disruptions; laws and regulations applicable to the company's business; and the other risks set forth in the company's filings with the Securities and Exchange Commission, including the risks set forth in the company's Annual Report on Form 10-K for the year ended December 31, 2019. These forward-looking statements speak only as of the date hereof, and Invitae Corporation disclaims any obligation to update these forward-looking statements.

Source: Invitae Corporation

**Contact:**

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(628) 213-3283

1. Chanfreau-Coffinier C, Hull LE, Lynch JA, et al. Projected Prevalence of Actionable Pharmacogenetic Variants and Level A Drugs Prescribed Among US Veterans Health Administration Pharmacy Users. *JAMA Netw Open*. 2019;2(6):e195345. doi:10.1001/jamanetworkopen.2019.5345

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**Invitae Acquires Diploid, Maker of Artificial-Intelligence Engine to Enable Clinical Diagnosis Using Whole Genome Sequencing in Minutes**

— Adds to Invitae's competitive advantage by providing rapid answers to patients while further reducing the cost of genetic testing at scale —

— Hosting conference call and webcast today at 2:00 pm Pacific / 5:00 pm Eastern —

— Inducement Grants Under NYSE Rule 303A.08 for Employees —

**SAN FRANCISCO, March 10, 2020** – Invitae Corporation (NYSE: NVTA), a leading medical genetics company, announced today the acquisition of Diploid, a privately held Belgian company that developed Moon, artificial intelligence (A.I.) software capable of diagnosing genetic disorders in minutes based on next-generation sequencing data and patient information.

The addition of Moon to Invitae's state-of-the-art variant interpretation infrastructure extends its ability to quickly and efficiently turn large amounts of genetic data and phenotypic information into actionable reports for patients and clinicians.

“The addition of Diploid's software to Invitae's best-in-class variant interpretation platform will provide an immediate increase in throughput, improving the customer experience and lowering COGS for our exome offering, further extending the advantage of Invitae's platform to the benefit of clinicians and their patients,” said Sean George, co-founder and chief executive officer of Invitae. “More importantly, this technology will help us accelerate progress toward the routine use of whole genome sequencing in addition to panel and exome testing, ultimately helping more patients get the diagnosis they need, sooner.”

Moon is powerful and simple to use. When interpreting exome or whole genome data, geneticists must identify the one or two mutations responsible for the patient's condition among thousands of sequence variations observed. With Moon, geneticists can upload next generation sequencing data, enter a patient's symptoms and age of onset, and the causal variants are suggested within minutes. The speed and accuracy of Moon is powered by A.I. algorithms, a proprietary gene-disorder model, and a continuously updated genetic evidence database. Invitae and Diploid successfully completed a pilot study of the performance of Moon and found that in 94% of the 150 previously-solved exome cases, the causal mutation was found within the top three of Moon's ranked list of sequence variants.

“We are dedicated to building the best medical genetics diagnostic system in the world. With Invitae we are joining like-minded scientists creating a world-class genetic interpretation framework at scale,” said Peter Schols, founder and chief executive officer of Diploid. “By bringing these technologies together, we can help more patients benefit from in-depth genetic sequencing to move from searching for answers to finding a diagnosis and discussing treatments that can help.”

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The speed and accuracy of genetic diagnoses enabled by Moon has real-world benefits for patients. Rapid whole genome sequencing, interpretation and diagnoses has proven to be critical for the care of infants with genetic diseases in neonatal and pediatric intensive care units. Because Moon can go from whole genome sequencing data to an answer in minutes, it can be instrumental for providing rapid and accurate care required for critically ill patients.

Under the definitive agreement, Invitae will acquire Diploid for approximately \$95 million, subject to certain adjustments, consisting of \$32 million in cash and \$63 million in Invitae common stock (based upon a trailing average trading price). The acquisition has closed.

### **RSUs**

In connection with the transaction, Invitae granted restricted stock units (“RSUs”) having a value of up to \$5 million to certain continuing employees of Diploid. The RSUs were granted under Invitae’s 2015 Stock Incentive Plan, which was amended and restated to create an additional pool of shares of Invitae common stock to be used exclusively for the grant of inducement awards in compliance with New York Stock Exchange Rule 303A.08 (“Rule 303A.08”). The RSUs were approved by the Board of Directors of Invitae and granted as an inducement material for continued employment following the acquisition of Diploid by Invitae in reliance on the employment inducement exemption under Rule 303A.08. The RSUs vest 50% at 12 months and 50% at 24 months from the grant date. The number of RSUs that vest on each vesting date will be calculated based on the volume-weighted average trading price of Invitae’s common stock on the New York Stock Exchange for 30 days immediately preceding such vesting date. Any unvested portion of an award granted under an RSU agreement will accelerate upon the applicable employee being terminated without Cause or for Good Reason (as such terms are defined in the RSU agreement).

### **Conference Call and Webcast Details**

Management will host a conference call and webcast today at 2:00 p.m. Pacific / 5:00 p.m. Eastern to discuss the acquisition. The dial-in numbers for the conference call are (866) 393-4306 for domestic callers and (734) 385-2616 for international callers, and the reservation number for both is 4663118. Following prepared remarks, management will respond to questions from investors and analysts, subject to time limitations.

The live webcast of the call and slide deck may be accessed by visiting the investors section of the company’s website at [ir.invitae.com](http://ir.invitae.com). A replay of the webcast and conference call will be available shortly after the conclusion of the call and will be archived on the company’s website.

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**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](http://invitae.com).

**About Diploid**

Diploid is on a mission to provide clinical labs, hospitals and nation-wide sequencing programs with the tools to diagnose every rare disease patient. Its Moon platform is the first software worldwide to use artificial intelligence for rare disease diagnostics. Thanks to its use of advanced machine learning and deep phenotype integration, Moon is now widely recognised as the fastest genome interpretation solution, going from whole genome sequencing to diagnosis in minutes. In addition, Moon's autopilot feature enables unsupervised reanalysis of negative cases, making continuous genome interpretation a reality.

**Safe Harbor Statement**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to the potential benefits of the acquisition; the capabilities and benefits of Diploid's technology; the company's ability to integrate and expand the use of Diploid's technology and the impact thereof; and the company's business strategy, and its beliefs regarding the ways in which the proposed acquisition will contribute to that strategy. 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: the risk that expected benefits of the proposed transaction may not be achieved in a timely manner, or at all; the risk that Diploid's technology may not be efficiently or successfully integrated into, or otherwise scale with, the company's platform; the company's history of losses; the company's ability to compete; the company's ability to manage growth effectively; the company's ability to use rapidly changing genetic data and technology to interpret test results accurately and consistently; security breaches, loss of data and other disruptions; laws and regulations applicable to the company's business; and the other risks set forth in the company's filings with the Securities and Exchange Commission, including the risks set forth in the company's Annual Report on Form 10-K for the year ended December 31, 2019. These forward-looking statements speak only as of the date hereof, and Invitae Corporation disclaims any obligation to update these forward-looking statements.

Source: Invitae Corporation

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