

## *In re Illumina, Inc. Securities Litigation*

**COURT:** United States District Court for the Southern District of California  
**CASE NUMBER:** 23-cv-02028  
**CLASS PERIOD:** 09/21/2020 - 11/09/2023  
**CASE LEADERS:** Hannah Ross, Avi Josefson, Scott R. Foglietta, John Rizio-Hamilton, Michael D. Blatchley  
**CASE TEAM:** Alec Coquin, Michael Mathai, Emily A. Tu

This is a securities class action filed on behalf of all persons and entities who purchased or otherwise acquired the common stock of Illumina, Inc. (“Illumina” or the “Company”) between September 21, 2020 and November 9, 2023, inclusive (the “Class Period”). The action alleges violations of the Exchange Act of 1934 against Illumina and GRAIL, LLC (“GRAIL”), a former subsidiary of Illumina that was spun off and later re-acquired by Illumina, and certain senior executives and directors of those companies.

Illumina is the foremost provider of next-generation sequencing (“NGS”) technology, a method of DNA sequencing that is used in a variety of medical applications. Prior to the Class Period, Illumina created a subsidiary named GRAIL that was focused on developing a cancer detection test using Illumina’s NGS technology called Galleri. In 2017, Illumina spun GRAIL off as a standalone, privately held company. On September 21, 2020—the first day of the Class Period—Illumina announced it had agreed to re-acquire GRAIL for more than \$8 billion.

The complaint alleges that, throughout the Class Period, Defendants made a series of materially false and misleading statements and omissions concerning its acquisition of GRAIL and GRAIL’s Galleri test. Among other things, the complaint alleges that Defendants misrepresented the valuation of and projected revenues for GRAIL, Illumina’s ability to “accelerate” the Galleri test’s commercialization and FDA approval, and the clinical evidence purportedly supporting Galleri’s effectiveness and the test’s ability to “save lives.” By acquiring GRAIL, Illumina would “accelerate” Galleri’s FDA approval and widespread adoption by 2025, and quickly generate billions in revenue. Defendants repeated these statements with increasing intensity when antitrust regulators moved to stop the acquisition—and told investors they had a “moral obligation” to defy regulators and close the deal because combining Illumina and GRAIL was “necessary” to “accelerate” the test’s broad adoption and thus save “tens of thousands of lives.”

In truth, GRAIL was worth far less than the price Defendants paid, Galleri’s clinical validity was unproven and dubious, and—as the Fifth Circuit Court of Appeals later ruled—Illumina’s statements that it would “accelerate” Galleri’s commercial adoption were baseless. Contrary to Defendants’ representations, the FDA had informed Defendants prior to the beginning of the Class Period that the studies it had proposed were insufficient to demonstrate Galleri’s effectiveness and obtain FDA approval, and GRAIL’s real-world experience had shown that Galleri caused substantial harm to patients. Moreover, and unknown to investors, Illumina closed the GRAIL transaction because it enabled GRAIL’s private investors, including members of the Illumina and GRAIL leadership, to secretly pocket hundreds of millions of dollars.

Defendants’ misrepresentations artificially inflated the price of Illumina shares, and caused investors substantial damages when the price of Illumina’s common stock declined in response to disclosures concerning Defendants’ fraud. Specifically, the price of Illumina shares declined in response to disclosures revealing that Illumina was pressing ahead with the GRAIL transaction despite regulators’ objections, that clinicians had questioned Galleri’s

effectiveness, and that the SEC was investigating the Company's disclosures. In all, Illumina shares lost more than 80% of their value, causing massive investor losses.

On April 11, 2024, ACATIS Investment Kapitalverwaltungsgesellschaft mbH, UI BVK Kapitalverwaltungsgesellschaft mbH, and Universal-Investment-Gesellschaft mbH were appointed Lead Plaintiffs, and Bernstein Litowitz Berger & Grossmann LLP was appointed Lead Counsel. Lead Plaintiffs filed the consolidated class action complaint on June 21, 2024. Defendants' motion to dismiss is due August 20, 2024.

## Case Documents

- September 13, 2024 - Second Amended Class Action Complaint
- June 21, 2024 - Amended Class Action Complaint
- December 21, 2023 - Initial Complaint
- December 21, 2023 - PSLRA Notice