UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K/A

(Amendment No. 1)

CURRENT REPORT

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

Date of Report: July 14, 2019
(Date of earliest event reported)

Invitae Corporation

(Exact name of the registrant as specified in its charter)

Delaware	001-36847	27-1701898
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. employer identification number)

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

(415) 374-7782	N/A
(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:

☐ 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))

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. ☒

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

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, $0.0001 par value per share	NVTA	New York Stock Exchange

On July 17, 2019, Invitae Corporation (“Invitae”), filed a Current Report on Form 8-K (the “Original Form 8-K”) with the Securities and Exchange Commission (the “Commission”) to report the completion of its previously announced acquisition of Jungla Inc. (“Jungla”) in accordance with the terms of the Stock Purchase and Merger Agreement, dated as of July 11, 2019 (the “Merger Agreement”), among Invitae, Jumanji, LLC, a Delaware limited liability company and wholly-owned subsidiary of Invitae (“Merger Sub”), Jungla, the holders of all of the outstanding capital stock of Jungla (the “Sellers”), and Fortis Advisors LLC (solely in its capacity as representative of the Sellers), pursuant to which Invitae purchased 100% of the capital stock of Jungla from the Sellers and following which, as part of the same overall transaction, Jungla merged with and into Merger Sub, with Merger Sub continuing as the surviving entity in the merger and remaining a wholly-owned subsidiary of Invitae.

This Amendment No. 1 to Current Report on Form 8-K/A amends the Original Form 8-K to include the financial statements and pro forma financial information required under Items 9.01 (a) and 9.01 (b), which were excluded from the Original Form 8-K in reliance on the instructions to such items.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The audited financial statements of Jungla as of and for the year ended December 31, 2018, together with the notes thereto and the auditors' report thereon are attached hereto as Exhibit 99.1.

The unaudited condensed interim financial statements of Jungla as of March 31, 2019 and for the three months ended March 31, 2019 and 2018 together with the notes thereto, are attached hereto as Exhibit 99.2.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined statements of operations data of the Company and Jungla for the year ended December 31, 2018 and the six months ended June 30, 2019 that give effect to the acquisition of Jungla are attached hereto as Exhibit 99.3.

(d) Exhibits.

Exhibit No.	Description
23.1	Consent of Independent Auditors
99.1	Audited financial statements of Jungla as of and for the year ended December 31, 2018
99.2	Unaudited condensed interim financial statements of Jungla as of March 31, 2019 and for the three months ended March 31, 2019 and 2018
99.3	Unaudited pro forma condensed combined balance sheet for the Company and Jungla as of June 30, 2019 and unaudited pro forma condensed combined statements of operations for the Company and Jungla for the year ended December 31, 2018 and for the six months ended June 30, 2019
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document).

SIGNATURES

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: September 27, 2019

INVITAE CORPORATION

By:	/s/ Shelly D. Guyer
Name:	Shelly D. Guyer
Title:	Chief Financial Officer

Exhibit 23.1

Consent of Independent Auditors

We consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-220053, 333-220054, 333-226756, 333-233109, and 333-233110), and Form S-8 (Nos. 333-202066, 333-216761, 333-223455, 333-229972, and 333-232208) of Invitae Corporation of our report dated June 20, 2019, with respect to the financial statements of Jungla Inc. as of December 31, 2018, and for the year then ended, (which report expresses an unqualified opinion and includes an emphasis of matter paragraph related to going concern) and included in this Amendment No. 1 to the Current Report on Form 8-K (No. 001-36847/19959487) of Invitae Corporation dated September 27, 2019.

/s/ Moss Adams LLP

Campbell, California
September 27, 2019

Exhibit 99.1

JUNGLA INC.

Financial Statements

December 31, 2018

(With Report of Independent Auditors Thereon)

JUNGLA INC.

Table of Contents

Report of Independent Auditors

The Board of Directors and Stockholders Jungla Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Jungla Inc., which comprise the balance sheet as of December 31, 2018, and the related statements of operations, stockholders' equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jungla Inc. as of December 31, 2018, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

/s/ Moss Adams

Campbell, California
June 20, 2019

Jungla Inc.
Balance Sheet
As of December 31, 2018

Assets		
Current assets:		
Cash	$	1,046,115
Prepaid expenses and other current assets		27,365
Total current assets		1,073,480
Property and equipment, net		361,272
Total assets	$	1,434,752
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$	14,934
Accrued expenses and other current liabilities		16,991
Total liabilities		31,925
Other long term liability		4,067
Total liabilities		35,992
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Convertible preferred stock, $0.00001 par value per share, 4,459,633 shares authorized; 4,074,251 shares issued and outstanding with a total liquidation preference of $2,995,389		2,626,146
Common stock, $0.00001 par value per share, 15,700,000 shares authorized; 8,500,000 shares issued and outstanding		85
Additional paid-in capital		414,344
Accumulated deficit		(1,641,815)
Total stockholders' equity		1,398,760
Total liabilities and stockholders' equity	$	1,434,752

See accompanying notes to financial statements.

Jungla Inc.
Statement of Operations
For the year ended December 31, 2018

Operating Expenses:		
Research and development	$	413,812
Sales and marketing		24,520
General and administrative		164,092
Total operating expenses		602,424
Loss from operations		(602,424)
Other income:		
Interest Income		426
Total other income		426
Net loss	$	(601,998)

See accompanying notes to financial statements.

Jungla Inc.
Statement of Stockholders' Equity
For the year ended December 31, 2018

	Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balances as of January 1, 2018	4,074,251	$ 2,626,146	8,500,000	$ 85	$ 400,792	$ (1,039,817)	$ 1,987,206
Stock-based compensation	-	-	-	-	13,552	-	13,552
Net loss	-	-	-	-	-	(601,998)	(601,998)
Balance as of December 31, 2018	4,074,251	$ 2,626,146	8,500,000	85	$ 414,344	$ (1,641,815)	$ 1,398,760

See accompanying notes to financial statements.

Jungla Inc.
Statement of Cash Flows
For the year ended December 31, 2018

Cash flows from operating activities:		
Net loss	$	(601,998)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation		8,002
Stock-based compensation		13,552
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets		28,229
Accounts payable		3,887
Accrued expenses and other current liabilities		5,964
Other long term liability		4,067
Net cash used in operating activities		(538,297)
Cash flows used in investing activities:		
Purchase of property and equipment		(252,984)
Net cash used in investing activities		(252,984)
Net decrease in cash		(791,281)
Cash, beginning of year		1,837,396
Cash, end of year	$	1,046,115
Supplemental disclosures of cash flow information:		
Cash paid for taxes	$	1,696

See accompanying notes to financial statements.

1. OVERVIEW

Jungla Inc. (the Company or Jungla) is a biotechnology company delivering robust and scalable results for clinical genetic and genomic testing. Jungla aims to empower clinical genetic testing with quantitative, model-driven guidance to complement and enhance observational data. Jungla delivers robust, scalable, and auditable support with dramatically higher accuracies and increasingly mechanistic cellular and biophysical insights. The Company was incorporated in the state of Delaware in February 2016 and is headquartered in South San Francisco, CA.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP).

Use of Estimates - The preparation of financial statements in conformity with GAAP requires the Company' s management to make estimates, judgments, and assumptions that affect the reported amounts in the financial statements and accompanying footnotes. Such estimates include the useful lives of property and equipment, certain accrued expenses, fair value of the Company' s common stock, fair values of stock-based awards, income taxes, and legal contingencies. These estimates and assumptions are based on the Company's best estimates and judgment. Actual results may differ from those estimates.

Liquidity and Going Concern - Owing to significant investments in research and development that are typical of early-stage biotechnology companies, the Company has operated with negative cash flows and at a loss to date. The Company had an accumulated deficit of approximately $1.6 million, had generated a net loss of approximately $0.6 million and had negative cash flows from operations of approximately $0.5 million as of and for the year ended December 31, 2018. The Company will need to raise additional debt or equity financing to continue to fund its operations for a reasonable period of time beyond the issuance date of these financial statements. The Company expects to raise additional equity financing in order to fund operations until it can achieve positive cash flows from operations. However, there can be no assurance that such equity financing will be available on terms acceptable to the Company or at all. Management's plans to mitigate the substantial doubt have not been fully executed and contain contingent events that are outside the control of the Company. Failure to generate sufficient revenue, reduce spending, or raise additional capital could adversely affect the Company's ability to achieve its intended business objectives. These matters raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result, should the Company be unable to continue as a going concern.

Certain Significant Risks and Uncertainties - The Company' s future results of operations involve a number of risks and uncertainties. Factors that could affect the Company' s future operating results and cause actual results to vary materially from expectations include, but are not limited to, the achievement of technological milestones, market acceptance of the Company's product candidates, competition from other products and larger companies, protection of proprietary technology, strategic relationships, and dependence on key individuals.

Cash - Cash includes cash held in checking and savings accounts with high credit quality financial institutions.

Concentration of Credit Risk - Financial instruments that potentially subject the Company to concentration of credit risk consist of cash. The Company places its cash primarily with domestic financial institutions that are federally insured within statutory limits. The Company is exposed to credit risk in the event of default by financial institutions to the extent that cash balances are in excess of the amounts that are insured by the Federal Deposit Insurance Corporation. The Company has not experienced any losses to date.

Property and Equipment - Property and equipment are stated at cost, less accumulated depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of three years for computer and office equipment, and machinery equipment.

Capitalized Software Development Costs - The Company capitalizes certain internal use software development costs associated with creating and enhancing internal use software. These costs include personnel and related employee benefits expenses for employees who are directly associated with and who devote time to software projects, and external direct costs of materials and services consumed in developing or obtaining the software. Software development costs that do not meet the qualification for capitalization are expensed as incurred. The Company capitalizes internal use software development costs when preliminary development efforts are successfully completed, and it is probable that the project will be completed and the software will be used as intended. Such costs will be amortized on a straight-line basis over the estimated useful life of the related asset. Costs incurred prior to meeting these criteria are expensed as incurred. Management has determined that the Company is still in the application development stage, and without commercial viability, a first customer, or any implementations. As such, no amortization of capitalized software development costs have been recorded as of December 31, 2018. Capitalized software development costs are included in property and equipment on the Company's balance sheet.

The Company capitalized internal-use software costs of $249,708 during the year ended December 31, 2018.

Impairment of Long-Lived Assets - The Company evaluates long-lived assets for impairment on an annual basis, or whenever events or changes in circumstances indicate that the carrying amounts of its long-lived assets, including property and equipment and machinery equipment may not be recoverable. When such events or changes in circumstances occur, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through their undiscounted expected future cash flow. Impairment is recognized when the carrying amount of an asset exceeds its fair value. There were no events or changes in circumstances for the year ended December 31, 2018 that would indicate that carrying amounts of long-lived assets may not be recoverable, and therefore, the Company did not recognize any impairment charges on its long-lived assets during the year ended December 31, 2018.

Income Taxes - The Company accounts for income taxes in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes*, which requires an asset and liability approach under which deferred tax assets and liabilities arise from the temporary differences between the tax basis of an asset or liability and its reported amount in the financial statements, as well as from net operating loss and tax credit carryforwards. Deferred tax amounts are determined by using the tax rates expected to be in effect when the taxes will actually be paid or refunds received, as provided for under currently enacted tax law. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

ASC 740 clarifies the accounting for income taxes by presenting a minimum probability threshold that a tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined by ASC 740 as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% of being realized upon ultimate settlement. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. If any, the Company records interest related to unrecognized tax benefits in interest expense and penalties in general and administrative expenses.

Stock-Based Compensation - The Company recognizes stock-based compensation expense for stock options and restricted stock awards to employees and nonemployees on a straight-line basis over the requisite service period of the award, which is generally equivalent to the vesting period. For all stock-based awards, the Company calculates the fair value of the award on the date of grant using the Black-Scholes option-pricing model. The estimation of stock-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period the estimates are revised.

The Company adopted Accounting Standards Update (ASU) 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting* (ASU 2018-07) as part of these financial statements. The ASU eliminates the separate accounting model for nonemployee share-based payment awards and generally requires companies to account for share-based payment transactions with nonemployees in the same way as share-based payment transactions with employees.

Comprehensive Loss - Comprehensive loss is typically composed of two components: net loss and other comprehensive loss. Comprehensive loss refers to revenue, expenses, gains, and losses that under GAAP are recorded as an element of stockholders' equity, but are excluded from net loss. The Company did not record any transactions within other comprehensive loss for the year ended December 31, 2018, and therefore, comprehensive loss equaled net loss. Accordingly, a separate statement of comprehensive loss has not been presented.

Research and Development- Expenditures for research and development of the Company's technology are expensed when incurred. The types of costs included in research and development expenses include salaries, contractor fees, estimated benefits, and stock-based compensation expense.

Recently Issued Accounting Pronouncements - In February 2016, the FASB issued ASU 2016- 02, *Leases*, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. The new standard establishes a right of use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. ASU 2016-02 is effective for the Company fiscal years beginning after December 15, 2019. ASU 2016-02 mandates a modified retrospective transition method with early adoption permitted. While the Company expects the adoption of this standard to result in an increase to its reported assets and liabilities, the Company has not yet determined the full impact that the adoption of this standard will have on its financial statements and related disclosures.

In March 2016, the FASB issued ASU No. 2016-09, *Stock Compensation* (*Topic 718*): *Improvements to Employee Share-Based Payment Accounting*, which simplifies several aspects of the accounting for employee share-based payment transactions, including the income tax consequences, classification of awards as equity or liabilities, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. The standard is effective for the Company's annual reporting period beginning on January 1, 2018; the impact was not material to the financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows* (*Topic 230*) *Classification of Certain Cash Receipts and Cash Payments*, which clarifies eight specific cash flow issues in an effort to reduce diversity in practice in how certain transactions are classified within the statement of cash flows. This ASU is effective for nonpublic business entities beginning after December 15, 2018 with early adoption permitted. The Company is currently evaluating this new standard and the impact it will have on its existing accounting policies or presentation of the statement of cash flows.

In May 2017, the FASB issued ASU No. 2017-09, *Compensation—Stock Compensation* (*Topic 718*): *Scope of Modification Accounting*, which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under this standard, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. The Company adopted the standard effective for the Company's annual reporting period beginning on January 1, 2018; the impact was not material to the financial statements.

In June 2018, the FASB issued ASU 2018-07, Co*mpensation—Stock Compensation* (*Topic 718*). This ASU simplifies the accounting for share-based payments granted to nonemployees for goods and services. Under the ASU, most of the guidance on such payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Company early adopted this standard as part of these financial statements.

3. PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of December 31, 2018, consisted of the following:

Capitalized software development	$	347,126
Computer and office equipment		14,324
Machinery and equipment		10,500
Total property and equipment		371,950
Less accumulated depreciation		(10,678)
Property and equipment, net	$	361,272

Depreciation expense for the year ended December 31, 2018, was $8,002.

4. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following at December 31, 2018:

Accrued salaries and related expenses	$	7,853
Accrued legal expenses		1,586
Accrued credit card expenses		3,953
Accrued other		3,599
Total accrued expenses	$	16,991

5. STOCKHOLDERS' EQUITY

The Company's Articles of Incorporation, as amended, authorize the Company to issue two classes of stock to be designated, respectively, common and preferred stock. The total number of shares that the Company is authorized to issue is 20,159,633 shares, each with a par value of $0.00001 per share, of which 15,700,000 shares are common stock and 4,459,633 shares are preferred stock.

Common Stock and Restricted Common Stock

The holders of the Company's common stock (Common) are entitled to one vote per share on a noncumulative basis, provided, however, that the holders of the Common are not entitled to vote on any amendment to the Certificate of Incorporation that relates solely to the terms of the outstanding series of the Company's Preferred Stock (Preferred).

Holders of Common are entitled to receive dividends and, upon liquidation or dis solution, to receive the net residual assets available for distribution to stockholders after settlement of liabilities and preference payments due to holders of the Preferred. The Common shareholders voting as a class are entitled to elect two directors of the Company.

During 2016, an aggregate of 7.7 million common shares were issued to founders in exchange for $77 in cash, and contain certain restrictive provisions on transfer and ownership. Such shares may vote and are entitled to all rights and privileges of other common shareholders and are subject to vesting schedules based on elapsed time of service by the holder to the Company. The Company has the right to repurchase any unvested shares at cost should the shareholder cease providing continuous service to the Company. As of December 31, 2018, there were 2,245,833 shares remaining unvested.

During 2016, 800,000 common shares were issued to an investor in exchange for $100,000 in cash.

Convertible Preferred Stock

On November 3, 2016, the Company issued 4,074,251 shares of Series Seed Convertible Preferred Stock for proceeds of $2,646,146, net of costs of $74,530. Of the total Preferred shares issued, 3,468,512 shares were sold for cash totaling $2,550,050 at an issue price of $0.7352 per share. The remaining 605,739 shares were issued through the conversion of a convertible note issued in February 2016 for a total of $150,626 including principal and interest, or approximately $0.25 per share. The Company determined that a beneficial conversion feature valued at approximately $294,000 existed upon the conversion of the note. This amount was recorded as additional interest expense on the convertible note and as a credit to additional paid-in capital on the date of the conversion.

The Preferred shareholders have various rights and preferences as follows:

Voting

The holders of the Preferred are entitled to cast the number of votes equal to the number of whole shares of Common stock into which the shares of Preferred are convertible, subject to certain limitations.

Dividends

The Preferred shares have a 6% noncumulative dividend preference when and if dividends are declared by the board of directors. After the dividend preference is paid, the Preferred shareholders participate in dividends on a pari passu basis with the Common shareholders. No dividends have been declared or paid by the Company as of December 31, 2018.

Liquidation

Upon a liquidation event, the Preferred shareholders have a liquidation preference over the Common shareholders. The liquidation preference is the greater of the original issue price for the Preferred plus declared but unpaid dividends, or such amount per share as would be payable had all Preferred shares converted to Common prior to the liquidation event. If insufficient funds are available at the time of a liquidation to pay such liquidation preference in full, the Preferred shareholders shall share ratably in whatever proceeds are available in proportion to the respective amounts that would otherwise be payable were such shares paid in full. The original issue price of the Series Seed Preferred is $0.7352 per share.

Conversion

The holders of the Preferred shares have the right at any time to convert each such share into such number of shares of common stock as is determined by dividing the applicable original issue price for such shares by the conversion price per share. The initial conversion price per share shall be the original issue price per share. As of December 31, 2018, the Preferred conversion ratio to Common was 1:1.

Each share of Preferred shall automatically convert into shares of Common at the conversion price, then in effect upon the earlier of (a) the date specified by written consent or agreement of holders of at least a majority of the outstanding shares of Preferred, or (b) the closing of the sale of the Company's Common stock in a firm commitment underwritten public offering registered under the Securities Act of 1933 on Form S-1, provided, however, that the aggregate proceeds to the Company exceed $50.0 million (Initial Public Offering or IPO).

Redemption

The Preferred shares are not redeemable.

Protective Provisions

At any time when at least 1,114,908 shares of Preferred are outstanding (subject to the appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Preferred), the Company shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without the written consent, or affirmative vote, of the holders of a majority of the Preferred shares: (i) effect any merger or consolidation or any other deemed liquidation event, or consent to any of the foregoing (ii) amend, alter or repeal any provision of the certificate of incorporation or bylaws of the Company; (iii) consummate any voluntary liquidation or dissolution of the Company or any reclassification or recapitalization of the outstanding capital stock of the Company; (iv) authorize, create or issue (by reclassification or otherwise) any new class or series of capital stock that is senior to or on a parity with any existing series of Preferred Stock in right of redemption, liquidation preference, voting or dividends as set forth in the restated certificate, as then in effect, or authorize, create or issue (by reclassification or otherwise) any equity or debt security convertible into or exercisable for any such new class or series of capital stock; (v) increase the authorized number of shares of common stock (or any series thereof) or preferred stock (or any series thereof); (vi) purchase or redeem (or permit any subsidiary to purchase or redeem) or payor declare any dividend or make any distribution on, any shares of capital stock of the Company other than (i) dividends or other distributions payable on the common stock solely in the form of additional shares of common stock and (ii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary) in connection with (A) the cessation of such employment or service or (B) the exercise of any contractual right of first refusal held by the Company over such stock, in either case at the lower of the original purchase price or the then-current fair market value thereof; (vii) increase the number of shares of Common Stock or Preferred Stock subject to issuance under any stock plan, agreement or arrangement for the benefit of Service Providers (an “Equity Plan”) or adopt any new Equity Plan; (viii) issue or guarantee any debt security, or permit any wholly owned subsidiary to issue or guarantee any debt security, if the aggregate indebtedness and guarantees of the Corporation and its wholly owned subsidiaries for borrowed money (other than intercompany indebtedness or ordinary course trade debt) and guarantees following such issuance or guarantee would exceed $500,000; (ix) consummate, or agree to enter into, any agreement regarding an asset transfer, a license of the Corporation’s intellectual property or an acquisition, in each case, where such agreement is outside the ordinary course of the Corporation’s business; (x) increase or decrease the authorized number of directors constituting the Board of Directors; or (xi) enter into any material contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its directors or officers are directors or officers of the Corporation who have a material financial interest in such other corporation, partnership, association or other organization.

6. STOCK-BASED COMPENSATION

In November 2016, the Company adopted the 2016 Equity Incentive Plan (the Plan) authorizing the Board of Directors to grant incentive stock options, non-statutory stock options, stock bonuses, and stock purchase rights to eligible participants for up to 1,553,722 shares of common stock. The Plan provides for the issuance of incentive and non-qualified stock options, and restricted and unrestricted stock awards to employees, directors, and consultants.

The Plan is administered by the Board of Directors, or a committee appointed by the Board of Directors, which determines the recipients and types of awards to be granted, as well as the number of shares subject to the awards, the exercise price, and the vesting schedules. The exercise price shall not be less than 100% of the fair value on the date of grant of a share of common stock for non statutory stock options and for incentive stock options. If the individual possesses more than 10% of the combined voting power of all classes of stock of the Company, the exercise price shall not be less than 110% of the fair market of a share of common stock on the date of grant.

In general, options granted to new employees vest 25% one year after the initial effective date of the grant and the remainder vest in equal monthly installments over the next 36 months. Vesting may be accelerated at the discretion of the Board of Directors. Stock options expire 10 years from the effective date of the grant. In the case of an incentive stock option granted to a participant who, at the time the option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company, the term of the option will be five (5) years from the date of grant or such shorter term as may be provided in the option agreement.

Stock-based compensation cost related to options granted under the Plan for the year ended December 31, 2018 was $13,552, and is classified in the statement of operations as follows:

Research and development	$	10,498
General and administrative		3,054
Total stock-based compensation	$	13,552

Stock option activity

The activity under the Plan for the year ended December 31, 2018 is set forth below:

	Options Outstanding				
	Shares Available for Grant	Number of Shares		Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term
Balance – January 1, 2018	1,094,811	458,911	$	0.19	9.73
Granted	(99,400)	99,400		0.19	
Exercised	-	-			
Cancelled	-	-			
Balance – December 31, 2018	995,411	558,311	$	0.19	8.83
Vested and exercisable – December 31, 2018		185,494	$	0.19	8.74
Vested and expected to vest					

There was a total of approximately $32,570 of unrecognized employee compensation cost related to unvested stock options, which is expected to be recognized over a weighted-average period of approximately 2.60 years.

Further information about stock options outstanding as of December 31, 2018 is as follows:

	Options Outstanding			Options Exercisable Weighted	
Range of Exercise Prices	Number of Shares Outstanding	Weighted-Average Remaining Contractual Term	Weighted-Average Exercise Price	Number of Shares Exercisable	Weighted-Average Exercise Price
$0.19-$0.22	558,311	8.83	$0.19	185,494	$0.19

The weighted-average grant date fair value per share of options granted under the Plan during the year ended December 31, 2018 was $0.10. The total fair value of options vested for the year ended December 31, 2018 was $13,882.

Determining Fair Value of Stock Options - The Company estimates the fair value of share-based compensation utilizing the Black-Scholes option-pricing model, which is dependent upon several variables , such as the expected option term, expected volatility of the Company's stock price over the expected term, expected risk-free interest rate over the expected option term, and expected dividend yield rate over the expected option term. The Company believes this valuation methodology is appropriate for estimating the fair value of stock options granted to employees and directors that are subject to ASC 718, *Share-based Payments* requirements. These amounts are estimates and, thus, may not be reflective of actual future results, nor amounts ultimately realized by recipients of these grants. The Company recognizes compensation on a straight-line basis over the requisite vesting period for each award.

Expected Term - The expected term represents the period that the stock-based awards are expected to be outstanding. The Company uses the simplified method to determine the expected term for its option grants. The simplified method calculates the expected term as the average of the time to vest and the contractual life of the options. The Company uses the simplified method to determine its expected term because of its limited history of stock option activity.

Expected Volatility - The expected volatility is derived from the average historical stock volatilities of several comparable publicly listed peer companies over a period approximately equal to the expected term of the options as the Company has no trading history by which to determine the volatility of its own common stock.

Fair Value of Common Stock - The fair value of the Common underlying the stock options has historically been determined by the Company's Board of Directors with assistance from third-party valuation specialists. Valuations performed by third-party valuation specialists were done contemporaneously and used the methodologies, approaches, and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* (AICPA Accounting and Valuation Guide). Because there has been no public market for the Company's common stock, the Board of Directors has determined the fair value of common stock at the time of the options grant by considering a number of objective and subjective factors, including valuations of comparable companies, operating and financial performance, lack of liquidity of capital stock, and general and industry-specific economic outlook, amongst other factors. The fair value of the underlying common stock shall be determined by the Board of Directors until such time that the Company's common stock is listed on an established stock exchange or national market system.

Expected Dividend - The expected dividend has been zero as the Company has never paid dividends and has no expectations to do so.

Risk-Free Interest Rate - The risk-free interest rate is based on the US Treasury yield curve in effect at the time of grant of zero-coupon US Treasury notes with maturities approximately equal to the expected term of the options.

A summary of the assumptions the Company utilized to record compensation expense for stock options granted during the year ended December 31, 2018, is as follows:

Expected term	6.06 years
Volatility	49.86%
Interest rate	2.65%
Dividend rate	0.00%

Nonemployee Stock-Based Compensation - The Company adopted ASU 2018-07 as part of these financial statements and as such awards granted to nonemployees are measured based on a fixed rate on their respective grant dates. Included in the total options granted during 2018 are 3,000 options granted to a nonemployee. The exercise price of the options granted is $0.22 and the fair value on date of grant was $0.11. The options vest monthly over 48 months. As of December 31, 2018, there were 135,311 shares included in total stock options outstanding that were granted to nonemployees, of which 69,824 shares have vested. The weighted-average exercise price per share was $0.19. The aggregate intrinsic value of the shares outstanding was $754 as of December 31, 2018 and the shares had a remaining contractual term of 8.76 years. Total compensation expense related to these shares was approximately $3,100 for the year ended December 31, 2018.

7. COMMITMENTS AND CONTINGENCIES

Leases -The Company leases a facility in California, which includes office and laboratory space under a short term cancelable operating lease. The leased facility has an initial term of 90 days with successive auto-renewing 90 day terms unless either party provides notice.

Rent expense for the year ended December 31, 2018 was approximately $73,000.

Contingencies - From time to time, the Company may be involved in litigation relating to claims arising out of the Company's operations in the normal course of business. There are no other proceedings in which any of our directors, officers, affiliates, or any registered or beneficial shareholder is an adverse party or has a material interest adverse to its interest.

8. INCOME TAXES

For the year ended December 31, 2018, the Company recorded no income tax expense or benefit.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes and operating losses and tax credit carryforwards.

The tax effects of significant items comprising the Company's deferred taxes as of December 31, 2018 are as follows:

Deferred tax assets:		
Net operating losses carryforwards	$	444,267
Accrued compensation		2,588
Research and development credit		36,154
Other		213
Gross deferred tax assets		483,222
Deferred tax liabilities:		
Fixed asset basis		(2,392)
Total deferred tax liabilities		(2,392)
Valuation allowance		(480,830)
Net deferred taxes	$	—

ASC 740 requires that the tax benefit of net operating losses, temporary differences and credit carryforwards be recorded as an asset to the extent that management assesses that realization is "more likely than not." Realization of the future tax benefits is dependent on the Company's ability to generate sufficient taxable income within the carryforward period. Because of the Company's recent history of operating losses, management believes that recognition of the deferred tax assets arising from the above-mentioned future tax benefits is currently not likely to be realized and, accordingly, has provided a valuation allowance.

The valuation allowance increased by $238,739 during 2018.

The difference between the Company's effective tax rate and the statutory rate is primarily driven by the valuation allowance taken against deferred income tax assets.

Statutory rate	21.00 %
State tax	10.06 %
R & D credits	-1.83 %
Others	-0.05 %
Change in valuation allowance	-29.18 %
	0.00 %

Utilization of the net operating loss carryforwards may be subject to limitations due to the ownership change limitations provided by Section 382 of the Internal Revenue Code. Accordingly, the Company's ability to utilize these carryforwards may be limited as a result of such ownership change.

The Company had federal and state net operating loss carryforwards of $813,071 and $1,640,401, respectively, as of December 31, 2018. These net operating losses will expire at various dates beginning in 2036 if not utilized. The Company also had federal net operating loss carryforwards generated through December 31, 2017 of $756,969 as of December 31, 2018, which can be carried forward indefinitely.

As of December 31, 2018, the Company had of $57,205 of state research and development credits which can be carried forward indefinitely. Additionally, as of December 31, 2018, the Company had unrecognized tax benefits of $9,038. Through December 31, 2019, the Company does not anticipate significant changes to its current uncertain tax positions. The Company recognizes interest and penalties related to income tax matters as a component of income tax expense. As of December 31, 2018, there was no accrued interest nor penalties related to uncertain tax positions.

The Company files U.S. federal and state income tax returns with varying statutes of limitations. The Company is subject to U.S. federal, state, and local examinations by tax authorities for all prior tax years. There are currently no income tax audits underway by U.S. federal and state tax authorities.

9. SUBSEQUENT EVENTS

The Company has evaluated subsequent events for recognition and measurement purposes through June 20, 2019, which represents the date the financial statements were available to be issued.

Exhibit 99.2

Jungla Inc.

UNAUDITED INTERIM FINANCIAL STATEMENTS

Jungla Inc.
Balance Sheets
(unaudited)

	March 31, 2019		December 31, 2018	
Assets				
Current assets:				
Cash	$	866,466	$	1,046,115
Prepaid expenses and other current assets		30,797		27,365
Total current assets		897,263		1,073,480
Property and equipment, net		430,584		361,272
Total assets	$	1,327,847	$	1,434,752
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	$	42,127	$	14,934
Accrued expenses and other current liabilities		16,694		16,991
Total liabilities		58,821		31,925
Total long term liability		4,067		4,067
Total liabilities	$	62,888	$	35,992
Commitments and contingencies (Note 6)				
Stockholders' equity:				
Convertible preferred stock		2,626,146		2,626,146
Common stock		85		85
Additional paid-in capital		452,076		414,344
Accumulated deficit		(1,813,348)		(1,641,815)
Total stockholders' equity		1,264,959		1,398,760
Total liabilities and stockholders' equity	$	1,327,847	$	1,434,752

See accompanying notes to financial statements.

Jungla Inc.

Statements of Operations

(unaudited)

	Three months ended March 31, 2019	Three months ended March 31, 2018
Operating expenses:		
Research and development	$ 110,683	$ 96,683
Sales and marketing	11,788	3,529
General and administrative	49,070	34,578
Total operating expenses	171,541	134,790
Loss from operations	(171,541)	(134,790)
Other income, net:		
Interest income, net	8	128
Total other income	8	128
Net loss	$ (171,533)	$ (134,662)

See accompanying notes to financial statements.

Jungla Inc.

Statements of Stockholders' Equity

(unaudited)

	Convertible Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance as of January 1, 2018	4,074,251	$ 2,626,146	8,500,000	$ 85	$ 400,792	$ (1,039,817)	$ 1,987,206
Stock-based compensation	—	—	—	—	3,338	—	3,338
Net loss	—	—	—	—	—	(134,661)	(134,661)
Balance as of March 31, 2018	4,074,251	$ 2,626,146	8,500,000	$ 85	$ 404,130	$ (1,174,478)	$ 1,855,883

	Convertible Preferred Stock		Common Stock		Additional Paid-In	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance as of January 1, 2019	4,074,251	$ 2,626,146	8,500,000	$ 85	$ 414,344	$ (1,641,815)	$ 1,398,760
Stock-based compensation	—	—	—	—	37,732	—	37,732
Net loss	—	—	—	—	—	(171,533)	(171,533)
Balance as of March 31, 2019	4,074,251	$ 2,626,146	8,500,000	$ 85	$ 452,076	$ (1,813,348)	$ 1,264,959

See accompanying notes to financial statements.

Jungla Inc.

Statements of Cash Flows

(unaudited)

	Three months ended March 31,	
	2019	**2018**
Cash flows from operating activities:		
Net loss	$ (171,533)	$ (134,661)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,069	1,796
Stock-based compensation	37,732	3,388
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(3,432)	33,381
Accounts payable	27,194	5,530
Accrued expenses and other current liabilities	(297)	1,343
Net cash used in operating activities	(108,267)	(89,223)
Cash flows used in investing activities:		
Purchase of property and equipment	(71,382)	(43,827)
Net cash used in investing activities	(71,382)	(43,827)
Net decrease in cash	(179,649)	(133,050)
Cash, beginning of period	1,046,115	1,837,396
Cash, end of period	$ 866,466	$ 1,704,346

See accompanying notes to financial statements.

1. OVERVIEW

Jungla Inc. (the Company or Jungla) is a biotechnology company delivering robust and scalable results for clinical genetic and genomic testing. Jungla aims to empower clinical genetic testing with quantitative, model-driven guidance to complement and enhance observational data. Jungla delivers robust, scalable, and auditable support with dramatically higher accuracies and increasingly mechanistic cellular and biophysical insights. The Company was incorporated in the state of Delaware in February 2016 and is headquartered in South San Francisco, CA.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The accompanying unaudited condensed financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information. Certain information and disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, these unaudited condensed financial statements should be read in conjunction with the audited financial statements and the related notes for the fiscal year ended December 31, 2018. The condensed financial statements are unaudited and have been prepared on a basis consistent with that used to prepare the audited annual consolidated financial statements and include, in the opinion of management, all adjustments, consisting of normal and recurring items, necessary for the fair statement of the condensed financial statements. The condensed balance sheet at December 31, 2018 is derived from audited financial statements but does not include all disclosures required by GAAP. The operating results for the three months ended March 31, 2019 are not necessarily indicative of the results expected for the full year ending December 31, 2019.

Significant Accounting Policies —There have been no material changes in the accounting policies from those disclosed in the audited financial statements as of and for the year ended December 31, 2018 and the related notes.

Use of Estimates — The preparation of financial statements in conformity with GAAP requires the Company’s management to make estimates, judgments, and assumptions that affect the reported amounts in the financial statements and accompanying footnotes. Such estimates include the useful lives of property and equipment, certain accrued expenses, fair value of the Company’s common stock, fair values of stock-based awards, income taxes, and legal contingencies. These estimates and assumptions are based on the Company’s best estimates and judgment. Actual results may differ from those estimates.

Liquidity and Going Concern — To date, the Company has operated with negative cash flows and has incurred losses since inception. The Company had an accumulated deficit of approximately $1.8 million as of March 31, 2019 and continues to generate net losses and negative cash flows from operations. Owing to significant investments in research and development that are typical of early-stage biotechnology companies, the Company has operated with negative cash flows and at a loss to date. Failure to generate sufficient revenue, reduce spending, or raise additional capital could adversely affect the Company’s ability to achieve its intended business objectives and also raise substantial doubt about the Company’s ability to continue as a going concern. As discussed in Note 8, the Company and Invitae Corporation (Invitae) consummated a Stock Purchase and Merger Agreement, dated July 11, 2019, under which 100% of the Company’s outstanding capital stock was acquired by Invitae for approximately $14.9 million in cash, 1,365,567 shares of Invitae common stock and up to an additional $15 million in consideration, in mostly Invitae common stock, subject to payment upon the achievement of certain performance milestones within 24 months of this transaction. As a result, these financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Certain Significant Risks and Uncertainties — The Company's future results of operations involve a number of risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, but are not limited to, the achievement of technological milestones, market acceptance of the Company's product candidates, competition from other products and larger companies, protection of proprietary technology, strategic relationships, and dependence on key individuals.

Capitalized Software Development Costs — The Company capitalizes certain internal-use software development costs associated with creating and enhancing internal use software. These costs include personnel and related employee benefits expenses for employees who are directly associated with and who devote time to software projects, and external direct costs of materials and services consumed in developing or obtaining the software. Software development costs that do not meet the qualification for capitalization are expensed as incurred. The Company capitalizes internal-use software development costs when preliminary development efforts are successfully completed, and it is probable that the project will be completed and the software will be used as intended. Such costs will be amortized on a straight-line basis over the estimated useful life of the related asset. Costs incurred prior to meeting these criteria are expensed as incurred. Management has determined that the Company is still in the application development stage, and without commercial viability, a first customer, or any implementations. As such, no amortization of capitalized software development costs have been recorded as of March 31, 2019. Capitalized software development costs are included in property and equipment on the Company's balance sheet.

The Company capitalized internal-use software costs of $71,381 and $249,708 during the three months ended March 31, 2019 and the year ended December 31, 2018, respectively.

Stock-Based Compensation — The Company recognizes stock-based compensation expense for stock options and restricted stock awards to employees and nonemployees on a straight-line basis over the requisite service period of the award, which is generally equivalent to the vesting period. For all stock-based awards, the Company calculates the fair value of the award on the date of grant using the Black-Scholes option-pricing model. The estimation of stock-based awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from original estimates, such amounts are recorded as a cumulative adjustment in the period the estimates are revised.

The Company adopted Accounting Standards Update (ASU) 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting* (ASU 2018-07) as for the fiscal year ended December 31, 2018. The ASU eliminates the separate accounting model for nonemployee share-based payment awards and generally requires companies to account for share-based payment transactions with nonemployees in the same way as share-based payment transactions with employees.

Recently Issued Accounting Pronouncements — In February 2016, the FASB issued ASU 2016-02, *Leases*, which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. The new standard establishes a right of use (ROU) model that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. ASU 2016-02 is effective for the Company fiscal years beginning after December 15, 2019. ASU 2016-02 mandates a modified retrospective transition method with early adoption permitted. While the Company expects the adoption of this standard to result in an increase to its reported assets and liabilities, the Company has not yet determined the full impact that the adoption of this standard will have on its financial statements and related disclosures

In March 2016, the FASB issued ASU No. 2016-09, *Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, which simplifies several aspects of the accounting for employee share-based payment transactions, including the income tax consequences, classification of awards as equity or liabilities, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. The standard is effective for the Company's annual reporting period beginning on January 1, 2017; the impact was not material to the financial statements.

In May 2017, the FASB issued ASU No. 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting*, which clarifies when to account for a change to the terms or conditions of a share-based payment award as a modification. Under this standard, modification accounting is required only if the fair value, the vesting conditions, or the classification of the award (as equity or liability) changes as a result of the change in terms or conditions. The Company adopted the standard effective for the Company's annual reporting period beginning on January 1, 2018; the impact was not material to the financial statements.

In June 2018, the FASB issued ASU 2018-07, *Compensation—Stock Compensation (Topic 718)*. This ASU simplifies the accounting for share-based payments granted to nonemployees for goods and services. Under the ASU, most of the guidance on such payments to nonemployees would be aligned with the requirements for share-based payments granted to employees. This ASU is effective for nonpublic business entities for annual reporting periods beginning after December 15, 2019, with early adoption permitted. The Company early adopted this standard during the year ended December 31, 2018.

3. PROPERTY AND EQUIPMENT, NET

Property and equipment, net as of March 31, 2019 and December 31, 2018, consisted of the following:

	March 31, 2019	December 31, 2018
Capitalized software development	$418,507	$347,126
Computer and office equipment	14,324	14,324
Machinery and equipment	10,500	10,500
Total property and equipment	443,331	371,950
Less accumulated depreciation	(12,747)	(10,678)
Property and equipment, net	$ 430,584	$ 361,272

Depreciation expense for the three months ended March 31, 2019 and for the year ended December 31, 2018 was $2,069 and $8,002, respectively.

4. STOCKHOLDERS' EQUITY

The Company's Articles of Incorporation, as amended, authorize the Company to issue two classes of stock to be designated, respectively, common and preferred stock. The total number of shares that the Company is authorized to issue is 20,159,633 shares, each with a par value of $0.00001 per share, of which 15,700,000 shares are common stock and 4,459,633 shares are preferred stock.

Common Stock and Restricted Common Stock

During 2016, an aggregate of 7.7 million common shares were issued to founders in exchange for $77 in cash, and contain certain restrictive provisions on transfer and ownership. Such shares may vote and are entitled to all rights and privileges of other common shareholders and are subject to vesting schedules based on elapsed time of service by the holder to the Company. The Company has the right to repurchase any unvested shares at cost should the shareholder cease providing continuous service to the Company. As of March 31, 2019 and December 31, 2018, there were 1,764,584 and 2,245,833 shares remaining unvested, respectively.

During 2016, 800,000 common shares were issued to an investor in exchange for $100,000 in cash.

Convertible Preferred Stock

On November 3, 2016, the Company issued 4,074,251 shares of Series Seed Convertible Preferred Stock for proceeds of $2,646,146, net of costs of $74,530. Of the total Preferred shares issued, 3,468,512 shares were sold for cash totaling $2,550,050 at an issue price of $0.7352 per share. The remaining 605,739 shares were issued through the conversion of a convertible note issued in February 2016 for a total of $150,626 including principal and interest, or approximately $0.25 per share. The Company determined that a beneficial conversion feature valued at approximately $294,000 existed upon the conversion of the note. This amount was recorded as additional interest expense on the convertible note and as a credit to additional paid-in capital on the date of the conversion.

5. STOCK-BASED COMPENSATION

Stock-based compensation cost related to options granted under the Company's 2016 Equity Incentive Plan (the "Plan") for the three months ended March 31, 2019 and 2018 was $37,732 and $3,338, respectively, and is classified in the statement of operations as follows:

	March 31,	
	2019	**2018**
Research and development	$ 35,421	$ 2,625
General and administrative	2,311	763
Total stock-based compensation	$ 37,732	$ 3,388

As of March 31, 2019, there was $ 89,059 of total unrecognized compensation cost related to non-vested stock options that is expected to be recognized over a weighted average period of 3.2 years.

6. COMMITMENTS AND CONTINGENCIES

Leases —The Company leases a facility in California, which includes office and laboratory space under a short-term cancelable operating lease. The leased facility has an initial term of 90 days with successive auto-renewing 90 day terms unless either party provides notice.

Rent expense for the three months ended March 31, 2019 and 2018 was approximately $20,858 and $15,600, respectively.

Contingencies — From time to time, the Company may be involved in litigation relating to claims arising out of the Company's operations in the normal course of business. There are no proceedings in which any of our directors, officers, affiliates, or any registered or beneficial shareholder is an adverse party or has a material interest adverse to its interest.

7. INCOME TAXES

In determining its provisions for income taxes, the Company uses the annual estimated effective tax rate applied to the actual year-to-date profit or loss, adjusted for discrete items arising in that quarter. The difference between the Company's effective tax rate and the statutory rate is primarily driven by the valuation allowance taken against deferred income tax assets. For the three months ended March 31, 2019 and 2018, the Company recorded no income tax expense or benefit.

The Company files U.S. federal and state income tax returns with varying statutes of limitations. The Company is subject to U.S. federal, state, and local examinations by tax authorities for all prior tax years. There are currently no income tax audits underway by U.S. federal and state tax authorities.

8. SUBSEQUENT EVENTS

On July 11, 2019, the Company and Invitae entered into a Stock Purchase and Merger Agreement (the Agreement), providing for the acquisition of 100% of the outstanding capital stock of the Company by Invitae (the Transaction). On July 16, 2019, the Company and Invitae completed the Transaction in accordance with the terms of the Agreement. At the closing of the Transaction, Invitae issued an aggregate of 1,365,567 shares of its common stock and approximately $14.9 million in cash to the former securityholders of the Company. Up to approximately $520,000 in cash and 203,129 additional shares of Invitae's common stock are subject to a hold back to satisfy indemnification obligations that may arise in connection with the Agreement. In addition, approximately $15.0 million, mostly in Invitae's common stock, will be payable in connection with the achievement of certain performance milestones within 24 months after the closing of the Transaction. A portion of the potential milestone consideration is also subject to offset by Invitae to satisfy indemnification obligations.

Exhibit 99.3

INVITAE CORPORATION
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial statements are based on the historical consolidated financial statements of Invitae Corporation (hereinafter referred to as the "Company" or "Invitae" or "we" and similar terms unless the context indicates otherwise), Jungla Inc. ("Jungla") and Singular Bio, Inc. ("Singular Bio") and are adjusted to give effect to the July 2019 acquisition of Jungla as well as the June 2019 acquisition of Singular Bio.

The acquisitions of Singular Bio and Jungla have been accounted for using the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") 805 - Business Combinations. Under the acquisition method of accounting, the total purchase consideration of the acquisition is allocated to the tangible assets and identifiable intangible assets and liabilities assumed based on their relative fair values. The excess of the purchase consideration over the net tangible and identifiable intangible assets is recorded as goodwill. The purchase price allocation is preliminary because valuation of the net tangible and identifiable intangible assets is still being finalized. Accordingly, the pro forma adjustments related to the purchase price allocation and certain other estimates, assumptions, and adjustments are preliminary and subject to change during the measurement period (up to one year from the acquisition date).

The following unaudited pro forma condensed combined balance sheet as of June 30, 2019 is based on the Company's historical unaudited condensed consolidated balance sheet and Jungla's historical unaudited balance sheet as of June 30, 2019. The unaudited pro forma condensed combined balance sheet gives effect to the Jungla acquisition as if it had occurred on June 30, 2019, and includes all adjustments that are directly attributable to the acquisition and are factually supportable. The unaudited pro forma condensed consolidated balance sheet includes Singular Bio financial information as the transaction was reflected in the Company's balance sheet at June 30, 2019 included in the Company's Quarterly Report on Form 10-Q filed with the SEC on August 6, 2019.

The following unaudited pro forma condensed combined statements of operations are for the year ended December 31, 2018 and the six months ended June 30, 2019 and present the historical statements of operations of the Company adjusted to reflect the Company’s acquisitions of Jungla and Singular Bio as if both had occurred on January 1, 2018. The historical consolidated financial statements have been adjusted in the unaudited pro forma condensed combined statements of operations to give effect to pro forma events that are: (1) directly attributable to the acquisitions, (2) factually supportable, and (3) expected to have a continuing impact on the combined results following the acquisitions.

The unaudited pro forma condensed combined financial statements have been prepared for illustrative purposes only and are not intended to represent or be indicative of the consolidated financial position or results of operations in future periods or the results that actually would have been achieved if Invitae, Jungla, and Singular Bio had been a combined company during the period presented. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors. The unaudited pro forma condensed combined statement of operations does not reflect any operating efficiencies and/or cost savings that Invitae may achieve with respect to the combined companies.

These unaudited pro forma condensed combined financial statements should be read in conjunction with the following:

- Invitae's historical consolidated financial statements and accompanying notes included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2018 filed with the SEC on February 28, 2019;
- Invitae's historical consolidated financial statements and accompanying notes included in its Quarterly Report on Form 10-Q as of and for the six months ended June 30, 2019 filed with the SEC on August 6, 2019;
- Jungla's historical unaudited financial statements and related notes for the year ended December 31, 2018 which are included as Exhibit 99.1 hereto;
- Jungla's financial statements and notes thereto for the three months ended March 31, 2019 included as Exhibit 99.2 hereto;

- Singular Bio's historical financial statements and related notes for the years ended December 31, 2018, 2017, and 2016 included as Exhibit 99.1 to Invitae's Amendment No. 1 to Invitae's Current Report on Form 8-K filed August 28, 2019; and
- Singular Bio's financial statements and notes thereto for the three months ended March 31, 2019 included as Exhibit 99.2 to Amendment No. 1 to Invitae's Current Report on Form 8-K filed August 28, 2019.

INVITAE CORPORATION
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF JUNE 30, 2019
(in thousands)

	Historical					
	Invitae	Jungla	Pro Forma Adjustments (Note 3)		Pro Forma Combined
Assets					
Current assets:					
Cash and cash equivalents	$ 247,000	$ 487	$ (15,412)	A	$ 232,075
Marketable securities	800	—	—		800
Accounts receivable	23,143	—	—		23,143
Prepaid expenses and other current assets	16,976	21	—		16,997
Total current assets	287,919	508	(15,412)		273,015
Property and equipment, net	29,021	10	—		29,031
Operating lease assets	40,228	—	—		40,228
Restricted cash	6,243	—	—		6,243
Intangible assets, net	57,832	487	43,653	G, H	101,972
Goodwill	76,556	—	23,190	I	99,746
Other assets	5,103	21	—		5,124
Total assets	$ 502,902	$ 1,026	$ 51,431		$ 555,359
Liabilities and stockholders' equity					
Current liabilities:					
Accounts payable	$ 5,255	$ 87	$ —		$ 5,342
Accrued liabilities	27,801	11	3,715	B, C, K	31,527
Operating lease obligations	5,102	—	—		5,102
Finance lease obligations	1,934	—	—		1,934
Total current liabilities	40,092	98	3,715		43,905
Operating lease obligations, net of current portion	45,694	—	—		45,694
Finance lease obligations, net of current portion	429	—	—		429
Debt	75,184	—	—		75,184
Other long-term liabilities	—	5	7,600	C	7,605
Total liabilities	161,399	103	11,315		172,817
Stockholders' equity:					
Convertible preferred stock	—	2,701	(2,701)	J	—
Common stock	9	—	—	E, J	9
Additional paid-in capital	944,559	397	34,930	D, E, J	979,886
Accumulated deficit	(603,065)	(2,175)	7,887	F, J, K, M	(597,353)
Total stockholders' equity	341,503	923	40,116		382,542
Total liabilities and stockholders' equity	$ 502,902	$ 1,026	$ 51,431		$ 555,359

See accompanying notes to unaudited pro forma condensed combined financial statements

INVITAE CORPORATION
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2019
(in thousands, except per share data)

	Historical					Historical			
	Invitae	Singular Bio	Pro Forma Adjustments (Note 5)		Invitae and Singular Bio Pro Forma	Jungla	Pro Forma Adjustments (Note 3)		Pro Forma Combined
Revenue:									
Test revenue	$ 91,921	$ —	$ —		$ 91,921	$ —	$ —		$ 91,921
Other revenue	2,107	—	—		2,107	—	—		2,107
Total revenue	94,028	—	—		94,028	—	—		94,028
Cost of revenue	49,260	—	—		49,260	—	2,207	L	51,467
Research and development	43,296	866	(2,586)	A	41,576	329	—		41,905
Selling and marketing	54,972	—	—		54,972	20	—		54,992
General and administrative	34,593	1,752	(7,188)	B, C, D	29,157	206	(190)	K	29,173
Loss from operations	(88,093)	(2,618)	9,774		(80,937)	(555)	(2,017)		(83,509)
Other income (expense), net	2,019	2,051	(2,025)	C	2,045	26	—		2,071
Interest expense	(4,229)	(774)	774	E	(4,229)	—	—		(4,229)
Net loss before taxes	(90,303)	(1,341)	8,523		(83,121)	(529)	(2,017)		(85,667)
Income tax benefit	(3,950)	—	3,950	F	—	—	—		—
Net loss	$ (86,353)	$ (1,341)	$ 4,573		$ (83,121)	$ (529)	$ (2,017)		$ (85,667)
Net loss per share, basic and diluted	$ (1.01)				$ (0.95)				$ (0.96)
Shares used in computing net loss per share, basic and diluted	85,148		2,347	G	87,495		1,366	N	88,861

See accompanying notes to unaudited pro forma condensed combined financial statements

INVITAE CORPORATION
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018
(in thousands, except per share data)

	Historical					Historical			
	Invitae	Singular Bio	Pro Forma Adjustments (Note 5)		Invitae and Singular Bio Pro Forma	Jungla	Pro Forma Adjustments (Note 3)		Pro Forma Combined
Revenue:									
Test revenue	$ 144,560	$ —	$ —		$ 144,560	$ —	$ —		$ 144,560
Other revenue	3,139	—	—		3,139	—	—		3,139
Total revenue	147,699	—	—		147,699	—	—		147,699
Cost of revenue	80,105	—	—		80,105	—	4,414	L	84,519
Research and development	63,496	1,232	—		64,728	414	—		65,142
Selling and marketing	74,428	—	—		74,428	24	—		74,452
General and administrative	52,227	817	(1,000)	C	52,044	164	—		52,208
Loss from operations	(122,557)	(2,049)	1,000		(123,606)	(602)	(4,414)		(128,622)
Other income (expense), net	(2,568)	979	(975)	C	(2,564)	—	—		(2,564)
Interest expense	(7,030)	(708)	708	E	(7,030)	—	—		(7,030)
Net loss before taxes	(132,155)	(1,778)	733		(133,200)	(602)	(4,414)		(138,216)
Income tax benefit	(2,800)	—	—		(2,800)	—	—		(2,800)
Net loss	$ (129,355)	$ (1,778)	$ 733		$ (130,400)	$ (602)	$ (4,414)		$ (135,416)
Net loss per share, basic and diluted	$ (1.94)				$ (1.88)				$ (1.92)
Shares used in computing net loss per share, basic and diluted	66,747		2,499	G	69,246		1,366	N	70,612

See accompanying notes to unaudited pro forma condensed combined financial statements

1. Acquisition of Jungla

In July 2019, we acquired 100% of the equity interest of Jungla, a privately held company developing a platform for molecular evidence testing in genes, for approximately $59.0 million, comprised of $44.9 million in the form shares of our common stock and the remainder in cash. We agreed to pay a portion of the cash and issue approximately 0.2 million shares of our common stock after a 12-month period, subject to a hold back to satisfy indemnification obligations that may arise.

As a part of the consideration, the Company may be required to pay $10.7 million of contingent consideration based on the achievement of post-closing milestones contingent on the ongoing development, $9.6 million of which would be in the form of shares of our common stock and the remainder in cash. The milestones are expected to be completed within two years. The material factors that may impact the fair value of the contingent consideration, and therefore, this liability, are the probabilities and timing of achieving the related milestones and the discount rate we used to estimate the fair value. Significant changes in any of the probabilities of success would result in a significant change in the fair value, which will be estimated at each reporting date with changes reflected as a general and administrative expense.

In connection with the acquisition, a portion of Jungla's equity awards that were outstanding and unvested prior to the acquisition became fully vested per the terms of the merger agreement. The acceleration of vesting required us to allocate the fair value of the equity attributable to pre-combination service to the purchase price and the remaining amount was considered our post-combination expense. In July 2019, we recognized post-combination expense related to the acceleration of unvested equity of $2.9 million, which was recorded as general and administrative expense.

The following table summarizes the purchase price and post-combination expense recorded as a part of the acquisition of Jungla (in thousands):

	Purchase Price	Post-combination Expense
Cash transferred	$ 13,261	$ 2,151
Hold-back consideration - cash	270	253
Hold-back consideration - common stock	4,574	—
Contingent consideration	10,158	542
Common stock transferred	30,753	—
Total	$ 59,016	$ 2,946

Assets acquired and liabilities assumed are recorded based on valuations derived from estimated fair value assessments and assumptions used by us. While we believe that our estimates and assumptions underlying the valuations are reasonable, different estimates and assumptions could result in different valuations assigned to the individual assets acquired and liabilities assumed, and the resulting amount of goodwill. The following table summarizes the fair values of assets acquired and liabilities assumed as if the acquisition occurred on June 30, 2019 (in thousands):

Cash	$ 487
Developed technology	44,140
Total identifiable assets acquired	44,627
Current liabilities assumed	(51)
Deferred tax liability	(8,750)
Net identifiable assets acquired	35,826
Goodwill	23,190
Total purchase price	$ 59,016

Our purchase price allocation for our acquisition of Jungla is preliminary and subject to revision as additional information about fair value of assets and liabilities becomes available. Additional information that existed as of the acquisition date but at the time was unknown to us may become known to us during the remainder of the measurement period, a period not to exceed 12 months from the acquisition date.

We measured the identifiable assets and liabilities assumed at their acquisition date fair values separately from goodwill. The intangible asset acquired is developed technology related to Jungla's functional molecular platform. The fair value of the developed technology was estimated using an income approach for $44.1 million with an estimated useful life of ten years.

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired. The acquisition of Jungla resulted in the recognition of $23.2 million of goodwill which we believe consists primarily of technological expertise related to large-scale molecular and genomic technologies and the ability to expand the use of these into other areas of our business. Goodwill created as a result of the acquisition of Jungla is not deductible for tax purposes.

We recorded an income tax benefit of $8.8 million in July 2019 due to net deferred tax liabilities assumed in connection with our acquisition of Jungla which we believe may provide a future source of income to support the realization of our existing deferred tax assets and resulted in a partial release of our valuation allowance.

2. Jungla Historical Financial Statement Reclassification

As part of Invitae's integration efforts, we reviewed the account balances for Jungla to determine any adjustments or reclassifications for Jungla's results of operations or for its assets or liabilities in order to conform to our accounting policies and classifications. During the preparation of these unaudited pro forma condensed combined financial statements, we reclassified $0.5 million of developed technology from fixed assets into intangible assets.

3. Pro forma adjustments related to the acquisition of Jungla

The following pro forma adjustments are included in the unaudited pro forma condensed combined financial statements:

A To adjust for the $15.4 million cash paid to shareholders of Jungla.

B To reflect the increase in accrued liabilities for the potential future cash payment of up to $0.5 million to be made, within 12 months, as part of the purchase price.

C To reflect the fair value of the contingent consideration of $10.7 million. The portion presented as short-term of $3.1 million is expected to be paid within 12 months.

D To reflect the potential future issuance of up to 0.2 million shares of our common stock. This was valued based on the Company's shares of common stock as of the close date for $4.6 million.

E To reflect the 1.4 million shares of our common stock issued at the closing of acquisition valued at $30.8 million.

F To reflect the $2.9 million post-combination compensation expense recognized due to the acceleration of Jungla's equity awards.

G To eliminate the historical developed technology recorded by Jungla of $0.5 million.

H To reflect the fair value of the developed technology acquired. The fair value was determined using an income approach, which requires us to forecast expected future cash flows. These preliminary estimates of fair value may differ from the final amount the Company will determine after completing a detailed valuation analysis, and the difference could have a material effect on the accompanying unaudited pro forma condensed combined financial statements. Any change in the fair value of the developed technology would cause a corresponding increase or decrease to goodwill.

I To reflect the goodwill recognized from the acquisition.

J To eliminate Jungla's historical equity balances.

K Within the pro forma condensed combined balance sheet, an adjustment to record the $0.1 million of transaction expenses directly related to the acquisition incurred by Invitae subsequent to June 30, 2019 not reflected in its historical financial statements. Within the pro forma condensed combined statements of operations, an adjustment to eliminate $0.2 million of transaction expenses incurred by both Invitae and Jungla during the six months ended June 30, 2019 and were directly related to the acquisition which are considered nonrecurring.

L To reflect the additional amortization of the acquired developed technology. The developed technology is amortized straight-line over an estimated useful life of 10 years, resulting in amortization of $2.2 million for the six months ended June 30, 2019 and $4.4 million for the year ended December 31, 2018. As noted above, the fair value of the developed technology is preliminary. As the primary use of the developed technology is to generate revenue, the amortization is presented as cost of revenue.

M To record the income tax benefit recognized due to the deferred tax liability assumed by Invitae as part of our acquisition of Jungla.

N To reflect the shares of common stock issued as part of the acquisition. Potentially dilutive securities, consisting of the contingent consideration and future shares potentially issuable, were excluded from the calculation of diluted net loss per share because their effect would be antidilutive for all periods presented.

4. Acquisition of Singular Bio

In June 2019, we acquired 100% of the fully diluted equity of Singular Bio, a privately held company developing single molecule detection technology, for approximately $57.3 million, comprised of $53.9 million in the form of 2.5 million shares of our common stock and the remainder in cash.

Prior to the acquisition, in September 2018 we entered into a co-development agreement with Singular Bio whereby we paid Singular Bio $3.0 million for a 12-month right of first refusal and an opportunity to conduct due diligence on its business. As of January 2019, we made all required payments under the terms of this co-development agreement.
In connection with the acquisition, all of Singular Bio's equity awards that were outstanding and unvested prior to the acquisition became fully vested per the terms of the merger agreement. The acceleration of vesting required us to

allocate the fair value of the equity attributable to pre-combination service to the purchase price and the remaining was considered our post-combination expense. We recognized post-combination expense related to the acceleration of unvested equity of $3.2 million which was recorded as Invitae's general and administrative expense during the three months ended June 30, 2019.

5. Pro forma adjustments related to the acquisition of Singular Bio

The following pro forma adjustments are included in the unaudited pro forma condensed combined statements of operations:

A To remove the $2.6 million of stock-based compensation related to the time-based RSUs and performance-based RSUs granted in connection with the Singular Bio acquisition.

B To eliminate the nonrecurring post-combination expense of $3.2 million recorded due to the acceleration of unvested equity.

C To eliminate the effects of the $3.0 million co-development agreement between Invitae and Singular Bio. Invitae recognized expense related to the co-development agreement from September 2018 through June 2019 through general and administrative expense with $1.0 million recognized during the year ended December 31, 2018 and the remaining $2.0 million during the six months ended June 30, 2019. Singular Bio recognized other income (expense) related to this co-development agreement of $1.0 million during the year ended December 31, 2018 and $2.0 million during the six months ended June 30, 2019.

D To eliminate $2.0 million of nonrecurring transaction costs incurred by both Invitae and Singular Bio that were incurred during the three months ended June 30, 2019 and were directly related to the transaction.

E To remove interest expenses related to extinguished debt and debt-like items incurred by Singular Bio of $0.7 million during the year ended December 31, 2018 and $0.8 million during the six months ended June 30, 2019. This debt was not assumed by Invitae in connection with the acquisition.

F To remove the income tax benefit recognized due to net deferred tax liabilities assumed in connection with our acquisition of Singular Bio.

G To reflect the 2.5 million shares of Invitae common stock issued in connection with the acquisition of Singular Bio.