

## Bulletin 1: Update from Neocate®

The unexpected Abbott Nutrition recall in February has led to a huge surge in demand for alternative amino acid-based formula, including our Neocate® products. To give you an idea of the degree of the surge, our demand has increased approximately three-fold. This has led to product shortages throughout the industry.

Amino acid-based formulas are for medical use and require specialized ingredients and extensive quality and food safety procedures to make; because of this, it takes time to safely ramp up production. While we have now been able to greatly increase Neocate production, unfortunately, product availability continues to be limited as we work to re-supply throughout the United States, with demand outpacing supply.

We know this is an incredibly distressing time for many families as you work to locate the formula your children need either through your suppliers or through our website. We want to be transparent about our actions to help support you. Therefore, going forward, we will be providing a Bi-weekly (every other week) Bulletin update on supply and answers to other questions you may have.

### Supply update:

- We have significantly increased the production of key products: Neocate® Infant DHA/ARA formula and Neocate® Junior Unflavored.
- We are expediting delivery via air shipments from our manufacturing sites whenever possible to get our products into the market as quickly as possible
- We are also meeting regularly with the U.S. Food & Drug Administration (FDA) and other stakeholders to make sure they are aware of the product demand and the challenges as we look for ways to safely get more product to the market quicker to address the patient needs.
- We are actively looking at additional ways to further increase supply.
- Despite these efforts, unfortunately, the demand for amino acid-based products is still outpacing supply given the extent of the Abbott Formula recall, so you may find Neocate availability to be limited.

### Neocate distribution:

- We know that many Neocate families use insurance to access Neocate and we allocate over 80% of our formula supply to medical distributors (including DMEs, home healthcare companies and pharmacies) who work with insurance carriers.



- We also allocate a portion of our product for families to order directly from Neocate.com, Walgreen's, or through an Amazon certified reseller, to meet the needs of those who do not receive insurance coverage and depend on direct purchase.

#### **Tips:**

- Connect with the medical distributors who work with your insurance carrier.
- Call your local Walgreens to inquire about stock.
- Sign up for stock alerts on Neocate.com to be alerted when the product is in stock for direct purchasing. For more information, see our Questions & Answers section below.

#### **Alternatives:**

- If you are still unable to locate your formula, please reach out to your healthcare provider for help identifying a safe alternative for your child.

For the latest updates on Neocate availability, please visit our Neocate Availability Hub on our website at <https://www.neocate.com/blog/neocate-availability-information-hub/>.

## **Frequently Asked Questions**

### **What caused the shortage of Neocate?**

The unexpected Abbott Nutrition recall in February has led to a huge surge in demand for alternative amino acid-based formula, including our Neocate® products. This has led to product shortages throughout the industry.

You can read more about the Abbott Nutrition Recall here: <https://www.fda.gov/safety/recalls-market-withdrawals-safety-alerts/abbott-voluntarily-expands-recall-powder-formulas-manufactured-one-plant>

### **Why is it taking so long to produce more Neocate?**

Amino acid-based products, like Neocate, are for medical use and require specialized ingredients and extensive quality and food safety procedures to make; because of this, it takes time to safely ramp up production. We have increased production and we are doing everything we can to ensure Neocate is available and in stock through all the ways we distribute our products. For additional information on our efforts, please visit <https://www.neocate.com/blog/information-from-nutricia-regarding-current-availability-of-neocate-products/>.



### **I get Neocate through WIC usually – How can I locate a supplier who can take WIC?**

We recommend reaching out to your local WIC department to find a list of WIC-approved vendors. Certain Walgreen's locations may have stock of Neocate Infant DHA/ARA available. Please call your local Walgreen's to inquire whether stock is available before driving there.

### **My DME/Pharmacy/Home Healthcare Company says they do not have Neocate. Did you stop shipping Neocate to suppliers?**

We continue to prioritize our partnerships with medical distributors (including DMEs and home healthcare companies) who work with insurance carriers to supply families with our product. In fact, over 80% of our formula supply is allocated to these distributors. Unfortunately, because distributors manage stock individually, we may not always have visibility into their stock on hand, and availability may continue to be limited, with demand outpacing supply.

### **What alternative formulas can my baby have if I cannot find Neocate?**

It is best to reach out to your healthcare provider to find a safe, nutritional alternative for your child's unique needs. He/she may be able to recommend another hypoallergenic formula or put you in touch with a dietitian to come up with a modular formulation that is safe for your child.

### **When will Neocate be back in stock at my DME, home healthcare company or pharmacy?**

Since the start of the Abbott Nutrition recall, we have ensured continued supply of Neocate formulas to the market. However, demand is higher than supply. Unfortunately, we are unable to give you a definite answer about when your supplier will have stock because it will vary by supplier and depends on whether your supplier gets it directly from us or through a wholesaler.

### **How can I sign up for stock alerts when Neocate is available on Neocate.com?**

We will have a limited supply of certain Neocate products available on Neocate.com in the coming months. Customers can sign up for email notifications to be notified when a specific product becomes available for purchase on Neocate.com. If there are multiple product variations that work for you (for example, if your healthcare provider says that both Neocate® Infant DHA/ARA or Neocate® Syneo® Infant will work for your child depending on which one is available), then we recommend signing up for notifications on both products. Similarly, for Neocate® Junior and Neocate® Splash, you can sign up for notifications on all flavors that you are interested in, as they may become available at different times. The email sign-up option





can be found on the individual product pages, beneath where the cost is listed (see image example to the right). View individual product pages below to sign up for email notifications:

- **Neocate® Infant® DHA/ARA:**  
<https://www.neocate.com/shop/hypoallergenic-formula-and-products/infant-dha-ara>
- **Neocate® Syneo® Infant:**  
<https://www.neocate.com/shop/hypoallergenic-formula-and-products/syneo-infant>
- **Neocate® Junior:**  
<https://www.neocate.com/shop/hypoallergenic-formula-and-products/junior>
- **Neocate® Splash:**  
<https://www.neocate.com/shop/hypoallergenic-formula-and-products/splash>

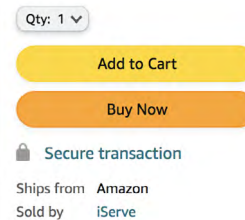
<b>AUTO REORDER DISCOUNT:</b>	<b>5%</b> <small>(You will save \$9.36 with auto reorder)</small>
<b>SHIPPING:</b>	Free Shipping
<b>TAX:</b>	\$0.00
<b>TOTAL:</b>	<b>\$187.25</b>

Sorry, this item is out of stock, but should be back in stock shortly. If you would like us to notify you, please provide your email below:

### Can I buy Neocate on Amazon?

In the coming months, there will be a limited supply of certain Neocate products (including Neocate Infant DHA/ARA, Neocate Syneo Infant, Neocate Junior, and Neocate Nutra) available on Amazon, sold by our authorized reseller, iServe. Stock availability on Amazon will fluctuate in the coming months as we receive new stock regularly, but it may sell out before the next batch of stock is received. Therefore, if you don't see stock available for the product you need through iServe on Amazon, we recommend checking back soon. Note that there may be other sellers on Amazon, but iServe is our only authorized reseller. Their listings will say "Sold by: iServe" (see screenshot to the right).



### I've heard that there has been price gouging on Neocate. Is that true? Has Nutricia increased the price of Neocate during the formula shortage?

No. The price of Neocate has remained unchanged since the recall began through all of our direct channels, including on our website and through our certified Amazon reseller (iServe).

We have heard reports of unverified sellers increasing the prices of our products on third party websites during this period, and strongly condemn this practice.

