
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-38683

GUARDANT HEALTH, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

45-4139254

(I.R.S. Employer
Identification No.)

3100 Hanover Street

Palo Alto, California 94304

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (855) 698-8887

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

Title of each class
Common Stock, par value \$0.00001

Trading Symbol(s)
GH

Name of each exchange on which registered
The Nasdaq Global Select Market

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. Yes ☐ No ☒

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). Yes ☐ No ☐

6. Patent License Acquisition

In January 2017, the Company entered into a license agreement with a biotechnology company, KeyGene N.V., or KeyGene. An arbitration was initiated between the parties in 2018. In March 2020, the Company and KeyGene entered into a settlement and patent license agreement, or the SPLA, to resolve the dispute and to acquire an extended worldwide non-exclusive license to certain patent rights with respect to KeyGene's Next Generation Sequencing technologies along with certain covenant rights and research and development technology for a one-time payment of \$18.5 million, ending all future royalty obligations to KeyGene. This transaction was accounted for as an asset acquisition as the purchase did not meet the definition of a business. The total consideration, including \$0.6 million of certain capitalizable transaction costs, was allocated to various components of the SPLA.

The Company allocated \$9.4 million to the patent and covenant rights granted under the SPLA, which have useful lives in the range of 6-12 years. The Company allocated \$8.5 million to IPR&D technology, which have no alternative future use and was included in research and development expenses for the year ended December 31, 2020. The remaining \$1.2 million was allocated to the settlement of the prior dispute between the parties and was included in general and administrative expenses for the year ended December 31, 2020.

7. Intangible Assets, Net and Goodwill

The following table presents details of purchased intangible assets as of December 31, 2022 and 2021:

	December 31, 2022			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Remaining Weighted-Average Useful Life
	(in thousands)			(in years)
Intangible assets subject to amortization:				
Acquired license	\$ 11,886	\$ (3,579)	\$ 8,307	7.8
Non-compete agreements and other covenant rights	5,100	(2,747)	2,353	2.9
Acquired technology	1,600	(533)	1,067	1.4
Total intangible assets subject to amortization	18,586	(6,859)	11,727	
Intangible assets not subject to amortization:				
Goodwill	3,290	—	3,290	
Total purchased intangible assets	<u>\$ 21,876</u>	<u>\$ (6,859)</u>	<u>\$ 15,017</u>	

	December 31, 2021			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Remaining Weighted-Average Useful Life
	(in thousands)			(in years)
Intangible assets subject to amortization:				
Acquired license	\$ 11,886	\$ (2,473)	\$ 9,413	8.8
Non-compete agreements and other covenant rights	5,100	(1,906)	3,194	3.9
Total intangible assets subject to amortization	16,986	(4,379)	12,607	
Intangible assets not subject to amortization:				
IPR&D	1,600	—	1,600	
Goodwill	3,290	—	3,290	
Total purchased intangible assets	<u>\$ 21,876</u>	<u>\$ (4,379)</u>	<u>\$ 17,497</u>	

Amortization of finite-lived intangible assets was \$2.5 million, \$1.9 million and \$1.8 million, for the years ended December 31, 2022, 2021 and 2020, respectively.