

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

FORM 8-K

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

Date of report (Date of earliest event reported): January 6, 2021

Precision BioSciences, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38841
(Commission
File Number)

20-4206017
(IRS Employer
Identification No.)

302 East Pettigrew St., Suite A-100, Durham, North Carolina 27701
(Address of principal executive offices) (Zip Code)

(919) 314-5512
(Registrant's telephone number, including area code)

N/A
(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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.000005 per share	DTIL	The Nasdaq Global Select Market

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.

Item 7.01. Regulation FD Disclosure.

On January 7, 2021, Precision BioSciences, Inc. (the “Company”) issued a press release announcing the closing of its *in vivo* gene editing research collaboration and exclusive license agreement (the “Development and License Agreement”) with Eli Lilly and Company (“Lilly”) following clearance under the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”). A copy of this press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information contained in this Item 7.01 (including Exhibit 99.1) is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed to be incorporated by reference in any filing of the Company under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

On January 6, 2021, the Company and Lilly closed their previously announced Development and License Agreement following clearance under the HSR Act and completed the transactions under their previously announced Stock Purchase Agreement (the “Stock Purchase Agreement”). In connection with the closing, the Company will receive an upfront cash payment of \$100 million pursuant to the Development and License Agreement and has received \$35 million from Lilly’s purchase of 3,762,190 newly issued shares of the Company’s common stock pursuant to the Stock Purchase Agreement. As previously disclosed, pursuant to the Development and License Agreement, the Company is also eligible to receive milestone payments, nomination fees for additional targets and certain research funding, as well as tiered royalties should Lilly successfully commercialize a therapy from the collaboration.

The foregoing descriptions of the Development and License Agreement and the Stock Purchase Agreement are qualified in their entirety by reference to the Development and License Agreement and the Stock Purchase Agreement, which will be filed as exhibits to the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

Forward-Looking Statements

Statements in this Current Report on Form 8-K regarding management’s future expectations, beliefs, intentions, goals, strategies, plans or prospects are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding the expected benefits of the collaboration and the potential milestone, royalty and other payments the Company may receive thereunder. Forward-looking statements may be identified by words such as “anticipates,” “believe,” “continue,” “expect,” “intend,” “may,” “plan to,” “potential,” “projects,” “will,” and other similar words or expressions, or the negative of these words or similar words or expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors, including, without limitation, the risks referred to under the section “Risk Factors” in the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, as such factors may be updated from time to time in the Company’s other filings with the Securities and Exchange Commission (“SEC”), which filings are accessible on the SEC’s website at www.sec.gov and the Investors & Media page of the Company’s website at <https://investor.precisionbiosciences.com>. All forward-looking statements speak only as of the date of this Current Report on Form 8-K and, except as required by applicable law, the Company has no obligation to update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Precision BioSciences Press Release, dated January 7, 2021.

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.

Date: January 7, 2021

PRECISION BIOSCIENCES, INC.

By: /s/ Matthew Kane
Matthew Kane
President and Chief Executive Officer



Precision BioSciences Announces Closing of *In Vivo* Gene Editing Collaboration and License Agreement with Eli Lilly and Company

DURHAM, N.C., January 7, 2021 (GLOBE NEWSWIRE) -- Precision BioSciences, Inc. (Nasdaq: DTIL), a clinical stage biotechnology company dedicated to improving life with its novel and proprietary ARCUS® genome editing platform, today announced the closing of its *in vivo* gene editing research collaboration and exclusive license agreement with Eli Lilly and Company following clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

As previously announced on November 20, 2020, Precision and Lilly entered into a research collaboration agreement to use Precision's proprietary ARCUS® genome editing platform for pre-clinical and IND-enabling activities for up to six gene targets, with an initial focus on Duchenne muscular dystrophy (DMD) and two other undisclosed gene targets.

Under the terms of the agreement, Precision will receive an upfront cash payment of \$100 million, and has received \$35 million from Lilly's purchase of newly issued shares of Precision's common stock. Precision is also eligible to receive up to \$420 million in potential development and commercialization milestones per product, as well as tiered royalties ranging from the mid-single digits to low-teens on product sales should Lilly successfully commercialize a therapy from the collaboration. Precision will lead pre-clinical research and IND-enabling activities, with Lilly then assuming responsibility for clinical development and commercialization. Lilly will have the right to select up to three additional gene targets for this collaboration. Precision can co-fund clinical development of one product in exchange for an increased royalty rate on co-funded product sales.

About ARCUS

ARCUS® is a proprietary genome editing technology discovered and developed by scientists at Precision BioSciences. It uses sequence-specific DNA-cutting enzymes, or nucleases, that are designed to either insert (knock-in), remove (knock-out), or repair DNA of living cells and organisms. ARCUS is based on a naturally occurring genome editing enzyme, I-CreI that evolved in the algae *Chlamydomonas reinhardtii* to make highly specific cuts in cellular DNA. Precision's platform and products are protected by a comprehensive portfolio including more than 65 patents to date.

About Precision BioSciences, Inc.

Precision BioSciences, Inc. is a clinical stage biotechnology company dedicated to improving life (DTIL) with its novel and proprietary ARCUS® genome editing platform. ARCUS is a highly specific and versatile genome editing platform that was designed with therapeutic safety, delivery, and control in mind. Using ARCUS, the Company's pipeline consists of multiple "off-the-shelf" CAR T immunotherapy clinical candidates and several *in vivo* gene correction therapy candidates to cure genetic and infectious diseases where no adequate treatments exist. For more information about Precision BioSciences, please visit www.precisionbiosciences.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including statements that the collaboration may yield commercially successful products and statements regarding the potential milestone, royalty and other payments that we may earn under the collaboration. In some cases, you can identify forward-looking statements by terms such as “aim,” “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “intend,” “estimate,” “target,” “mission,” “goal,” “may,” “will,” “would,” “should,” “could,” “target,” “potential,” “project,” “predict,” “contemplate,” “potential,” or the negative thereof and similar words and expressions.

Forward-looking statements are based on management’s current expectations, beliefs and assumptions and on information currently available to us. Such statements are subject to a number of known and unknown risks, uncertainties and assumptions, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various important factors, including, but not limited to: our ability to become profitable; our ability to procure sufficient funding and requirements under our current debt instruments and effects of restrictions thereunder; risks associated with raising additional capital; our operating expenses and our ability to predict what those expenses will be; our limited operating history; the success of our programs and product candidates in which we expend our resources; our limited ability or inability to assess the safety and efficacy of our product candidates; our dependence on our ARCUS technology; the initiation, cost, timing, progress, achievement of milestones and results of research and development activities, preclinical or greenhouse studies and clinical or field trials; public perception about genome editing technology and its applications; competition in the genome editing, biopharmaceutical, biotechnology and agricultural biotechnology fields; our or our collaborators’ ability to identify, develop and commercialize product candidates; pending and potential liability lawsuits and penalties against us or our collaborators related to our technology and our product candidates; the U.S. and foreign regulatory landscape applicable to our and our collaborators’ development of product candidates; our or our collaborators’ ability to obtain and maintain regulatory approval of our product candidates, and any related restrictions, limitations and/or warnings in the label of an approved product candidate; our or our collaborators’ ability to advance product candidates into, and successfully design, implement and complete, clinical or field trials; potential manufacturing problems associated with the development or commercialization of any of our product candidates; our ability to obtain an adequate supply of T cells from qualified donors; our ability to achieve our anticipated operating efficiencies at our manufacturing facility; delays or difficulties in our and our collaborators’ ability to enroll patients; changes in interim “top-line” and initial data that we announce or publish; if our product candidates do not work as intended or cause undesirable side effects; risks associated with applicable healthcare, data protection, privacy and security regulations and our compliance therewith; the rate and degree of market acceptance of any of our product candidates; the success of our existing collaboration agreements, and our ability to enter into new collaboration arrangements; our current and future relationships with and reliance on third parties including suppliers and manufacturers; our ability to obtain and maintain intellectual property protection for our technology and any of our product candidates; potential litigation relating to infringement or misappropriation of intellectual property rights; our ability to effectively manage the growth of our operations; our ability to attract, retain, and motivate key executives and personnel; market and economic conditions; effects of system failures and security breaches; effects of natural and manmade disasters, public health emergencies and other natural catastrophic events; effects of the outbreak of COVID-19, or any pandemic, epidemic or outbreak of an infectious disease; insurance expenses and exposure to uninsured liabilities; effects of tax rules; risks related to ownership of our common stock; and other important factors discussed under the caption “Risk Factors” in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2020, as any such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC’s website at www.sec.gov and the Investors & Media page of our website at investor.precisionbiosciences.com.

All forward-looking statements speak only as of the date of this press release and, except as required by applicable law, we have no obligation to update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

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