

June 23rd Bulletin Update from Neocate[®]

NEW

Much has been going on behind the scenes since our last update and we are happy to share that we are on track to have the additional 500,000 cans of Neocate[®] Infant DHA/ARA and Neocate[®] Junior Unflavored available for US families in July. The first shipment has already left Europe en route to the US. We expect 32,500 cans of Neocate Junior Unflavored to arrive in our US warehouse at the end of this week and begin shipping to customers next week. The remaining shipments of Neocate Infant DHA/ARA and Neocate Junior will be in transit to the US as soon as next week. **In the coming weeks, we will have an ample supply of Neocate Infant DHA/ARA and Neocate Junior Unflavored to meet demand.**

We have prioritized additional production of Neocate Infant DHA/ARA and Neocate Junior Unflavored, as the vast majority of our patients use or can use these products. We are continuing to produce Neocate[®] Syneo Infant and other flavors of Neocate Junior and Neocate Splash, however stock will remain tight through the summer months due to the ongoing increased demand for amino acid-based formulas. If your usual formula is not available, please talk to your healthcare professional about whether your child can temporarily use Neocate Infant DHA/ARA or Neocate Junior Unflavored as a replacement.

In addition to our efforts to help food allergy families, you may have seen in the news this week that our parent company, Danone, announced plans in conjunction with the FDA, to bring **Aptamil non-medical baby formula** into the US as part of ongoing efforts to mitigate the nationwide formula shortage. This product will be distributed by Danone North America and Happy Family Organic. Aptamil is not hypoallergenic and is **not intended for children with cow milk protein allergy**. Read more at <https://www.fda.gov/news-events/press-announcements/fda-infant-formula-update-june-17-2022>.

We continue to receive reports of price gouging on Neocate from unverified 3rd party sellers and want to be clear that we strongly condemn this practice. Our price of Neocate has remained unchanged since the Abbott Nutrition recall began, through all of our direct channels, including on our website and through our certified Amazon reseller (iServe).

We are continuing to work with the FDA and White House to find ways to help families of children with food allergies to get the formula they need. We will continue to keep you up to date on the status of Neocate availability with our Bi-weekly Bulletin Updates. In the meantime, please continue visiting our Neocate Availability Information Hub for the latest news and answers to frequently-asked-questions: <https://www.neocate.com/blog/neocate-availability-information-hub/>.

Summary of previous supply updates:

- Since the Abbott Nutrition recall was announced in February, we have significantly increased the production of key products: Neocate[®] Infant DHA/ ARA formula and Neocate[®] Junior Unflavored. In fact, over the last few months we have more than doubled the amount of Neocate we've imported into the US.



- We have been expediting delivery from our manufacturing sites whenever possible to get our products into the market as quickly as possible.
- As you may have read in the news, in partnership with the FDA (U.S. Food and Drug Administration), we are proud to be able to bring an additional 500,000 cans of Neocate Infant DHA/ARA and Neocate Junior Unflavored to our U.S. families from our FDA-registered manufacturing facilities in Europe. This amounts to more than 5 million full-size, 8-ounce bottles. This formula is on track to be available for US families in July. We know that supply remains tight for Neocate products despite our having doubled our imports of Neocate over the last few months. Please note **that these additional 500,000 cans will be on top of the more than doubled imports of Neocate to the US over the last few months.** For more information, please read the FDA press release: <https://www.fda.gov/news-events/press-announcements/fda-flexibilities-collaboration-yield-millions-bottles-specialized-medical-infant-formula-coming>. This is a rapidly-moving situation, and our teams are working around the clock on the necessary approvals and logistics.
- To further increase supply to the US market, we have secured for our primary manufacturing site to start operating 7 days per week and 24 hours per day.
- We continue 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 continue to look for ways to safely get more product to the market quicker to address the patient needs.
- Despite all these efforts, unfortunately, the demand for amino acid-based products is currently still outpacing supply, so you may still 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.
- For orders on Neocate.com, we are prioritizing existing Auto-Reorders. We have temporarily halted creation of new Auto-Reorders until supplies normalize.

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.



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.
- If your child's usual Neocate is out of stock but another version or flavor of Neocate is available, ask your child's healthcare provider about whether a different version or flavor of Neocate might be a suitable temporary solution for your child. For more information, see the Frequently Asked Questions below.
- If your child's healthcare provider says another version or flavor of Neocate would be suitable for your child, ask your supplier to check for stock of all versions or flavors of Neocate that your healthcare provider has approved (instead of just the version or flavor that you normally order).

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 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.

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.

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:

AUTO REORDER DISCOUNT: 5% (You will save \$9.36 with auto reorder)

SHIPPING: Free Shipping

TAX: \$0.00

TOTAL: \$187.25

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:

SUBMIT

- **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>

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).

Qty: 1

Add to Cart

Buy Now

Secure transaction

Ships from Amazon

Sold by iServe





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.

If my usual Neocate product is out of stock, can I substitute with another version or flavor of Neocate?

As stock fluctuates in the coming months, certain Neocate products may be available while others are still out of stock. Talk to your healthcare provider to determine whether it's okay to temporarily switch to another version or flavor of Neocate until your preferred version or flavor becomes available.

For infants (0-12 months old):

We have two infant formulas (for ages 0-12 months): Neocate® Infant with DHA/ARA and Neocate® Syneo® Infant. If you normally use one but only the other one is available, check with your doctor to determine if it would be a suitable substitute for your child.

Both Neocate Syneo Infant and Neocate Infant DHA/ARA are hypoallergenic, amino acid-based formulas for the dietary management of cow milk allergy, multiple food allergies and related gastrointestinal and allergic conditions.

Unlike our Neocate Infant DHA/ARA, Neocate Syneo Infant also contains added prebiotics and probiotics. Neocate Syneo Infant is not intended for use in infants with a central venous catheter or post-pyloric feeding tube unless directed or supervised by a healthcare professional.

For children over the age of 1:

If your child uses Neocate® Junior or Neocate® Splash, talk to your healthcare provider about whether the other product or another flavor of the same product would be suitable for your child.

Neocate Junior is available in Unflavored (with or without Prebiotics), Chocolate, Tropical, Strawberry and Vanilla. Neocate Splash is available in Unflavored, Vanilla, Orange-Pineapple, Grape, and Tropical Fruit.

Neocate Splash (ready-to-feed liquid) and Neocate Junior (powdered) are nutritionally interchangeable, hypoallergenic, amino acid-based formulas for the dietary management of individuals aged one year and above with of cow milk allergy, multiple food allergies and related gastrointestinal and allergic conditions, including food protein-induced enterocolitis syndrome, eosinophilic esophagitis, gastroesophageal reflux, short bowel syndrome and malabsorption.





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. Since the Abbott Nutrition recall began in February, we have continued to produce and ship Neocate to our distributors, however, availability may continue to be limited, with demand outpacing supply. Because distributors manage stock individually, we may not always have visibility into their stock on hand or how available stock is allocated to customers. Oftentimes, smaller DMEs, pharmacies and home healthcare companies purchase Neocate products through a larger distributor, not from Nutricia North America directly, so it may take longer for inventory to make it to customers who receive Neocate through them.

My child uses Neocate® Splash - Will you be producing more of this product?

We are continuing to produce and ship Neocate Splash. At the beginning of the year, we introduced a new and additional flavor (Neocate Splash Vanilla). However, demand continues to outpace supply. Please talk with your healthcare provider to determine if Neocate Junior is a suitable temporary substitute for your child's Neocate Splash.

When will the 500,000 cans of Neocate Infant and Neocate Junior coming to the US in partnership with the FDA be available?

We are hopeful we can get more product to families in the first half of July.

How will you allocate the 500,000 cans of Neocate Infant and Neocate Junior coming to the US in partnership with the FDA?

When this product arrives, we will continue to allocate over 80% of our formula supply to medical distributors (including DMEs and home healthcare companies) who work with insurance carriers to supply families with our product. Our remaining supply is allocated to our own e-commerce site and our Amazon certified reseller to support those who purchase products directly.

Why will it take until the end of June for the 500,000 cans to arrive in the U.S.?

This agreement is an important first step towards getting even more Neocate to the US market, but it will still take time to produce and transport. Global delays in shipping (across all industries) are an ongoing challenge and we are working with our global partners and with US authorities to identify ways to expedite shipping.

Will the 500,000 cans of Neocate formula be available to WIC buyers?

Yes, Neocate is already covered by National WIC and the 500,000 additional cans of Neocate formula we are making available to the U.S. will continue to be available for WIC patients.

