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<<Max Masucci, Analyst, Cowen and Company, LLC>>

Hi everyone. Welcome to day 3 of Cowen's 42nd Annual Health Care Conference. I'm Max Masucci from Cowen's Life Science & Diagnostics Tools research team. Today, we're pleased to be joined by Quanterix. Quanterix is a commercial stage proteomics company with a keen focus in neuro and large aspirations in diagnostics in the future. So joining us today is current CEO, Kevin Hrusovsky. Kevin, how you doing?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Good morning, Max. Great, how are you?

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Good, doing well. Good to see you. So let's start with just a standard question we're asking most companies that have a global customer base or a global business operation. So I think this past year we had what 28% of revenues or so came from Europe. Just given the Ukraine, Russia war and any ripple effect that might have in the European region, would make sense to spot check any exposure you might have from a customer perspective and supply chain perspective.

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. At this time, Max, we're not aware of any, obviously, this is a very concerning development. That's underway here in trying to track NATO nations and potential involvement. But at this moment, we don't see any downside to our supply chain or to our customer base, but we're going to keep close eye on it.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Got it. All right. Let's move on to some of the recent developments. CEO transition being one of them. You'll be transitioning to active Executive Chairman at the end of April. You're handing the keys to the car. So first, I just want to know that you did essentially come out of retirement when you took over as CEO in March 2015. So sitting here in 2022 were seven years moved from that decision. So as you look at Quanterix's business today, how does it compare your expectations when you took over back in 2015?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. Max, it's interesting, but we kind of watched Quanterix as well as several other companies from a Powering Precision Health foundation standpoint. And in that ecosystem, where there was a real desire to get early to detection, non-invasively, it appeared Quanterix had the

technology that really could bring a lot of value and move the needle around that vision. And so, I would say, seven years later, we look back and it really has been an incredible ride. And the foundation, we think is now set particularly now that you see the recent announcement of the Lilly deal that further validates just exactly the impact that these biomarkers can make both to the research world, where you're trying to get drugs developed and approved and being able to recruit patients and enhance cohorts using biomarkers. Then to then transition to help the payers have ways to screen the appropriate patients that will have response into the drug and into monitor drug performance on the patient with a non-invasive scalable technology.

And I think that, from all vantage points, we decided to go into neuro first, primarily because we know pharma really needs our support to get an Alzheimer drug across the goal line, trying to move earlier and earlier before dementia in the overall cohort enhancement and recruitment. So we're very courage that this particular area of neuro in Alzheimer's is not only showcasing the ability for these biomarkers to play the role for drug development that we had hoped. But it also, I think, is beginning to reveal the potential that the payers see in utilizing these technologies to really bring more merit and better outcomes more efficiently.

So we're pretty well in a very -- strong position at this point, working with both pharma, NIH, FDA with our breakthrough designation, as well as the payers. So I think we've feeling really good where we've been able to advance and feel like we're at a great moment. So evolve into more of a strategic role navigating the ecosystem across these different constituencies and this jigsaw puzzle of commercialization, while Masoud an incredibly talented leader who evidenced this in his work at PerkinElmer, as well as for the last nine months inside of Quanterix. We feel, he's very prepared and really ready to take on the operational responsibilities to allow this company to continue scaling at the pace that it's scaling.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

That's great. And we've known each other for a long time. Yes, if there's one thing I know it's that you're an absolute workhorse. So I think that that may be a reason why the new role is active Executive Chairman. So I just want to get a sense for how hands on you plan to be going forward and how you plan to use any new bandwidth. You might have as you transition away from the day to day.

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. So the concept of working in a business operationally to working on a business strategically is a pretty important transition for any company and making sure we had much of the framework established to enable the next level of opportunity. And I think when you look carefully at the Lilly deals, both the licensing of a very formable antibody care for Phospho-tau217, I think many felt we would not be able to get a license to that and have the ability to emerge a research product, an ultimate IBD product that with the FDA that couldn't be utilized by other pharma companies. To me is a good framework, also the Phospho-tau P-tau181 breakthrough device designation from the FDA for single site IBD triaging.

We also think that is a great foundational point. And we now know that there's 300 Alzheimer trials underway, which we're really only in one. And there's been important data since the approval of ADUHELM from Biogen that they reported out. They went back and utilized us after the approval to utilize the P-tau181. And I think that their data correlates with actually some promising cognitive impairment improvement. We actually believe that the framework is set for a strategic opportunity for someone like myself to help bridge these different constituencies, help further position this technology and this ecosystem while Masoud is very prepared to take on the daily response. So I will be active strategically. We think this is an additive to our overall capacity. We also have a very experienced and season Board that I'm very excited about that we'll play a role as well as we continue to evolve. What we think is a very substantial value creation opportunity.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. Let's spend some time on the Lilly deal. You provide with the non-exclusive worldwide license to their P-tau217 antibody technology for RUO offerings and future IBD applications. So now that you have, let's start with RUO now that you have the license, what sort of demand do you expect to see for P-tau217 and how your -- how does your -- do you have the ability to manufacture enough tests to meet the expected demand you might see in RUO markets?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. We actually do believe that by year end we have a shot of launching the RUO product for 217. Now that we have a source of the antibodies, we also are working with other pharmas. There was other 217 antibody pairs that we're also looking for and looking at to continue to enhance. We're also considering the relative role of pTau-181 versus the 217. And we're seeing merits for both of them. They have unique and differentiated benefit that they bring to the overall opportunity to move Alzheimer drugs across the goal line. There was a major article written yesterday around the pTau-217 clock that describes that at a certain point when pTau-217 becomes greater than 3.2% of the overall phosphorylated tau, there's a trigger where plaque then starts to form on the brain.

So we're actually seeing the Alzheimer's in these publications even before brain deposits earlier in the pathology when it's a positive in the spinal tap, but not in the brain deposits. And these are all opportunities. We think across the research and across the pharmas to further enhance their pipelines and move forward Alzheimer therapy. So I do think that demand should be strong, not only for 181 and 4-Plex, it includes the GFAP and NFL in the amyloid beta 1442, but also for these phosphorylated tau. So we do think that the workout we had with NIH on COVID and they're investing in us for a $20 million to scale COVID testing has further enhanced our overall manufacturing capabilities, still got a lot of work to do. But Masoud is deepening this. And this is an important area of continuing to advance our value creation as ensuring we can catch up with all the demand potential that we see for these products for the Alzheimer landscape.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

So what is it that really opens up this space to participate and those other call it 299 Alzheimer's trials?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Well, interestingly, we showed in some of our previous investor calls, an actual letter that we've now sent from me to the CEOs, the Chief Medical Officers and the CSOs of all the pharma and biotech companies that are running these 300 Alzheimer trials. We think that there's an incredible potential to increase the efficiency of the recruitment as well as someday actually have endpoints that are more material and more beneficial to advancing the drugs in the pipeline. So the probability of a getting and approval we think could be significantly enhanced by using our tech technology.

So we shared it with all the investors that we sent these letters to any company that has an Alzheimer trial underway. So we think the investors can help us here too, because many of you own these companies that have Alzheimer trials underway. And so ensuring that Quanterix's technologies are being deployed is a way we think to create enhanced value for your portfolios as well as for the Alzheimer patient ultimately. And then secondarily, building out an overall longer term acumen in diagnostics to be able to screen and triage Alzheimer patients, and then monitor the performance of the drug into patient. We think is something that the payers are going to be very interested in.

And so we are now starting those investments and laid out a three pronged attack for LDT first, single site IBD through the breakthrough designation, second on single-plexes, and then ultimately the possibility of either teaming up, partnering or going directly into distributed IBD. Those are longer term propositions, but we do feel like we're now at a place where we have good validation that these pathways have a lot of opportunity for our investors.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

So it's, it sounds like, I mean, it, there can be an immediate impact on enrollment, right? But there's also an opportunity for longitudinal monitoring and eventually screening. So it'll probably play out in phases. Does that sound -- is that, are we thinking about that correctly?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. I would say that the first two years of impact, the more we do to further build out the diagnostic opportunity, it further enhances the interest in using us for research. And so the demand profile for these biomarkers for neuro, not just, Alzheimer's also MS, Parkinson's, ALS and even concussion. The real revenue opportunity in the near term is going to be in research. And then the longer term opportunity as we crossover into these different entries into diagnostics, but again, working on that diagnostics now further enhances the interest in using us because we have a pathway that's emerging into the clinic, and that's important to many of the pharmas is to have the ability for payers to help monitor, whether a patient is a high probable candidate to benefit from the therapy and then monitor whether the patient is benefiting through minimum residual disease monitoring. So we have a longer term opportunity in diagnostics that

by working on it now and investing on it now, it enhances our research revenues for the next two years.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Some of the area under the curve data for the multiplex offerings has been fantastic. I'm curious, we have Lilly with pTau217, others with pTau181, some others with Aβ42 to Aβ40. But what sort of receptivity are you seeing for some of the multiplex offerings on the research and in biopharm side of things?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. It's a very interesting question because we are very excited that to have the partnerships with Siemens and with Abbot and maybe Roche being one of our larger customers, these diagnostic houses are distributed IBD, and they're pretty much single plex across about 212 proteins. And they're collecting a lot of revenue. And most of what they see is the disease after symptoms present with those technologies, things like troponin that you can detect it after the heart attack occurs. When we view the overall infrastructure of the FDA for this landscape of proteins, we do think single plex is an easier way move in initially. And we got enough area under the curve. We believe based on the current publications to do this with single plex 181 and potentially even 217. But then we do see advantages to adding NFL and GFAP, other ways to create specificity and to be able to see the disease with greater sensitivity earlier.

So we do ultimately believe that there's interest in research in the drug development area, there are already using our 4-Plex. It's a fairly common assay now for a lot of the Alzheimer's trials and the other neuro trials. But moving into diagnostics someday of 4-Plex increases area under the curve allows you to see with greater precision earlier in the disease pathology. We do think multiplex longer term will be very valuable inside of the diagnostic as well. So we do expect that that will help the area under the curve, but initially we'll work with the regulatory agencies more around single plexes from a diagnostic perspective later on adding on the other biomarkers to make more efficient multiplexes with greater precision.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. And we've talked about NFL being -- can be somewhat of a check engine light, then you can reflex to other tests in the portfolio. I think that's -- it's interesting too. One of the trends that we're tracking in the liquid biopsy space is the role of advanced imaging alongside blood-based offerings. So Guardant made an investment in an advanced imaging company last year in the detect a study for a blood-based multi-cancer screening test. The cancers -- a patient would go positive for the test, but then they would reflex the PET imaging to localize and confirm. And so, yeah, I think it's but then you also have Guardant adding immune signatures to their -- alongside their core genomic alteration and methylation signals. So we are seeing the layering in of the proteomics aspect. So there's a lot to track there, but…

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Just on that point, Max, our initial breakthrough device designation from the FDA is for triaging with imaging. So we actually do see imaging having a great compliment, particularly when you're into the phase of the pathology where there's already been plaque deposited on the brain and the images are able to depict that and see movements up and down. I think that this area of imaging complementing and biomarkers complementing imaging is a very important area that I think will be traversing for quite a while, because most of the imaging is the considered the goal standards today. And so the key here is. can you see the pathology earlier than wind up you see image deposits similar to cancer, many times, it takes a while before a tumor agglomerates enough cells that you can actually detect it in imaging. And there's a lot of movement for liquid biopsies trying to see cancers long before they accumulate into a tumor. So very similar for the brain, I do think the triaging with imaging will be a very important component of the evolution over the next five to seven years.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. And in the comparison on the oncology side, it'd be -- and when we were talking to Guardant yesterday, they were saying certain cancer types, it's easy to assess the tumor of origin, others, it's a lot more challenging. And so the role of imaging will be different among different screening tests. But I just think that that blood plus imaging in a complimentary fashion is really interesting…

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Another shot on goal, Max that we have with our NFL. The engine light is in MS. And there's numerous over 500 third party peer reviewed publications now where once you've been diagnosed with MS and there's 16 approved drugs, getting the patient onto the right drugs typically is done with MRI today. And that could take two years before MRI can pick up whether or not the drug that you're utilizing is the most effective. And there's a lot of reporting that with NFL and blood biomarkers, you might be able to see that within a month or two after taking the new drug. So the cycle time of getting a person onto the appropriate drug is something that the payers are very interested in and can be the difference between someone having MS, dying standing up or dying in a wheelchair, getting them on the right technology the fastest. And so that's again, where I think blood biomarkers NFL can play an important role.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. And just the general topic of -- you see disease modulating therapies that seek to slowdown neurodegeneration being able to detect disease in the earlier phases allows the disease modulating therapies to start making an impact sooner rather than later. But if you look at say, a genome as the disease modulating therapy, that's a bit different from some of the other therapeutics that are used to treat cancers and whatnot. But it really lines up with the screening opportunity. So it's…

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah, I think that there's a category of medicine that we think is evolving here. It's more like diagnostic therapies where you're using the diagnostic to identify and intercept the disease early enough, that the therapy only has to stop the progression in order to prevent the symptoms. And so, in a case of Alzheimer's, there's several third party peer view publications seeing elevation in familial Alzheimer patients as early as 15 years before dementia. So the concept is, if you can intercept it, see the pathology and then put therapies in place that just stopped the progression. You could actually potentially have an approved product that might look different than a traditional therapy that might have to reverse the actual pathology. So I do think the concept of diagnostic therapy that category and the relative of role of the diagnostic and the therapy could be shifting some by intercepting disease before symptoms.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah, absolutely. Obviously, you indicated that we could see some similar partnerships, similar to Lilly with other big players in neurotherapeutics would be great to hear, what gives you confidence in that opportunity. And if you look at the deals you could sign with other big players, how they would be similar or different from the deal you signed with Lilly?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. We actually look at the Lilly deal being transformative not only because of the antibody license, but they've also established a collaborative agreement framework, where they can interact with us using our accelerator, our services organization to run different trials for optimization of different types of biomarkers, for different types of drugs that they're trying to get approval for. So the agreement is actually written to crossover beyond neuro into oncology and other disease areas, which we think once again, biomarkers can play an invaluable role in the whole drug development process. And so the accelerator lab, this year will support Lilly in a very important way around much of what they're doing in Alzheimer's, but someday we see it evolving into other categories. And we also see the framework allowing us to work with Lilly around an actual diagnostic to move into the clinic with something that could help them with screening and with patient monitoring and which we're hopeful that that would be a generic FDA approved type product as opposed to a companion product.

And we do think that there's other pharmas that because of ADUHELM some of the controversy that initially got created because of the concern that it was only reducing plaque without demonstrating clinical benefit. Again, subsequent to that, they have used the pTau-181 to bring more value to the potential for, to show cognitive impairment improvement. But in the end, I do think that many of the pharmas are looking for a leg in both the development of the drug and also in the clinic to support the pain and the reimbursement. So I do think that we'll see other pharmas that are in this Alzheimer cascade to tap in on some of these neuro markers that we have, as well as we've seen in MS, there were two drugs approved by Roche and Novartis back in 2020 utilizing our NFL. So I do think that, our overall suite of biomarkers right now has been concentrated across neuro, but we also have a lot that we can do in oncology and cardiology and infectious disease. So I do think we're hopeful that we'll see more and more agreements across pharma that exploit the potential of these biomarkers to help them get drugs approved efficiently, and then subsequently to help them get reimbursed with payer linkage.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. Makes sense. All right. So we have six minutes, maybe let's spend some time on pTau-181. In October, you were granted breakthrough device designation by the FDA. It's an aid in diagnostic evaluation for Alzheimer's disease. Do you have a sense for when we could see a final approval for the pTau-181 tests, what sort of evidence will you be generating in 2022 to support that, and then maybe after we could just touch on the LDT versus single site IBD strategy?

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. I do think we've been recruiting some very important leaders in the field. Masoud being the first coming from PerkinElmer, having run their diagnostics business, Dawn Mattoon is now running a large portion of our diagnostic opportunity. We also brought in a new Chief Commercial Officer. That's playing a role in trying to senior level sell based on the positioning that we talked about earlier. So I do think the 181 we're obviously going to see research advances in revenue in 2022. It's a great growth catalyst as is potentially 217 toward the end of the year. But I think that we are trying to be very conservative in any guidance we give on the diagnostic revenue generation. And what we said was by the end of 2023, we would have an LDT but we did say, recently that we are going to work on the validation this year of the 217 in our LDT.

So I'm sorry, the 181 in our LDT. So I do think you're going to see us making a nice progress on the 181, but I wouldn't expect revenues diagnostically until later stage 2023 to be safe. And again, we do have a track record of being quite conservative of trying to ensure we don't put the risk onto our investors. So we tried to provide guidance. It was an increase to the consensus, but we are staying conservative, given all the different pieces of the puzzle that are going on geopolitically right now. But again, it was an increase. And we do think that the diagnostic revenue was not part of that. We don't see that occurring until 2023.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Yeah. So all those years at Caliper, seven years at Quanterix, every time a quarter -- quarterly print comes out, the numbers have looked good. You're transitioning from the hands on operational role to Chairman. But you did initiate for the first time guidance. So would love to hear the guidance philosophy, why you felt it was appropriate to initiate guidance this year. And just if you could speak to the levers and bridging the low end to the high end key assumptions, that'd be great.

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Yeah. The main thing was, we always said, we would only guide if we felt like there was a need where maybe one analyst was sitting in a place very different than the others, and that occurred. So we decided that this was the year to guide and to be conservative as we've always done. And so we did do an increase to the consensus. But at the same time, we do feel that we've been de-risking it substantially by doing things like the Lilly deal, which creates a lot of revenue certainty and opportunity. So our whole objective here is to ensure we continue to grow, ensure we don't

overstate anything we can achieve and de-risk it. And we feel like there's not a lot of regulatory reimbursement risk on the research opportunity that we're guiding against for 2022.

So we feel really good. The upsides here clearly are around Alzheimer's and our ability to evolve this selling model to these other 299 trials. And then other neuro trials where we certainly are very under penetrated right now, the biomarkers is really just evolving as a major new tool that pharma can use to enhance their probability of a drug getting approved and also potentially enhance lower toxicity by having lower dose being able to be applied earlier in the disease pathology when the disease is easier and more vulnerable to the therapy.

So I do think that we're sitting in a really good place for us to guide this year and to do it conservatively. And we have this transition occurring as well. So I think we're feeling very solid as we go into the year around the potential. Now we do think that we're going to have a lot more accelerator revenue this year, last year was flat. So this year, we think that a lot of our growth is going to come via accelerator. Consumables, last year, we grow the 100% that was at the expense of accelerator. A lot of our consumable consumption goes through our accelerator. So this year, I think you're going to see a lot of accelerator growth. And the consumable growth will probably dampen some because of using those consumables in our accelerator to ensure we continue to evolve, because that's the longer term fuel for placing instruments in longer term consumable opportunities. So we think the accelerator is the key piece and we'll be seeing a lot more growth starting, we believe in Q1 for that category.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Great. Well, Kevin, it's been a pleasure to cover Quanterix and to work together and looking forward to your ambitious next chapter.

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Well, Max, you and Cowen have been an incredible job and we really appreciate all the work that you've done historically with us. And we look forward to the next several years of opportunity. Thank you very much.

<<Max Masucci, Analyst, Cowen and Company, LLC>>

Absolutely. Thanks, Kevin.

<<Kevin Hrusovsky, Chairman and Chief Executive Officer>>

Thank you.