



# Transforming Cancer Care

**Q4 2023 & FY 2023 Earnings Call**

February 22, 2024

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This presentation includes references to certain financial measures that are not calculated in accordance with GAAP. Reconciliation to the most directly comparable GAAP financial measure may be found in the earnings release furnished to the SEC.

# Demonstrated execution in 2023

## Therapy Selection

Advanced Cancer Care

- ✓ Achieved **cash flow breakeven** in Therapy Selection at year end
- ✓ Received coverage from **all major US commercial health insurers** for Guardant360
- ✓ Surpassed **300M covered lives** for Guardant360 and **200M covered lives** for TissueNext
- ✓ Exceeded **475 EMR integrated accounts** as of year end
- ✓ Received **national reimbursement in Japan** for Guardant360
- ✓ Received **CMS reimbursement** for Guardant Response

## Minimal Residual Disease

Recurrence Detection & Surveillance

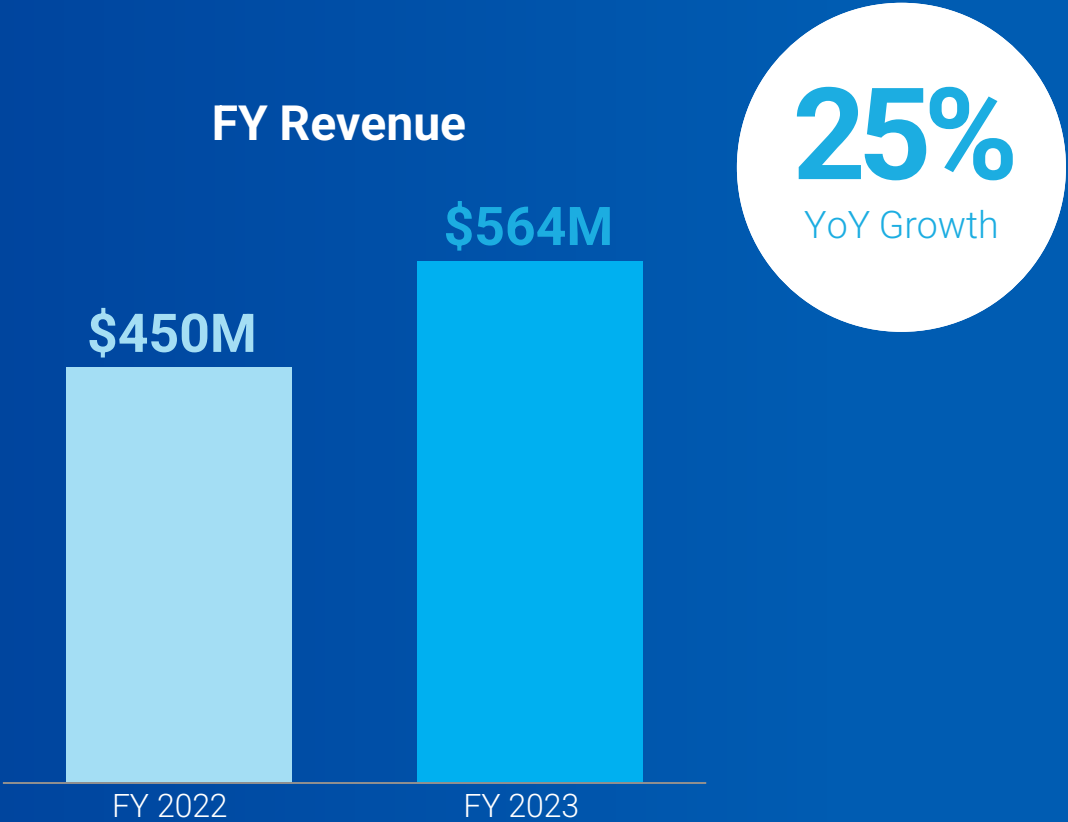
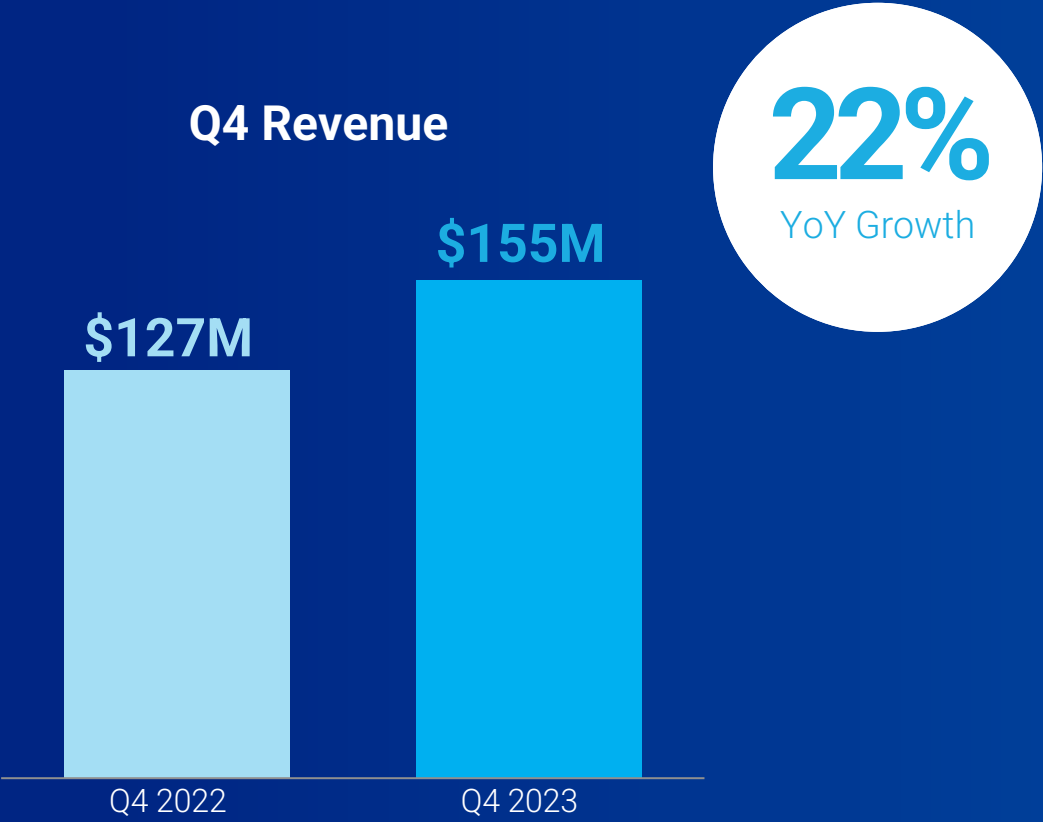
- ✓ Upgraded to **Smart Liquid Biopsy** platform
- ✓ Received additional **commercial coverage for Reveal in CRC**
- ✓ Produced **data in CRC and breast cancer** for Reveal demonstrating high clinical performance

## Screening

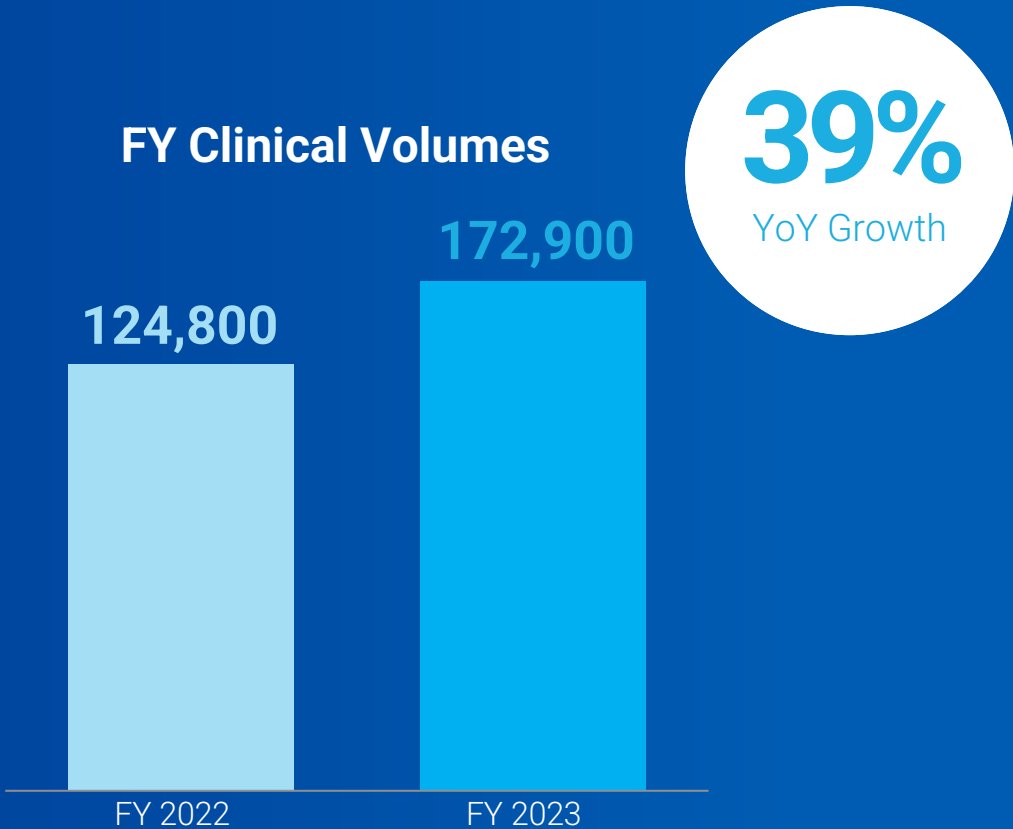
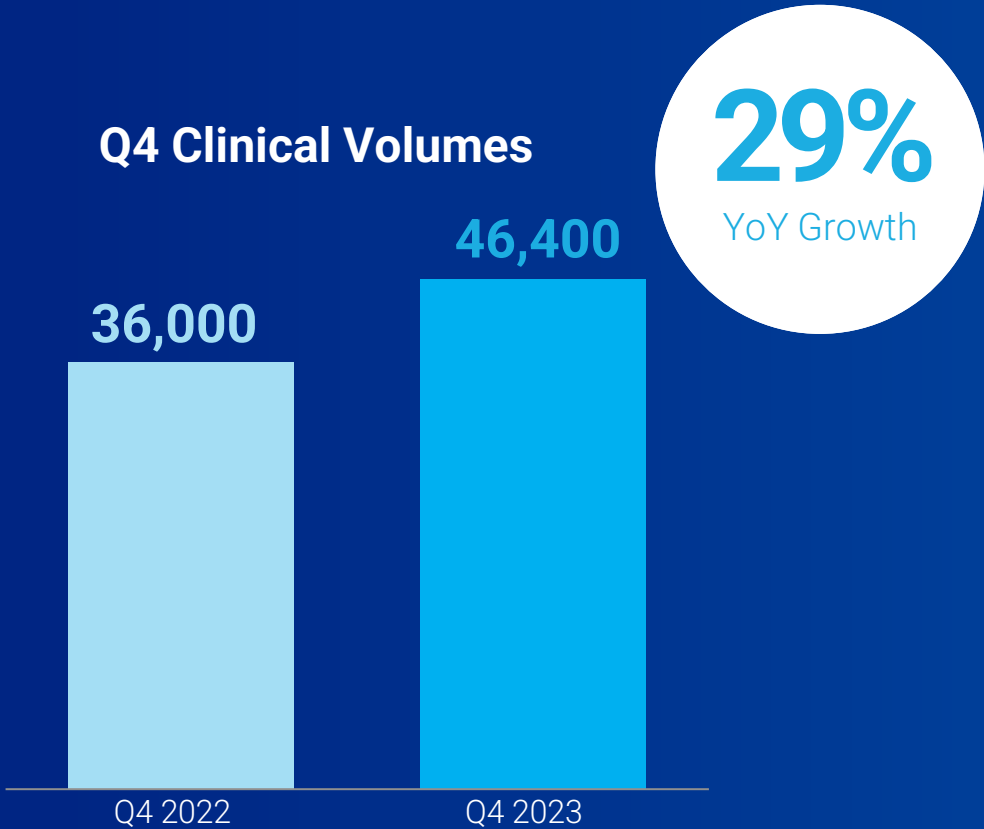
Early Disease Detection

- ✓ Completed **PMA submission** for Shield CRC and made steady progress with FDA
- ✓ **Published first paper for Shield** demonstrating improved adherence with blood-based CRC screening
- ✓ Demonstrated **improved clinical sensitivity** with Shield V2 relative to Shield V1

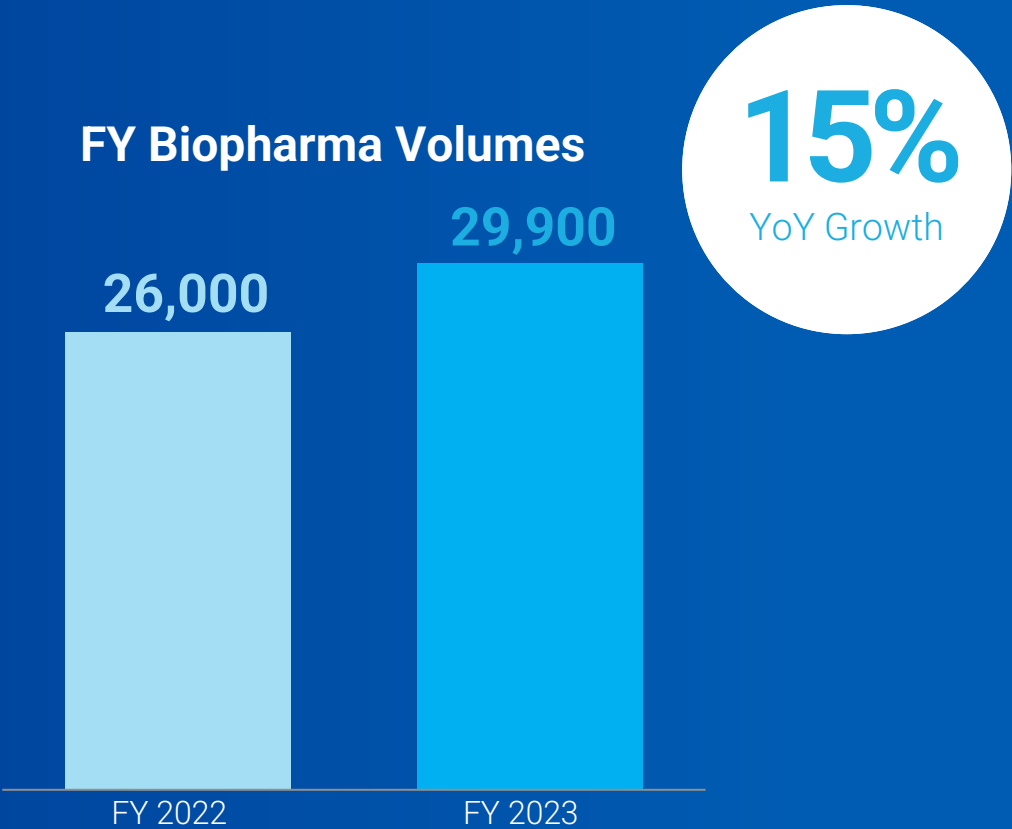
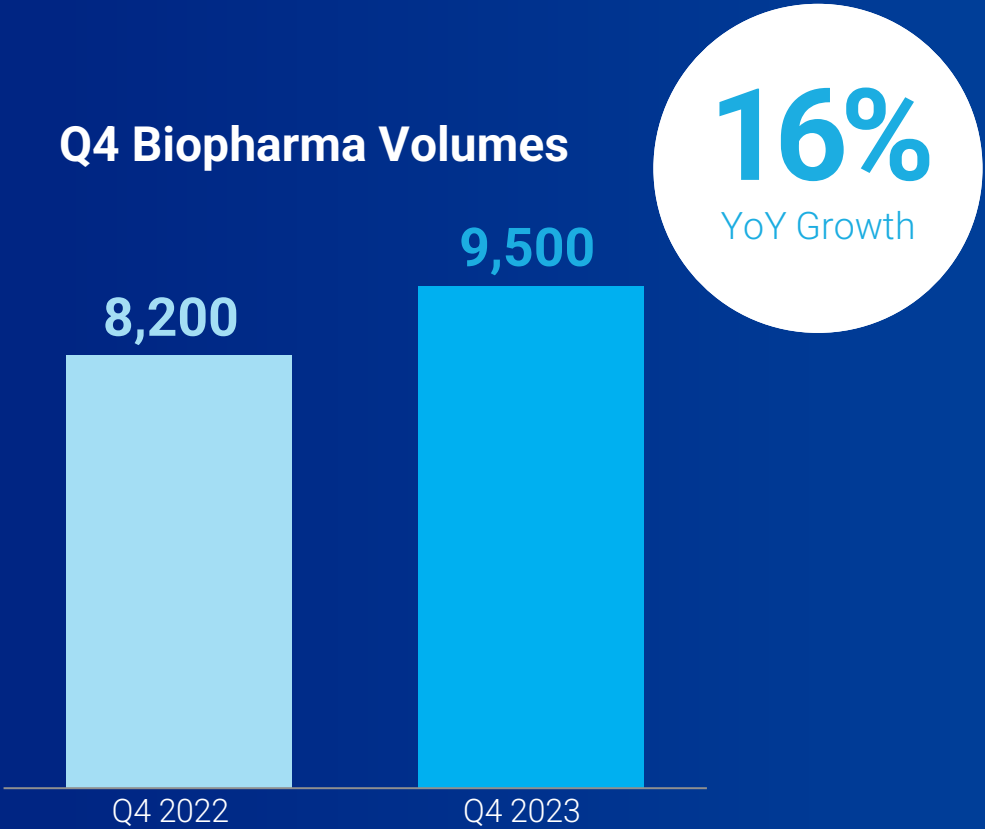
# Strong revenue growth in Q4 and FY 2023



# Strong clinical volume growth primarily driven by Guardant360

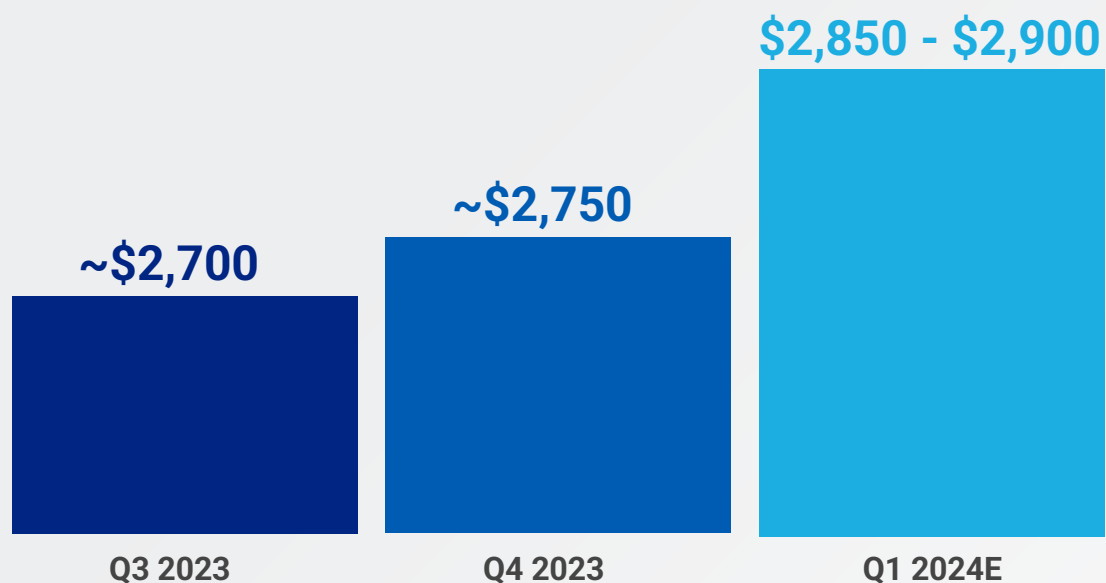


# Robust growth in biopharma volumes



# Guardant360 ASP benefiting from **multiple tailwinds**

Guardant360 ASP



- ✓ Guardant360 LDT crosswalked to CDx rate for CMS reimbursement
  - From \$3,500 to \$5,000
  - Effective January 1, 2024
- ✓ Additional ASP tailwinds from further commercial payer wins

# Other recent **highlights**

- ✓ Continued to make excellent progress **integrating with the three largest oncology EMR systems** with **rapid growth of digital adoption**
- ✓ **Collaboration with US Oncology Network** and leading community oncology practices to increase the use of biomarker testing to identify patients who would benefit from therapies
- ✓ The Royal Marsden's Guardant-powered laboratory awarded **expression of interest by the NHS** to test advanced NSCLC patients in England
- ✓ **Launched Guardant360 in China** for biopharma use with a strong **pipeline of >30 partnerships**, with lifetime global biopharma partnerships exceeding 165





# The only **tissue-free MRD** test available clinically

- ✓ Methylome-wide panel enables hypersensitive MRD detection across **100s of features** per patient, without tissue
- ✓ Precise epigenomic-based tumor fraction quantification for disease monitoring
- ✓ Currently available for CRC, breast and lung

Launched Smart Liquid Biopsy to achieve even **higher performance for MRD**



# Smart Liquid Biopsy **MRD data**

## COSMOS-Colon surveillance

*Stage II/III colon cancer*

**80%**

Surveillance  
Sensitivity

801 samples from 136 patients

**99%**

Specificity

*Sample-level*

**Data to be included in Medicare CRC  
surveillance submission**

## 3 breast cancer publications in preparation

*Pooled analysis across cohorts:*

**82%**

Surveillance  
Sensitivity

*Distant recurrence*

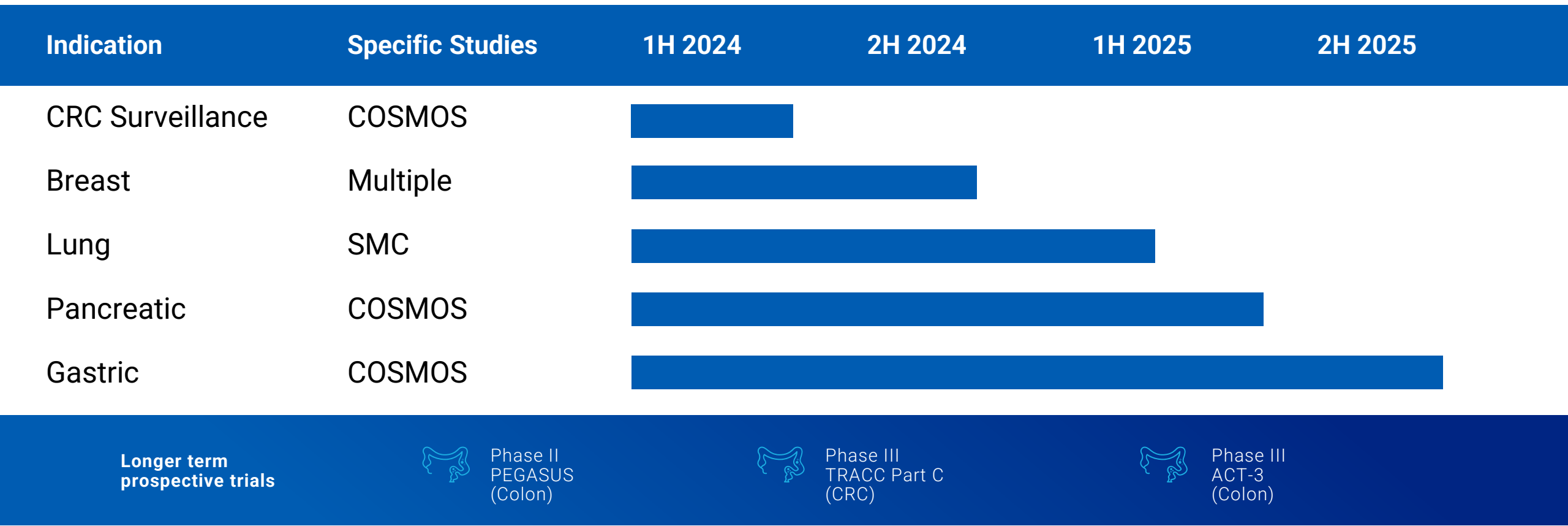
**97%**

Specificity

*Sample-level*

**Data to be included in Medicare breast  
submission**

# Deep Reveal clinical data pipeline: **80K samples** from 20K patients across solid tumors



# Launching Shield IVD following FDA approval

Growth is stage-gated by market conditions allowing for steady growth while ring-fencing expenses

## 2024

- ECLIPSE Journal Publication
- Advisory Panel
- FDA Approval
- Shield IVD Launch
- Medicare Coverage at Gapfill Rate

**100** Reps targeting PCPs

## 2025

- ADLT Status
- Improved Medicare Pricing
- ACS Guidelines
- Positive Gross Margin

**100-150** Reps targeting PCPs

## 2026

- USPSTF Guidelines
- Expanded Market Opportunity

**300** Reps targeting PCPs

# Unprecedented compliance for Shield experienced by PCPs and health systems

Patient preferred blood test modality drives higher compliance

94%

Adherence rate for first 20K patients tested with Shield LDT<sup>1</sup>

Compared to 38% – 65% compliance for standard of care<sup>1,2</sup>

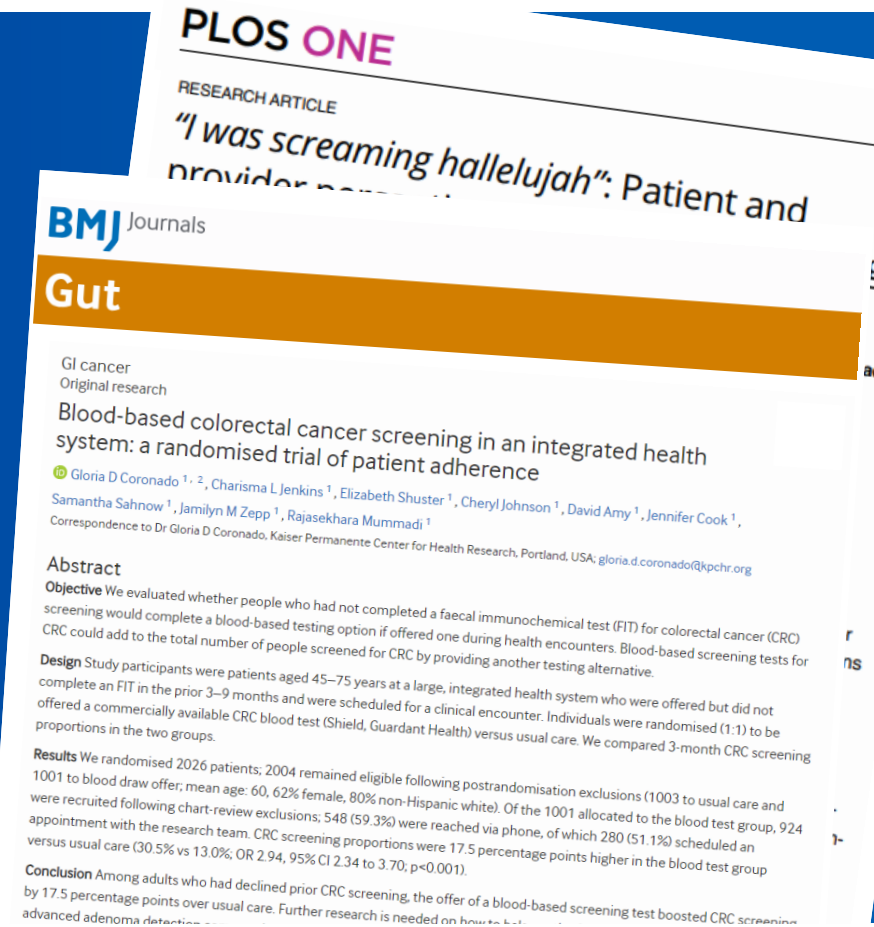
Prospective Study with Kaiser Permanente<sup>3</sup>

Randomized study offering Shield blood test to patients that haven't completed FIT

Participants were

3x more likely

to complete CRC screening when offered a blood-based test as an option<sup>4</sup>



# Q4 and full year 2023 financial overview

	Q4'23	Q4'22	FY'23	FY22
<b>Total Revenue</b>	<b>\$155.1M</b>	<b>\$126.9M</b>	<b>\$563.9M</b>	\$449.5M
Precision Oncology	\$142.2M	\$113.8M	\$514.2M	\$392.0M
Development Services & Other	\$12.9M	\$13.1M	\$49.7M	\$57.5M
<b>Gross Margin</b>	<b>60%</b>	<b>63%</b>	<b>60%</b>	<b>65%</b>
Precision Oncology	60%	62%	60%	62%
Development Services & Other	60%	74%	57%	86%
Operating Expenses (R&D, S&M and G&A)	\$206.6M	\$225.9M	\$818.2M	\$837.6M
Other Operating Expense	\$83.4M	--	\$83.4M	--
Loss from Operations	\$(197.5M)	\$(146.1M)	\$(564.7M)	\$(544.4M)
Net Loss	\$(187.0M)	\$(139.9M)	\$(479.4M)	\$(654.6M)
EPS	\$(1.58)	\$(1.36)	\$(4.28)	\$(6.41)

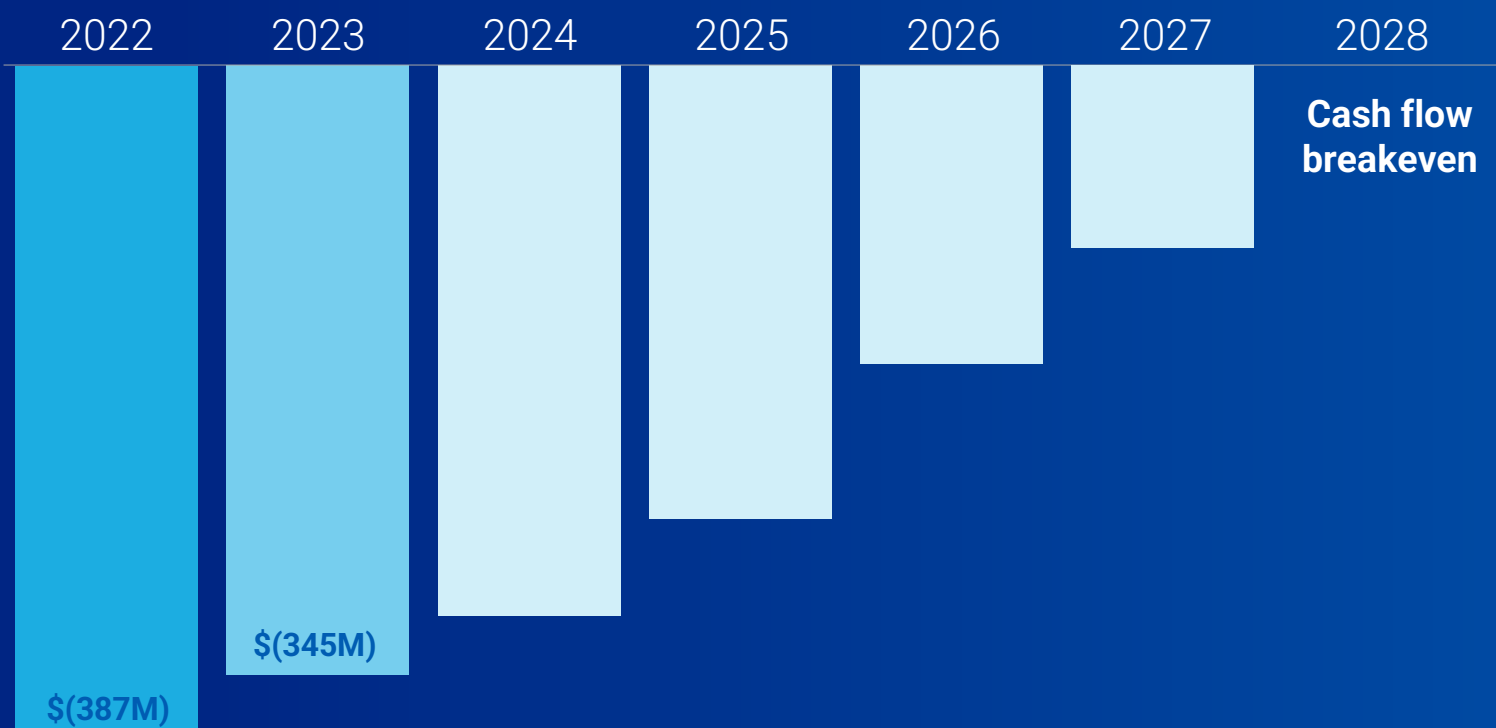
# Q4 and full year 2023 non-GAAP financial measures & free cash flow

Non-GAAP Measure	Q4'23	Q4'22	FY'23	FY'22
Gross Margin	61%	65%	61%	67%
Gross Margin excluding Screening	63%	66%	63%	67%
Operating Expenses	\$183.1M	\$201.2M	\$729.2M	\$736.6M
Net Loss	\$(75.9)M	\$(119.6M)	\$(352.3M)	\$(435.4M)
EPS	\$(0.64)	\$(1.17)	\$(3.15)	\$(4.26)
Adjusted EBITDA	\$(78.4M)	\$(109.8M)	\$(344.2M)	\$(403.4M)

	Q4'23	Q4'22	FY'23	FY'22
Free Cash Flow	\$(82.8M)	\$(100.8M)	\$(345.5M)	\$(386.9M)

Non-GAAP gross margin, non-GAAP gross margin excluding screening, and non-GAAP operating expenses exclude stock-based compensation and related employer payroll tax payments, amortization of intangible assets, contingent consideration, and non-recurring other operating expense. Free cash flow is defined as net cash used in operating activities in the period less purchase of property and equipment in the period. Please refer to the tables in the associated press release labeled Reconciliation of Selected GAAP Measures to Non-GAAP Measures, Reconciliation of GAAP Net Loss to Adjusted EBITDA, and Reconciliation of Free Cash Flow to Net Cash Used in Operating Activities.

# Current cash provides runway to reach **cash flow breakeven**



- \$1.2B cash at YE
- Reached Therapy Selection breakeven end of 2023
- Systematically reducing cash burn in 2024 and beyond
- Combined Therapy Selection + MRD generates positive cash flow over cumulative 5-year period
- Screening ~\$200M annual cash burn



# Initiating **full year 2024 guidance**

**Revenue**  
excluding Screening

**\$655M – \$670M**

16% - 19% y/y growth

Excludes revenue contribution from Shield

**Non-GAAP  
Gross Margin**  
excluding Screening

**60% – 62%**

Excludes Shield COGS currently recorded in  
Development Services & Other cost of revenue

**Non-GAAP  
Operating Expenses**

**\$740M – \$750M**

1% - 3% y/y increase

Includes Screening operating expenses

**Free Cash Flow**

**\$(320M) – \$(330M)**

Includes ~\$(200M) Screening net cash burn

# Transforming patient lives across the **continuum of cancer care**

## Therapy Selection

- ☐ Profitable core business
- ☐ Increased G360 ASP
- ☐ Launch of Smart Liquid Biopsy for G360
- ☐ Volume growth in U.S.
- ☐ International expansion

## MRD

- ☐ Data publications for CRC and Breast
- ☐ MoIDX submissions
- ☐ Volume growth

## Screening

- ☐ Shield FDA approval
- ☐ Shield Medicare reimbursement
- ☐ Shield IVD launch

