# Quanterix Releases Financial Results for the First Quarter of 2024

May 7, 2024

BILLERICA, Mass.--(BUSINESS WIRE)--May 7, 2024-- Quanterix Corporation (NASDAQ: QTRX), a company fueling scientific discovery through ultrasensitive biomarker detection, today announced financial results for the first quarter ended March 31, 2024.

“Building on the foundation our team developed last year, Quanterix is entering a new innovation and product delivery phase,” said Masoud Toloue, Chief Executive Officer of Quanterix. “We’ve announced the first of several new assays that could re-define the way Tau is measured from the brain versus peripheral sources. We will continue to lead in bringing novel biomarker detection solutions to market for the research community; developing tests to study and enable the early detection of neuro-pathologies such as Multiple Sclerosis, Parkinson’s, and Alzheimer’s disease.”

**First Quarter Financial Highlights**

- Revenue of $32.1 million, an increase of 12.7% compared to $28.5 million in the prior year period.
- GAAP gross margin of 61.2%, an increase of approximately 170 basis points compared to the prior year period and non-GAAP gross margin of 54.5%, an increase of approximately 140 basis points compared to the prior year period.
- Net loss of $10.1 million, an increase of $4.0 million compared to the corresponding prior year period.
- Net cash usage in the quarter was $19.4 million, and the Company ended the period with $304.5 million of cash, cash equivalents, marketable securities, and restricted cash.

**Operational and Business Highlights**

- The Company continues to execute against its transformation initiatives, successfully commercializing five new assays in the quarter.
- The Company announced its Simoa® phospho-Tau 217 (P-tau217) blood test was granted Breakthrough Device designation by the U.S. Food and Drug Administration (FDA) as an aid in diagnostic evaluation of Alzheimer’s Disease. The FDA’s Breakthrough Device designation is granted to products that have the potential to offer more effective diagnosis of life-threatening diseases with an unmet medical need.
- Eli Lilly Clinical Diagnostics Laboratory launched CertuitAD, an *in vitro* immunoassay that measures plasma tau protein fragments phosphorylated at threonine 217 (P-tau217), using the Quanterix SP-X Imaging and Analysis System™. CertuitAD is intended to be used in patients aged 60 years and older who present with cognitive impairment and who are being evaluated for Alzheimer's disease (AD) and other causes of cognitive decline. CertuitAD is a laboratory developed test (LDT) and is not intended to be used as a screening or stand-alone diagnostic test and is not intended for therapeutic monitoring.

**2024 Full Year Business Outlook**

The Company’s 2024 financial guidance is unchanged. Management continues to expect full-year 2024 revenue in the range of $139 to $144 million. This guide is for the Company’s research-only business, and does not include revenues from Diagnostics testing, which to date have not been material. GAAP gross margin percentage is expected to be in the range of 57-61%, and non-GAAP gross margin percentage is expected to be in the range of 51-55%. Finally, the Company continues to anticipate 2024 cash usage in the range of $25 to $30 million.

For additional information on the non-GAAP financial measures included in this press release, please see “Use of Non-GAAP Financial Measures” and “Reconciliation of GAAP to Non-GAAP Financial Measures” below.

**Conference Call**

In conjunction with this announcement, the Company will host a conference call on May 08, 2024 at 8:30 a.m. E.T. Click here to pre-register for the conference call and obtain your dial-in number and passcode.

Interested investors can also listen to the live webcast from the Event Details page in the Investors section of the Quanterix website at http://www.quanterix.com. An archived webcast replay will be available on the Company’s website for one year.

**Financial Highlights**

**Quanterix Corporation**
**Consolidated Statements of Operations**
**(Unaudited and in thousands, except per share data)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Revenues: | | |

| | | |
|---|---|---|
| Product revenue | $ 19,670 | $ 19,287 |
| Service and other revenue | 11,967 | 8,579 |
| Collaboration and license revenue | 155 | 368 |
| Grant revenue | 274 | 222 |
| Total revenues | 32,066 | 28,456 |
| Costs of goods sold and services: | | |
| Cost of product revenue | 7,145 | 7,033 |
| Cost of service and other revenue | 5,295 | 4,497 |
| Total costs of goods sold and services | 12,440 | 11,530 |
| Gross profit | 19,626 | 16,926 |
| Operating expenses: | | |
| Research and development | 6,675 | 4,720 |
| Selling, general, and administrative | 25,993 | 20,850 |
| Other lease costs | 924 | 776 |
| Total operating expenses | 33,592 | 26,346 |
| Loss from operations | (13,966) | (9,420) |
| Interest income, net | 3,948 | 3,449 |
| Other income, net | 206 | 8 |
| Loss before income taxes | (9,812) | (5,963) |
| Income tax expense | (260) | (140) |
| Net loss | $ (10,072) | $ (6,103) |
| Net loss per common share, basic and diluted | $ (0.26) | $ (0.16) |
| Weighted-average common shares outstanding, basic and diluted | 38,126 | 37,327 |

**Quanterix Corporation**
**Consolidated Balance Sheets**
**(Unaudited and in thousands)**

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 45,281 | $ 174,422 |
| Marketable securities | 256,640 | 146,902 |
| Accounts receivable | 29,276 | 25,414 |
| Inventory | 26,015 | 22,365 |
| Prepaid expenses and other current assets | 9,551 | 9,291 |
| Total current assets | 366,763 | 378,394 |
| Restricted cash | 2,605 | 2,604 |
| Property and equipment, net | 17,492 | 17,926 |
| Intangible assets, net | 5,339 | 6,034 |
| Operating lease right-of-use assets | 17,748 | 18,251 |
| Other non-current assets | 1,802 | 1,802 |
| Total assets | $ 411,749 | $ 425,011 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable | $ 3,914 | $ 5,048 |
| Accrued compensation and benefits | 6,706 | 13,659 |
| Accrued expenses and other current liabilities | 7,021 | 6,041 |
| Deferred revenue | 10,234 | 9,468 |
| Operating lease liabilities | 4,366 | 4,241 |
| Total current liabilities | 32,241 | 38,457 |
| Deferred revenue, net of current portion | 933 | 1,227 |
| Operating lease liabilities, net of current portion | 36,084 | 37,223 |
| Other non-current liabilities | 1,053 | 1,177 |
| Total liabilities | 70,311 | 78,084 |

| | | |
|---|---|---|
| Total stockholders' equity | 341,438 | 346,927 |
| Total liabilities and stockholders' equity | $ 411,749 | $ 425,011 |

**Quanterix Corporation**
**Consolidated Statements of Cash Flows**
**(Unaudited and in thousands)**

| | Three Months Ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| Cash flows from operating activities: | | |
| Net loss | $ (10,072) | $ (6,103) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization expense | 1,523 | 1,439 |
| Credit losses on accounts receivable | 176 | 178 |
| Accretion of marketable securities | (1,657) | — |
| Operating lease right-of-use asset amortization | 478 | 334 |
| Stock-based compensation expense | 5,265 | 3,902 |
| Other operating activity | 55 | 270 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (4,233) | (3,741) |
| Inventory | (3,670) | (89) |
| Prepaid expenses and other current assets | (254) | (422) |
| Other non-current assets | (21) | (33) |
| Accounts payable | (1,122) | (1,271) |
| Accrued compensation and benefits, accrued expenses, and other current liabilities | (6,126) | (5,983) |
| Deferred revenue | 472 | 2,041 |
| Operating lease liabilities | (988) | 179 |
| Other non-current liabilities | 10 | (203) |
| Net cash used in operating activities | (20,164) | (9,502) |
| Cash flows from investing activities: | | |
| Purchases of marketable securities | (137,889) | — |
| Proceeds from maturities of marketable securities | 29,200 | — |
| Purchases of property and equipment | (506) | (136) |
| Net cash used in investing activities | (109,195) | (136) |
| Cash flows from financing activities: | | |
| Proceeds from common stock issued under stock plans | 2,037 | 564 |
| Payments for employee taxes withheld on stock-based compensation awards | (1,438) | (13) |
| Net cash provided by financing activities | 599 | 551 |
| Net decrease in cash, cash equivalents, and restricted cash | (128,760) | (9,087) |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash | (380) | 24 |
| Cash, cash equivalents, and restricted cash at beginning of period | 177,026 | 341,337 |
| Cash, cash equivalents, and restricted cash at end of period | $ 47,886 | $ 332,274 |

**Use of Non-GAAP Financial Measures**

To supplement our financial statements presented on a U.S. GAAP basis, we present non-GAAP gross profit, non-GAAP gross margin, non-GAAP total operating expenses, and non-GAAP loss from operations, which are calculated by including shipping and handling costs for product sales within cost of goods sold instead of within selling, general, and administrative expenses. Management uses these non-GAAP measures to evaluate our operating performance in a manner that allows for meaningful period-to-period comparison and analysis of trends in our business and our competitors. Management believes that presentation of these non-GAAP measures provides useful information to investors in assessing our operating performance within our industry and in order to allow comparability to the presentation of other companies in our industry where shipping and handling costs are included in cost of goods sold for products. The non-GAAP financial information presented here should be considered in conjunction with, and not as a substitute for, the financial information presented in accordance with U.S. GAAP. Set forth below is a reconciliation of non-GAAP gross profit, non-GAAP gross margin, non-GAAP total operating expenses, and non-GAAP loss from operations to their most directly comparable GAAP financial measures.

**Reconciliation of GAAP to Non-GAAP Financial Measures**

**Quanterix Corporation**
**Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures**
**(Unaudited and in thousands, except percentages)**

| | Three Months Ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| GAAP gross profit | $ 19,626 | $ 16,926 |
| Shipping and handling costs (1) | (2,142) | (1,829) |
| Non-GAAP gross profit | $ 17,484 | $ 15,097 |
| GAAP revenue | $ 32,066 | $ 28,456 |
| GAAP gross margin (gross profit as % of revenue) | 61.2% | 59.5% |
| Non-GAAP gross margin (non-GAAP gross profit as % of revenue) | 54.5% | 53.1% |
| GAAP total operating expenses | $ 33,592 | $ 26,346 |
| Shipping and handling costs (1) | (2,142) | (1,829) |
| Non-GAAP total operating expenses | $ 31,450 | $ 24,517 |
| GAAP loss from operations | $ (13,966) | $ (9,420) |
| Non-GAAP loss from operations | $ (13,966) | $ (9,420) |

(1) Shipping and handling costs, which include freight and other activities costs associated with product shipments, are captured within operating expenses in our consolidated statements of operations. During the three months ended March 31, 2024 and 2023, we incurred $2.1 million and $1.8 million, respectively, of shipping and handling costs recorded within operating expenses.

**About Quanterix**

From discovery to diagnostics, Quanterix's ultrasensitive biomarker detection is driving breakthroughs only made possible through its unparalleled sensitivity and flexibility. The Company's Simoa technology has delivered the gold standard for earlier biomarker detection in blood, serum or plasma, with the ability to quantify proteins that are far lower than the Level of Quantification of conventional analog methods. Its industry-leading precision instruments, digital immunoassay technology and CLIA-certified Accelerator laboratory have supported research that advances disease understanding and management in neurology, oncology, immunology, cardiology and infectious disease. Quanterix has been a trusted partner of the scientific community for nearly two decades, powering research published in more than 2,900 peer-reviewed journals. Find additional information about the Billerica, Massachusetts-based company at https://www.quanterix.com or follow us on Twitter and LinkedIn.

**Forward-Looking Statements**

*Quanterix's current financial results, as discussed in this press release, are preliminary and unaudited, and subject to adjustment. This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "may," "will," "expect," "plan," "anticipate," "estimate," "intend" and similar expressions (as well as other words or expressions referencing future events, conditions or circumstances) are intended to identify forward-looking statements. These forward-looking statements include, but are not limited to, statements about Quanterix's financial performance, including statements under the header "2024 Full Year Business Outlook" set forth above, and are subject to a number of risks, uncertainties and assumptions. Forward-looking statements in this press release are based on Quanterix's expectations and assumptions as of the date of this press release. Each of these forward-looking statements involves risks and uncertainties. Factors that may cause Quanterix's actual results to differ from those expressed or implied in the forward-looking statements in this press release include, but are not limited to, those described in our periodic reports filed with the U.S. Securities and Exchange Commission, including the "Risk Factors" sections contained therein. Except as required by law, Quanterix assumes no obligation to update any forward-looking statements contained herein to reflect any change in expectations, even as new information becomes available.*

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