FROST & SULLIVAN

S3 Connected Health

2022
TECHNOLOGY
INNOVATION
LEADER

Global Medical Devices Connectivity Industry

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each Award category before determining the final Award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. S3 Connected Health excels in many of the criteria in the medical devices connectivity space.

AWARD CRITERIA	
Business Impact	**Customer Impact**
Financial Performance	Price/Performance Value
Customer Acquisition	Customer Purchase Experience
Operational Efficiency	Customer Ownership Experience
Growth Potential	Customer Service Experience
Human Capital	Brand Equity

Rates Highly on Customer Purchase Experience

Dublin-based S3 Connected Health has a strong presence in the medical devices connectivity (MDC) industry in the United States and Europe. The company has broad expertise in wireless connectivity, software development, software as a medical device (SaMD), internet of medical things (IoMT), medical device regulations, and data security.

Its connected medical devices and digital health solutions meet stringent global regulatory standards, including ISO, IEC, Health Insurance Portability and Accountability Act (HIPAA), and General Data Protection Regulation (GDPR) for medical device development, performance, and safety.

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>
> *– Bhaskar Vittal,*
> *Industry Principal*

often struggle with maintaining regulatory compliance for device approvals and post-marketing support activities. The company's significant number of projects with leading global players exemplify the confidence customers have in its industry-leading compliance standards.

For example, Philips Healthcare leveraged S3 Connected Health's wireless connectivity expertise to support the development of its NightBalance Lunoa, an EU CE Class IIa and FDA Class II medical device that enables patients and physicians to track therapy progress and sleep data easily. S3 Connected Health designed, developed, and integrated secure wireless connectivity in the sensor device to connect with the cloud platform, supported by its multidisciplinary hardware, software, and firmware engineers, quality assurance teams, web and security experts, and systems analysts. The device has regulatory approvals in the United States, Europe, and Australasia. More than 70% of people using NightBalance report long-term improvements in non-refreshing sleep, fatigue, breathing cessation, and gasping episodes (the three most common positional obstructive sleep apnea symptoms).

S3 Connected Health also helped to develop Cochlear Nucleus's CR120/220 Intraoperative Remote Assistant. The device performs diagnostics on the cochlear implant and measures neural responses to create the patient's hearing profile. Physicians utilize the wireless handheld device to conduct cochlear implantation procedures, eliminating the physical connection process of the hearing implant with a computer during the procedure. The company worked with Cochlear Nucleus at each stage to develop the CR120, including the conceptual phase and technical support during the first human use and clinical trials. The device connects wirelessly to the patient's cochlear implant, a major upgrade from the earlier time-consuming process of clinicians manually connecting the implant with the computer for auditory responses. Frost & Sullivan appreciates how the device's clear and intuitive user interface simplifies and improves the user experience for clinicians. Surgeons can measure the success of the cochlear implant procedure within minutes, allowing the implant to activate immediately in the operating room. This is a huge leap forward from the earlier process that typically took over a month and involved multiple patient and doctor consultations.

In addition, S3 Connected Health helped develop Wyss Center's medical-grade Epios Cloud solution to store and visualize data and build analytics solutions to help forecast seizures. The device provides real-time insights on the brain before, during, and after events. Data generated from multiple parts of the brain can be extremely large (above 5 GB of data per patient per day in real time) to process. The Epios cloud solution can store large amounts of for clinicians and analysts to access easily and scale to accommodate other devices or neural data series.

Customers' Positive Ownership Experience

S3 Connected Health maintains strong relationships with partners and clients throughout the product life cycle stage, from the concept phase to design, development, clinical trials, regulatory approvals for product launch and commercialization, delivery, and market expansion activities. The company's strong customer support is evidenced by its multi-year, multi-program engagements with partners and clients.

S3 Connected Health is a preferred digital health partner for medical device companies in the way that it creates custom solutions, including connected medical devices and digital health applications enabled by a digital health platform, Affinial. The company's multi-disciplinary team leverages end-to-end methodology and deep domain expertise in complex technical, regulatory, and clinical aspects to lead medical devices and digital health solutions development. S3 Connected Health supports its partners and clients by defining optimal solutions that address their unique needs and constraints and accelerate solutions development. It also ensures seamless integration of all components, such as devices,

applications, and third-party information systems. The company's flexible approach, certified quality management system, and proven processes adhere to the highest quality standards and take customers from concept to development, operation, and lifecycle management.

For example, in an annual customer survey, a Tier I MedTech player highlighted S3 Connected Health's quality, ease of interaction with the management and engineering teams, and continuous support post-project implementation as its primary advantages as a partner.

Excellence in Customer Service Experience

S3 Connected Health strives for customer service experience excellence in developing regulated solutions that use smart connected medical devices and digital health SaMD applications. The company posted a solid NPS score of +36 and an overall high satisfaction rating of 8.4/10 in its recent Q3, 2022 customer survey.

The overall satisfaction rating score is collated from scores across 10 areas, including Understand Business Needs; Skills, Capabilities, and Experience; Correctly Assess Priorities; Understand Industry Trends; Quality of Deliverables; Quality, Regulatory and Standards; Work Effectively Together; Professionalism of Personnel; Project Management; and Value for Money. Frost & Sullivan finds that S3 Connected Health's overall customer satisfaction ratings are impressively high (given the highly competitive MDC market landscape).

Favorable Brand Equity

S3 Connected Health prides itself on being best-in-class for the definition, development, and delivery of digital health solutions and smart connected medical devices. The company's high overall satisfaction and loyalty ratings of .742 from its most recent customer survey reflect this goal.

A rating greater than .7 shows a strong linear relationship (using the Excel CORREL function that calculates the Pearson Correlation Coefficient, a statistical measurement of the correction [linear association] between two sets of variables). S3 Connected Health's products and solutions are competitively priced and customized to address the project needs of its partners and clients.

High Customer Acquisition

S3 Connected Health increased its number of customers invoiced annually by 800% from 2015 to 2021, reflecting its outstanding customer acquisition rates. Over 2020 and 2021 alone, the company added 27 new life science clients - with projects ranging from development of a single product to multi-project, multi-year relationships.

Frost & Sullivan attributes S3 Connected Health's high customer acquisition rates to its strong presence in the medical devices connectivity space, robust digital solutions portfolio, and proven track record in helping clients with products and solutions that meet various regulatory standards.

Encouraging Future Growth Potential

S3 Connected Health consistently records stable revenue growth and forecasts bright prospects, with a 50% growth rate in year-over-year revenue expected for 2023 and a further 50% YoY revenue growth for 2024. Frost & Sullivan notes that these earnings are quite impressive for a company competing globally, with the United States and Europe each accounting for 45% of revenues, and the rest of the world contributing 10% of earnings.

Conclusion

S3 Connected Health is a strong global player with robust revenue contributions from the United States and Europe. Companies focused on a single or a few products or solutions prioritize faster entry to the market and scalability when choosing business partners.

S3 Connected Health is the partner of choice for companies, starting from the conceptual stage to design, development, clinical trials, regulatory approvals to market launch, product commercialization, and market expansion. The company's team of experts works quite closely with its customers to assess their products' technical and regulatory needs to help them design solutions that chart a robust path-to-market strategy.

With its strong overall performance, S3 Connected Health earn the 2022 Frost & Sullivan Global Customer Value Leadership Award in the medical devices connectivity industry.

What You Need to Know about the Customer Value Leadership Recognition

Frost & Sullivan's Customer Value Leadership Award recognizes the company that offers products or services customers find superior for the overall price, performance, and quality.

Best Practices Award Analysis

For the Customer Value Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Business Impact

Financial Performance: Strong overall financial performance is achieved in terms of revenues, revenue growth, operating margin, and other key financial metrics

Customer Acquisition: Customer-facing processes support efficient and consistent new customer acquisition while enhancing customer retention

Operational Efficiency: Company staff performs assigned tasks productively, quickly, and to a high-quality standard

Growth Potential: Growth is fostered by a strong customer focus that strengthens the brand and reinforces customer loyalty

Human Capital: Commitment to quality and to customers characterize the company culture, which in turn enhances employee morale and retention

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**