



Strategy Inc.

2025 US-EU HEALTHTECH VC INVESTMENTS

ENSURING SUCCESSFUL COMMERCIALIZATION FOR AN EU TECHNOLOGY IN THE US

Presented by:

NANCY PATTERSON
PRESIDENT AND CEO

 www.strategyinc.net

Strategy Inc. Company Due Diligence Services Defined

- Strategy Inc. www.strategyinc.net founded in 2000, is an Austin Texas, New York City and Raleigh North Carolina based business for diligence, valuation and market analysis company with clients in Europe, Israel, Eurasia, China and the US
- Clients include emerging technology companies, venture capitalists, investment entities, multinational medical device companies and law firms specializing in emerging biomedical technology
- **Nancy Patterson**; President and CEO: Venture Analyst 18 years experience Direct Senior Operational experience in Business Development selling 3 companies for up to \$508M ● Immunologist plus MBA in finance ● Lecturer UCLA Medical School for 10 years on Commercialization of Life Science Technology ● Sr. Editor and chapter author for a 5-volume Elsevier series entitled Clinical and Medical Innovation and a Wolters Kluwer author on Orthopedic Technology Innovation
- Nancy was also the VP for the Alfred E. Mann Foundation for Biomedical Engineering, where she managed a \$2B investment, allocating \$100M gifts to biomedical departments of leading global universities to expedite technology development.

A full suite of strategic medical device consulting services for **essential market analysis** and **platform prioritization**



Commercialization Strategy

Market due diligence to validate target market and adoption forecasting



Portfolio Analysis

Pipeline technology evaluation for market size, commercialization timeline and risk



Competitive Strategy

Scope of direct and indirect competitors both current and future



Financial Valuation

Third party valuation by experienced Medtech financial advisors

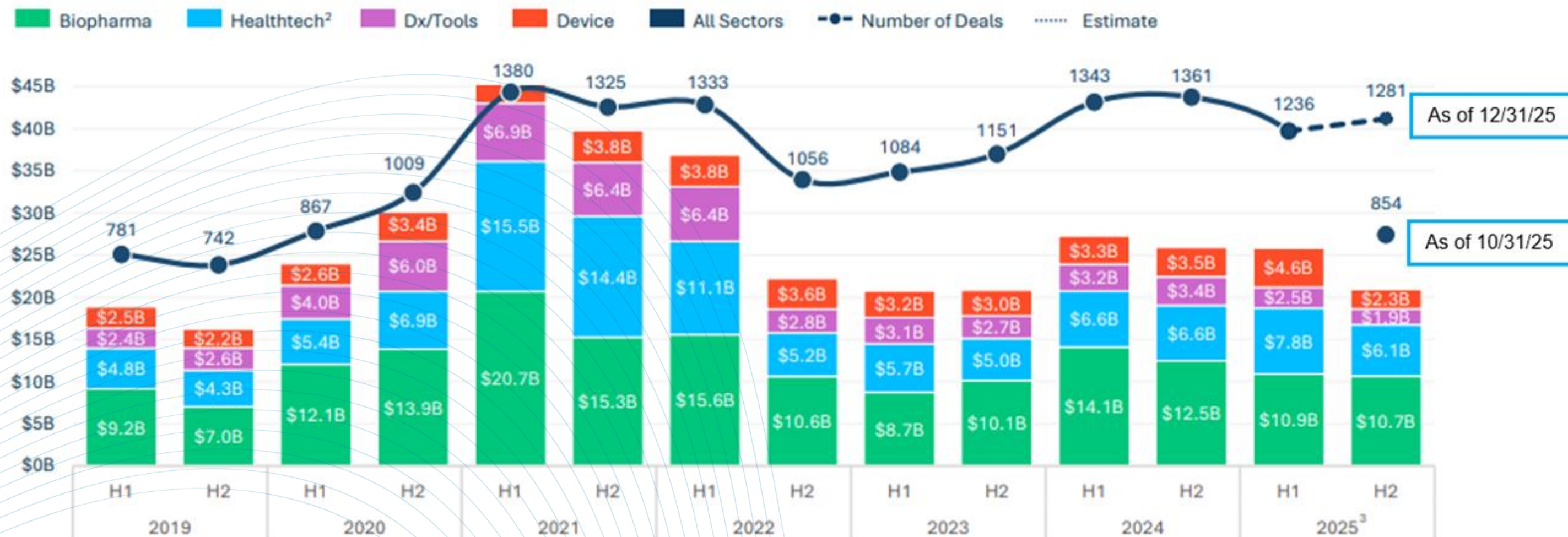
2025 US/EU VC Lifescience Investments

Industry Trends to Follow the Money to Find Yours

- VCs are resetting portfolios and building the next crop of winners.
- VCs are sitting on dry powder after big raises for the past 3 years and seeking places to invest
- Hospitals are struggling to handle an aging population that requires more services.
- Technology solutions welcomed to fill gaps

Capital Available for Compelling Lifescience Innovation with Steady Deal Volume

US and European VC Dollars and Deals by Healthcare Sector¹



Notes: 1) All deals either includes institutional venture investment, corporate venture investment or are equal to or greater than \$2M, regardless of investor. Dates of financing rounds are subject to change based on add-on investments. 2) Healthtech deals that overlap with Dx/Tools and device sectors are not included in healthtech totals on this slide 3) All 2025 data is as of 10/31/2025. 4) Total rows and columns may not add up due to rounding or companies in stealth. Source: PitchBook Data, Inc. and SVB proprietary data. Personal communication SVB Bank

A Sign That Healthcare Exit Market Gears are Turning

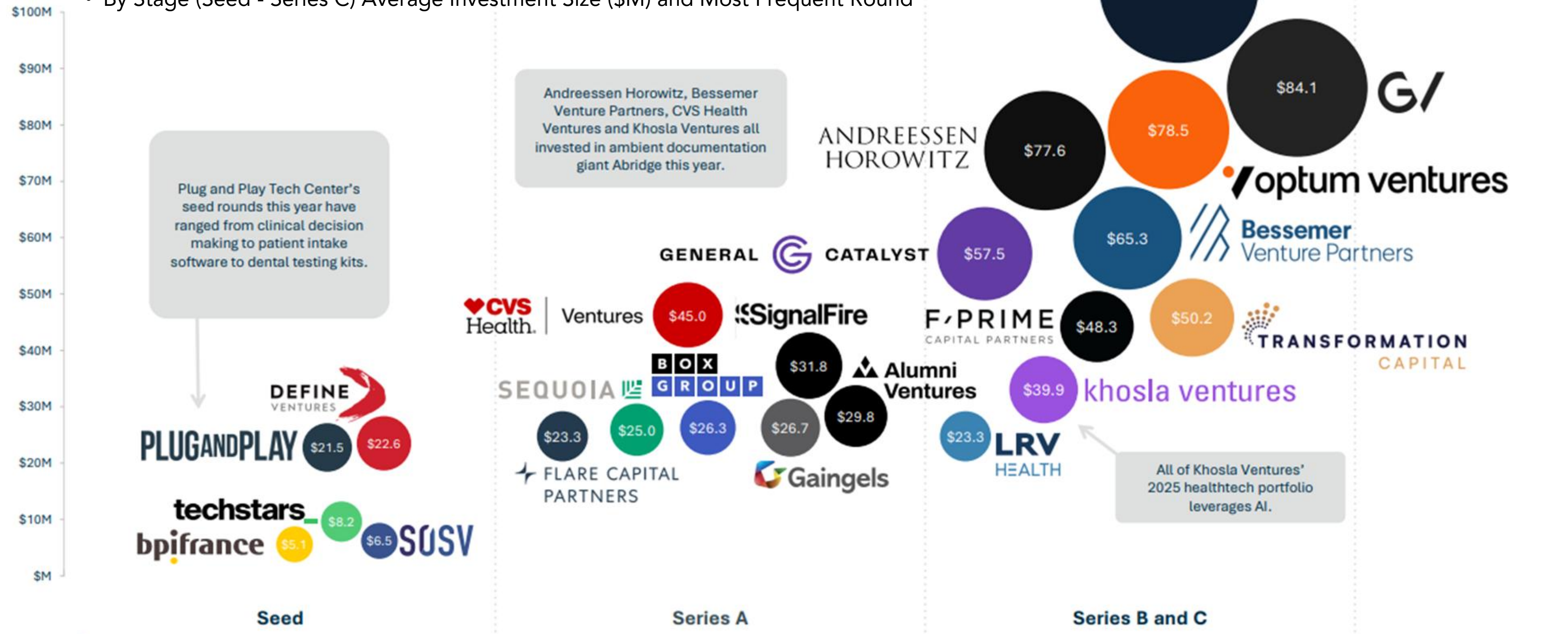
- AI remains the powerful lure for investors – and is projected to continue its trajectory
- The healthtech segment is being driven by AI and back-office software
- AI investing represented nearly 50% of fundraising and is a reason for renewed optimism
- Professional investment managers investing in high-potential companies

Sectors (\$B)	2022			2023			2024			2025 ³		
	US	Europe	Total	US	Europe	Total	US	Europe	Total	US	Europe	Total
Biopharma	22.3	3.9	26.2	15.2	3.6	18.8	20.3	6.2	26.6	16.7	4.9	21.6
Healthtech ²	12.8	3.5	16.3	9.7	1.1	10.8	11.7	1.6	13.2	10.8	3.1	13.9
Dx/Tools	7.6	1.7	9.2	4.3	1.4	5.8	5.0	1.6	6.6	3.1	1.3	4.4
Device	6.1	1.3	7.4	5.0	1.2	6.2	5.5	1.3	6.8	5.4	1.5	6.9
Total⁴	48.8	10.4	59.1	34.2	7.3	41.6	42.5	10.7	53.2	36	10.8	46.8

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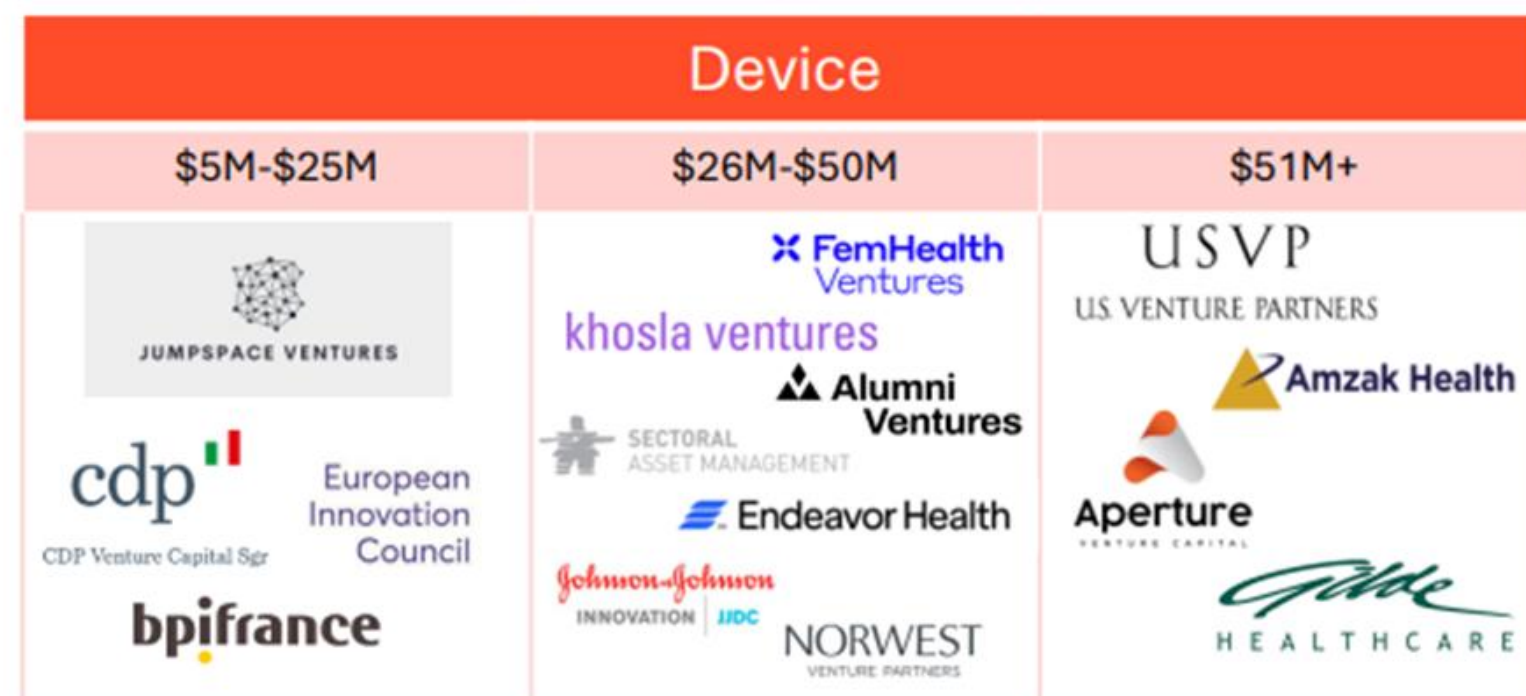
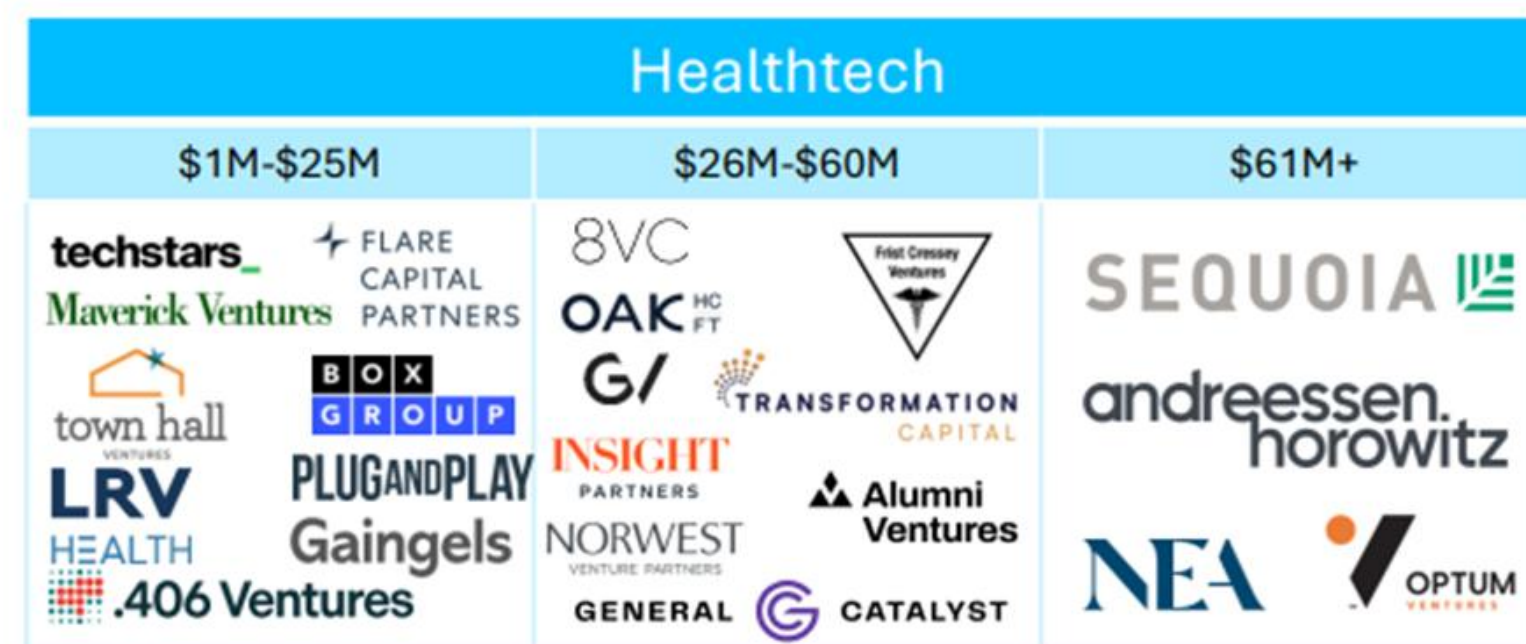
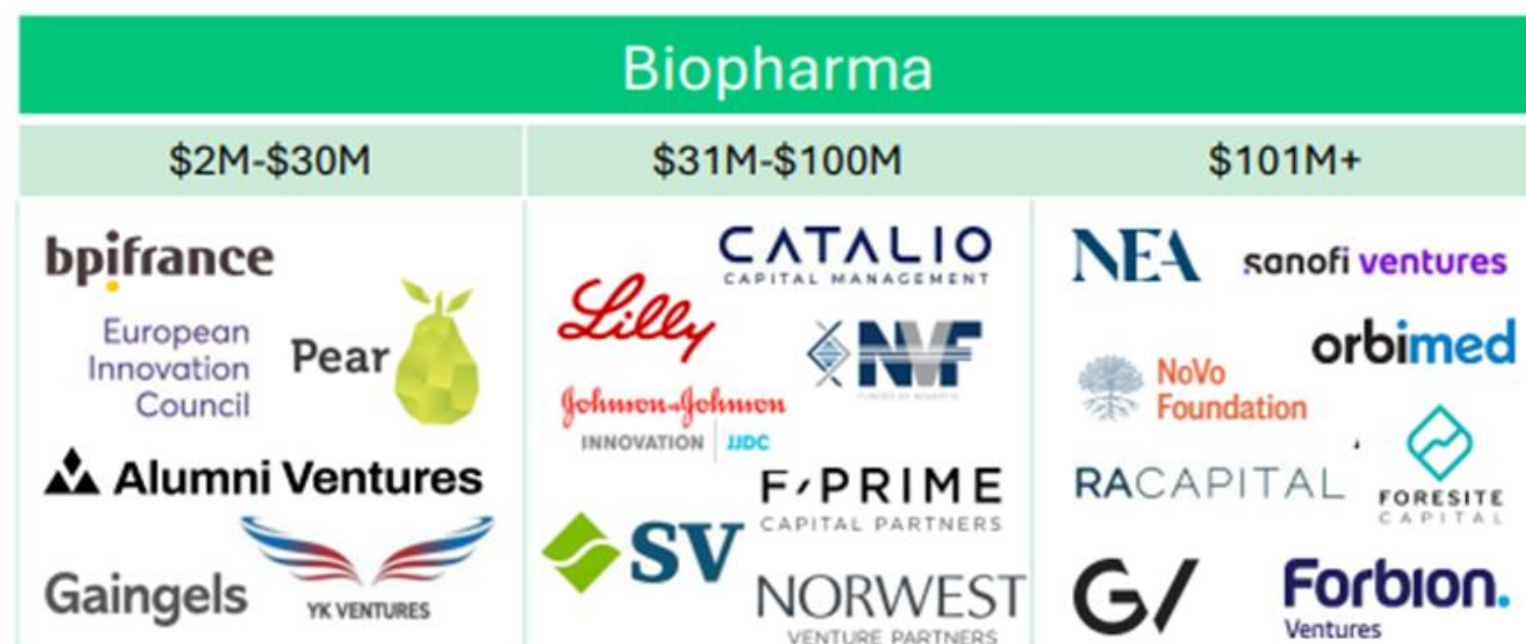
Most Active US and EU Healthtech Investors 2024 - 2025 by Funding Stage

- Selected VC investments in life science companies with innovations vetted and positioned to solve clinical need
- By Stage (Seed - Series C) Average Investment Size (\$M) and Most Frequent Round



By Innovation Area - Average Size of 2024-2025 Investments Grouped

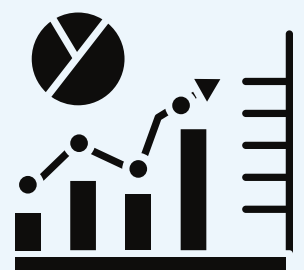
- Biopharma, Healthtech, Dx/Tools, Device VC US Investments by financial segments
- Selected VC investments in life science companies with innovations vetted and positioned to solve clinical need



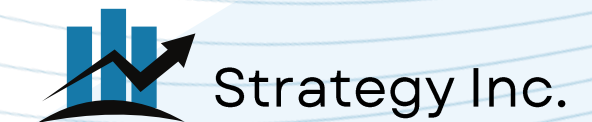
Select US VCs Investing in UK Healthtech by Stage and Funding Focus

- Sample US VCs who invest in UK health tech innovation
- Data from Strategy Inc, xAID, VC mission focus

Fund	HQ State	Funding focus	Stage	Investment Geography
Aisling Capital	New York	Biotech,healthcare,life sciences,medical devices	Seed,series A, B, C, D	Belg,France,Germ,Neth,Switz,UK,US
Anthro Ventures	Virginia	Diagnostics,healthcare,healthcare costs,life sciences,medical devices,patient outcomes	Clinical, growth	Canada,France,Germ,UK,US
Borealis Ventures	California	SaaS,animal health,digital health,healthcare,life sciences,platform technologies,visionary healthcare companies	Pre-seed, Seed,series A, B, C, D	UK,US
Excel Venture Management	Massachusetts	Diagnostics,healthcare,healthcare IT,life sciences, medical devices,therapeutics	Early-stage,growth,seed	Canada,Germ,Israel,UK,US
Khosla Ventures	California	AI,agriculture,climate,diagnostics,digital health, enterprise,healthcare,medical technology,therapeutics	Growth,late-stage,seed	Australia,Brazil,Canada,Chile,Germ,India,Israel, Mexico,Singapore,UK,US
Longitude Capital	California	Biotechnology,clinical outcomes,health solutions, healthcare,med tech	Late-stage,venture growth	Australia,Canada,UK,US
New Enterprise Associates	California	AI,diagnostics,digital health,enterprise software, Fintech, healthcare, infectious disease,medical devices,technology,therapeutics	Growth,late-stage, seed,series A,series B	Australia,Brazil,Canada,Chile,China,France,Germ, India,Israel,Japan,Mexico,Singapore,South Korea,UK,US
New Harbor Venture Partners	New Jersey	Biotech,digital health,healthcare,healthcare IT,life sciences,medical devices, pharmaceuticals, therapeutics	Early-stage,growth	Canada,Israel,UK,US
Oxeon	Oregon	Digital health,healthcare,healthcare executives, healthcare innovation,medtech	Growth,series A,series B	Canada,Germ,UK,US
Polaris Partners	Massachusetts	Biotech,digital health, genomics, healthcare, medical devices,therapeutics	Growth,seed,series A,series B,series C	Asia,Canada,Denmark,Finland,France,Germ, Singapore,Sweden,UK,US
RA Capital	Massachusetts	Diagnostics,drugs,healthcare,life sciences,medical devices,research tools,therapeutics	Growth,late-stage, public,seed,series A, B	Canada,France,Germ,Switz,UK,US
Radius Ventures	New York	Growth equity,healthcare,life sciences,medical devices,therapeutics	Expansion-stage, growth,late-stage	Australia,Canada,France,Germ,Singapore,UK, US
Sequoia Capital	California	Biotech,clean tech,consumer internet,digital health,healthcare,medical AI,medtech,robotics	IPO,early-stage, growth,late-stage, seed	Australia,Brazil,Canada,Chile,China,France, Germ,India,Israel,Japan,Mexico,Singapore, South Korea,UK,US
Venrock	California	Biotech,energy,healthcare,life sciences,medical devices technology,therapeutics	Early-stage,growth,late-stage,mezzanine,seed	Canada,China,France,Germ,Ireland,Switz,UK, US



Ensuring Your Innovation is Approved for Purchase by US Healthcare Facilities and GPOs



- Understand the difference between selling a life science technology to a healthcare facility in the US versus in the UK/EU
- The ability to sell in the US requires advance planning for Value Analysis Committee review, as they serve as the formal gatekeeping body for new product introductions and product conversions
- Important to build your story for institutional review versus EU type National or Regional review
- Your strategy needs to include local operational cost effectiveness by institutions, which is time, labor, and financially intensive
- 91 UK companies listed in the US at the end of Q1 2025*, including GSK, AZ, S&N, Hikma, Haleon, Carista

Dimension	United States (VAC)	UK (NHS)	EU: SP/FR/GE/IT
Primary decision level	Hospitals / IDNs	National (NICE)	National + regional
Timing of value assessment	Before sale	Before adoption	Before pricing/reimbursement
Economic lens	Budget impact, contracts	Cost/QALY	Cost-effectiveness + added benefit
Clinical evaluation	Local, variable	Centralized	Centralized
Ability to block access	High (per hospital)	Low after NICE	Medium (via reimbursement)
Sales complexity	Very high (multi-site)	Moderate	High (multi-country/regional)

IDN – Integrated Delivery Network: Hospitals, Medical facilities, outpatient facilities, physicians, and, in some cases, payers, all operating under a unified management framework

* PwC Pricewaterhouse Coopers

Expanded Clarification Between Life Science Sales in the US Versus UK/EU

In the US, Sales are made to hundreds of micro-payers
(Through Value Analysis Committee Access)



- Understand the difference between selling to a US healthcare versus UK or EU
- Can not treat the US like a “bigger NHS” as the effort will not be successful
- For a U.S. hospital Value Analysis Committees (VACs) win, you need to change your value story from a UK national cost-effectiveness to US local operational and financial impact.

Sales Success under NHS / NICE

- Cost per QALY (Quality Adjusted Life Years)
- System-wide benefit
- Central approval yields adoption

Sales Success US IDN

- Physician champions – Key advocates
- Economic ROI at department level
- Contracting strategy (GPOs, IDNs)

- In the U.S., VACs do not care about QALYs, they care about:
 - Immediate budget impact (this fiscal year)
 - Outcomes compared to alternative technologies
 - Impact on staff time and workflow
 - Facility revenue implications (DRG, throughput)
 - Contracting fit (GPO alignment)

You must translate: “System value” to “Department-level financial + operational value”

US Pitch Decks Must Detail How Your Technology Will Pass Value Analysis Scrutiny

Insufficient just to track standard Pitch Deck format, such as the JP Morgan template

1. Title Slide (Signal: credibility in 5 seconds)
2. Investment Thesis (The most important slide)
3. Unmet Need / Problem Framing
4. Solution Overview (Your Asset or Platform)
5. Lead Asset Snapshot
6. Clinical / Technical Data (Proof)
7. Competitive Landscape
8. Market Opportunity (Commercial Reality)
9. Business Model / Go-to-Market
10. Pipeline (If applicable)
11. Milestones & Catalysts (Critical investor slide)
12. Financial Overview
13. Team (De-risk execution)
14. Summary / Closing



Most Important for US Pitch Decks in 2026

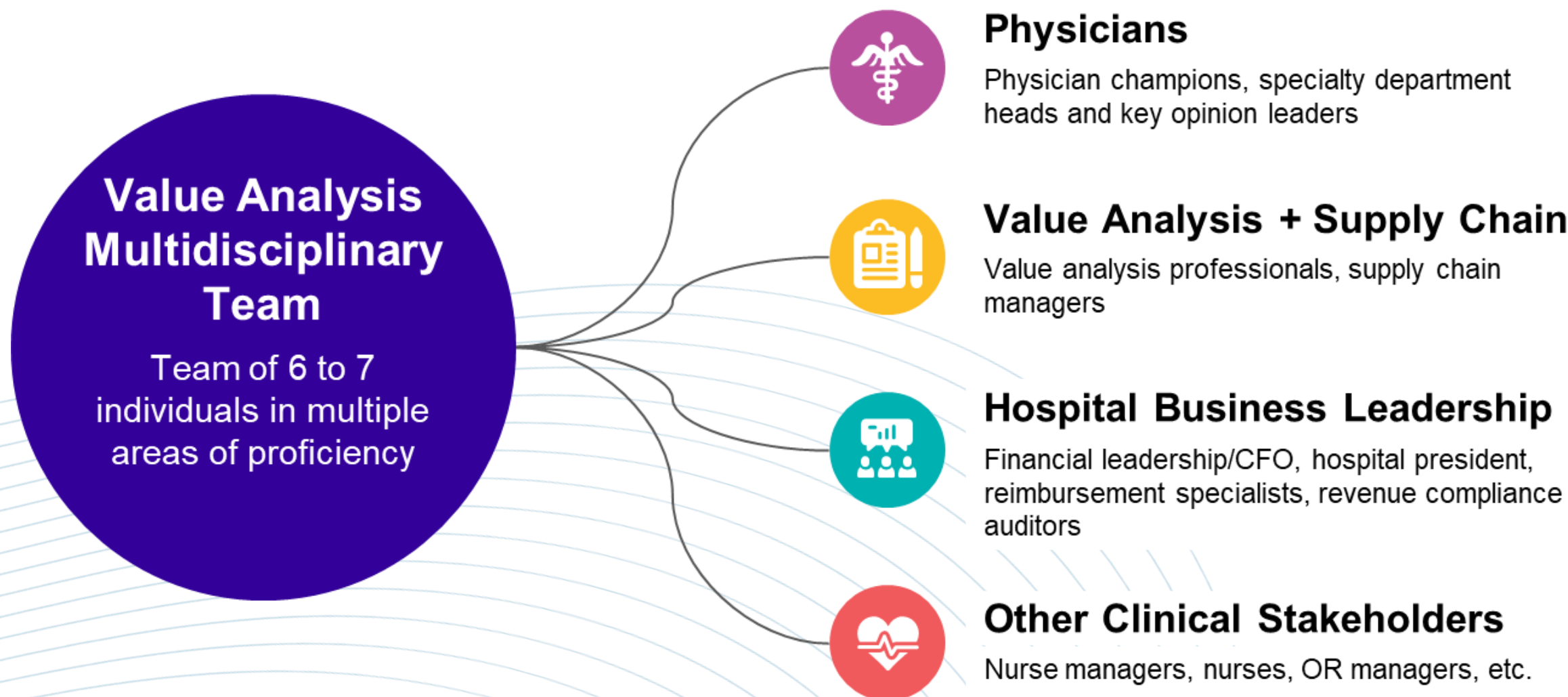
Confirm how your innovation will pass Value Analysis Committee review

- VAC is the gatekeeping process for product sales at most every US facility
- Include regional specifics – North East (financial), California (healthy), Washington DC (reimbursement)



Core Structure US Value Analysis Committees at Thousands of IDNs and GPOs

- Comprehensive MedTech evaluation: device, digital, diagnostic, biologic, AI program, software
- VAC Multidisciplinary analysis by a diverse and experienced group of healthcare and business professionals
- VACs use evidence-based documentation to assess the value compared to existing clinical solutions or practices



Highlight a “VAC-Ready” Value Dossier (Non-negotiable) in your Pitch Deck

Your Value Dossier guides your path to secure investments and any serious hospital conversation to generate sales revenue

Budget Impact Model (hospital specific)

- ▶ Must Answer:
How does this innovation increase or decrease cost per case?
- ▶ What happens to:
 - o OR time?
 - o Length of stay?
 - o Readmission rates?
 - o Patient access?
- ▶ Ideally desire to show:
Neutral-to-positive margin within 6–12 months



DRG & Reimbursement Mapping

- ▶ Align your product information to confirm
 - o Relevant DRGs for inpatients
 - o Outpatient APC codes for outpatients
- ▶ Show how hospitals, physicians and patients are **advantaged** using your product



Understanding the US VAC (Value Analysis Committee) process is often the single biggest gap for UK companies

Clinical Evidence (Reframed)

Build a US Specific Commercial Stack

Need to enhance and restructure your UK materials

➤ Core VAC assets

- VAC presentation deck (financial + operational)
- Budget impact calculator (Excel-based, customizable)
- Work flow impact results
- DRG coding guide
- Pilot protocol template
- Economic white paper (U.S.-focused)

➤ Every IDN/GPO has their independent VAC

- Securing VAC authorization must have the full attention of the executive team
- Resubmission from failed attempts often allowed; however secondary review significantly delayed
- Delays most often 5 - 9 months after the initial 4 months due to requests for expanded data

Metric	Manufacturer A (Single-Use System)	Manufacturer B (Reusable Ligator)	Manufacturer C (Endoscopic System)
Product Name	Suction Banding System	Barron Reusable Ligator	Endoscopic Banding Kit
Care Setting	Office / ASC	Office	Hospital / Endoscopy
Acquisition Cost (\$)	180	80 (amortized)	250
Cost per Use (\$)	220	350	900
Baseline Cost (\$)	350	350	350
Cost Savings (\$) =Baseline-Cost/Use	130	0	-550
Procedure Time (min)	2	8	25
Staff Time Cost (\$/case)	40	120	250
Sedation Cost (\$)	0	0	150
Efficiency Gain (\$)	150	0	-200
Clinical Success Rate (%)	99%	90%	92%
Complication Rate (%)	1%	5-10%	8-12%
Recurrence Rate (%)	5-13%	10-20%	10-15%
ROI (%) =(savings + Efficiency/Acquisition)	156%	0%	-300%
Standardization Score (1-5)	5	2	3
Operational Simplicity (1-5)	5	3	2
Adoption Barrier Score (1-5, lower better)	2	1	4
Staff Satisfaction (1-5)	5	3	2
VAC Score (Weighted)	4.6	2.8	2.1
VAC Decision	Approve	Maintain	Reject

Getting Through Value Analysis is Not the Finish Line -- It Is the Starting Line

Developing a Value Analysis Strategy is Critical to Successful Commercialization

- Value Analysis process at each individual care facility required prior to acceptance
- Each setting requires independent permission – Each process takes 3 – 9+ months
- Most committees meet monthly, and getting on the agenda requires advance preparation and timing
- Rigorous evidence required, including real-world data from comparable institutions, health economic models with hospital-specific inputs, and longer-term outcome tracking
- Negotiating and contracting occur after VAC approves a product for sale/use



Identify: The Physician Champion Criteria

A great clinician does not always make a great advisor






- Clinical Expertise: Current, proven, well-respected, easily discernible, and field-specific
- Industry Leader: Holds positions of authority, publications, and presentations in reputable journals/meetings, highly respected background, visibility, and influence among other clinicians, use of social media
- Commitment to Innovation: Established interest and involvement in innovation, a history of involvement bringing new innovations to market
- Business Acumen: Communication and financial negotiation skills, visionary mindset, understanding of market and purchasing drivers

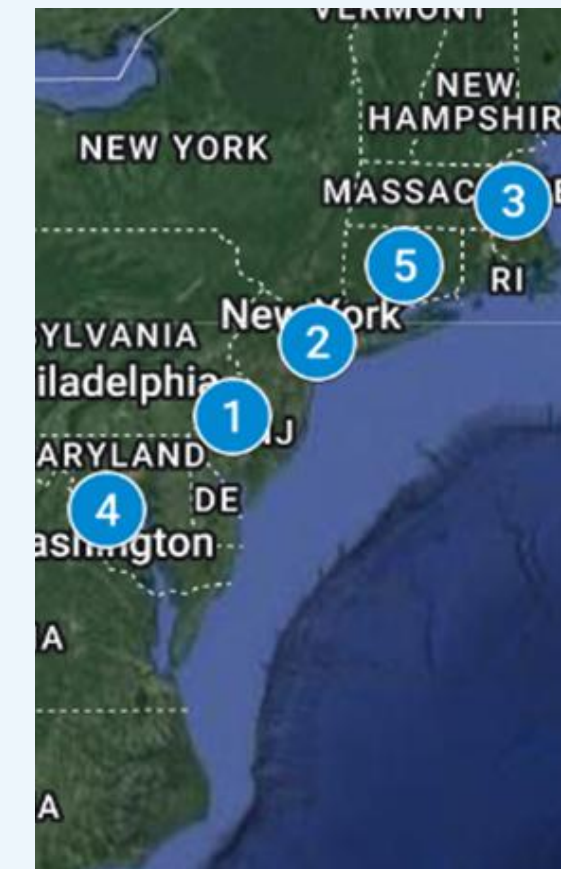
An ABHI in-person site visit to an institution can be a highly valuable opportunity to confirm that a medical facility would be a good location to identify a Physician Champion



Comparative Matrix of Potential Physician Champions

- 7 delimiters used: In addition to usual high-profile clinical criteria, added strong pharma connections, top tier social media involvement, minimum of 5 podium presentations in last 3 years, East Coast and desired able to speak French!
- 12 potential physician champions identified, interviewed against vetted discussion guide
- Comparative scoring included
 - Belief in value of AI program/monitoring to help patients better manage their disease
 - Pharma involvement
 - Social media presence

	AI Program Dermatology		KOL respect and recognition, publications, presentations	Belief in value of AI program/monitoring to help patients better manage their disease	Ability to convey advantages of XXXXXX investors	Pharma involvement	Perceived ability to develop a desirable working relationship	Availability	Social Media Presence		Comments
Score Weight	75 = Total		10	15	12	12	10	9	7	Total	75
1	XXXXXXXXXX MD University of Pennsylvania Philadelphia		10	14	12	10	9	9	6	70	Psoriasis focus, Well spoken, and highly respected. Committed to the Advisory role for XXXXX. Requires increased understanding of Advisor role. Believes in the concept.
2	XXXXXXXXXX MD Mount Sinai New York, New York		10	9	10	7	8	6	6	56	Psoriasis: Very respected senior clinician. Lecture and web based program circuit. Admirable understanding of range of pharma offerings. Good connections
3	XXXXXXXXXX MD Brigham and Women's Boston, Massachusetts		10	14	10	10	8	5	7	64	Psoriasis, Highly published, Lead in Dec 2022 Bimekizumab Lancet article, well respected. Availability questionable
4	XXXXXXXXXXXX MD, PhD George Washington Univ Washington DC		10	14	12	11	9	6	7	69	Atopic Derm: Developed and chairs annual Revolutionizing Atopic Derm conference for 500 attendees/26 countries, very well spoken with highly personable demeanor
5	XXXXXXXXXXXX, MD, PhD Central Connecticut Dermatology Cromwell, Connecticut		10	8	10	11	9	6	6	60	Psoriasis: Consistently on lecture and web based panels, director XXXXXX registry, Frequent FDA panel presenter, Well connected to industry



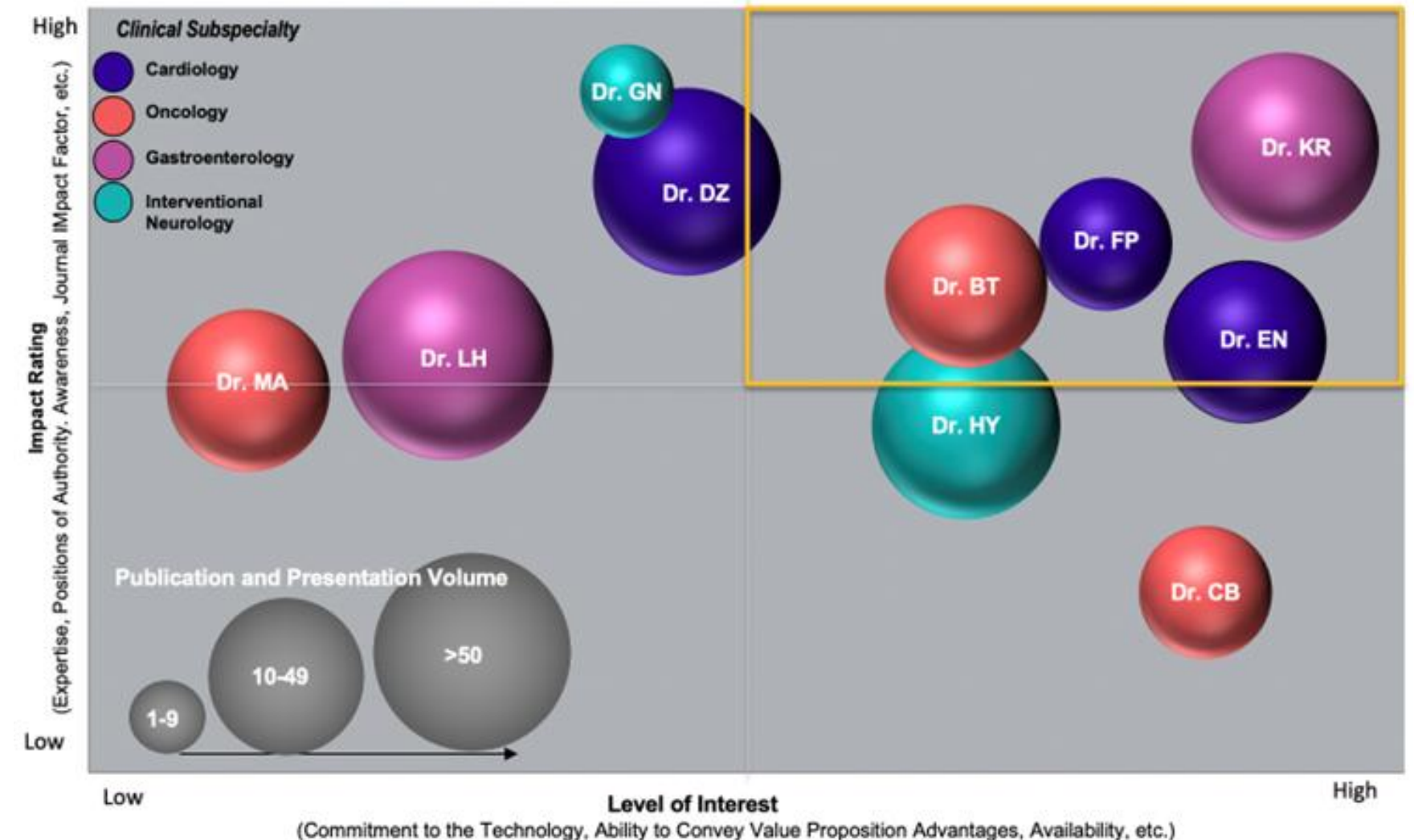
Use of Defined Criteria to Confirm Your Physician Champion

Ensures VAC Proof Source, Investor Influence, Advisory Board

- Considered Physician Champions can be evaluated based on objective and subjective criteria to determine best fit
 - Publications, conference presentations
 - Respected institutions and positions
 - Referrals, professional societies
- Influential experts in their field who can shape the opinions and behaviors of other healthcare professionals and decision makers
- Selection based on expanded insights captured in the validation stages, and different requirements and roles needing to be filled
- Determine the type of agreement: VAC, advisory partnership, short-term, long-term



KOL Selection Tool: Impact vs Interest
 Circle Size Represents Publication and Presentation Volume



Top Challenges Engaging Physician Champions

Constraints to capture your desired physician champions

- **Accessibility**
 - Gatekeepers prevent connection
 - Significant time constraints of leading clinicians
 - Some medical institutions prohibit involvement
 - Physician overused/overbooked
 - Capture of direct Physician e-mail is highly challenging
- **Operational**
 - Requested honoraria above available budgets
 - Clinician perceptions around industry involvement
 - Clinician involvement with competitive technology
 - New paradigm technology unfamiliar to the potential KOL
 - Adverse to payment amounts available publicly on Open Payments
 - Insufficient current patient volume for proposed activity



Sequence Your Market Entry (Critical)

U.S. growth is cluster-based, not national at launch

Recommended Sequence

Secure physician champions



Identify and outreach to 10 - 12 physicians through research, who you anticipate will be aligned with your innovation based on their publications, presentations, and commitment to innovation.

Once you have contracted with at least 2, target those institutions for prospective launch. Prioritize top tier facilities with visibility and clinical respect and the patient population to support data collection



Target 3-5 hospitals (not 50)

Run pilot studies



Set up initial pilot studies targeting patients or systems where you anticipate significant benefits will be realized

Collect US-based evidence of improved cost-effective outcomes and prepare data for presentations, social media, and visualization



Generate U.S.-based evidence

Results used to expand within same IDNs



Target facilities within the system of your pilot studies to rapidly increase the awareness of outcomes.

Summary of Pitch Deck Insight

- Understand the US requirement for a Value Analysis Process at each institution as a hurdle to sales revenue
 - Economic lens difference between US IDN budget impact and hospital contracts versus costs/QALY and NICE review
 - Identification and contracting with at least 2 Physician Champions who can lead your VAC and funding efforts
 - Facility acceptance and Pitch Deck Investment depend on understanding local operational costs and financial impact
 - Success depends on ensuring VAC Acceptance to enable revenue
-

Nancy Patterson

Strategy Inc. www.strategyinc.net



Venture analyst, immunologist and President and CEO of Strategy Inc. www.strategyinc.net a life science market and financial due diligence company, founded in 2000.

Over the years, she has leveraged her experience in market and business strategy for emerging life sciences technology to drive the probability of successful commercialization for entrepreneurs seeking to value their technology for funding or acquisition, allocate development resources, and confirm strategic alliances.

Nancy also has direct Senior Operational experience in Business Development, selling 3 companies for up to \$508M. Strategy Inc has a global focus, with 46% of its business over the past 10 years being international, providing life science consulting services to companies outside the US seeking to bring technology to market in the US.

Nancy is the Senior Editor and contributing author for the Elsevier 5-volume Clinical and Medical Innovation Series in Anesthesia, Nephrology, Emergency Medicine and Interventional Radiology.

For 10 years Nancy was a lecturer at UCLA Medical School Business of Science on Commercialization of Life Science Technology to instruct faculty, MD and MD/PhD students how to select the best indications for use for successful commercialization of their innovation based on ROI analysis.

Nancy was also the VP for the Alfred E. Mann Foundation for Biomedical Engineering, where she managed a \$2B investment, allocating \$100M gifts to biomedical departments of leading global universities to expedite technology development.

Nancy has an MBA from the University of Southern California Marshall School of Business.



Thank You For Your Attention

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