



August 6, 2025

Upcoming System and Order Management Change for Real Food Blends and Functional Formularies product offering

To Our Valued Customers,

We're writing to inform you of important upcoming changes to how you order Real Food Blends and Functional Formularies products.

Following the July 1 acquisition of Kate Farms, we're moving forward with the next phase of integrating our medical nutrition brands under a combined Danone North America Medical Nutrition unit. This includes bringing together Kate Farms, Nutricia, Functional Formularies, and Real Food Blends under one coordinated business unit serving customers across the U.S. and Canada.

As part of this integration, we are updating how Real Food Blends and Functional Formularies products are distributed and ordered. Today, each of these brands is distributed through a different Order-to-Cash (O2C) system. In the coming months, we will begin transitioning Real Food Blends and Functional Formularies products to a single new system, ultimately creating a more unified and streamlined experience for our customers, with the addition of Kate Farms products to this system in 2027.

Transition Approach & What to Expect

We are taking a phased, organized approach to transition Real Food Blends, Functional Formularies, and eventually Kate Farms products to a unified Order-to-Cash (O2C) platform. To make this transition as smooth as possible, you can continue ordering through your current contacts and systems until your

scheduled transition date. We will provide clear instructions and support ahead of each change. This shift is intended to improve your ordering experience and reduce complexity.

Here's how we will implement the transition:

- **Phase I – Real Food Blends products:** Orders will move to the new system on or around October 1, 2025. After this date, Real Food Blends products will no longer be available for purchase through Nutricia North America, Inc.
- **Phase II – Functional Formularies products:** Orders will move to the new system on or around November 1, 2025, at which point the current Nutritional Medicinals, LLC ordering platform will be discontinued.
- **Phase III – Kate Farms products:** Kate Farms products will continue to be ordered as usual for now. They will move to the new platform in 2027, with no changes in the interim. This final phase will result in the organization of our combined Danone North America Medical Nutrition unit around two separate but synchronized ordering platforms in 2027: one platform serving Kate Farms, Functional Formularies and Real Food Blends products, and a second platform serving Nutricia products.

This staged rollout is designed to avoid any disruption in your day-to-day operations. Our team will work closely with you throughout the process to ensure a smooth transition and we will communicate any changes to this plan as early as possible.

Systems Alignment & Next Steps

As part of this transition, we expect to align key processes among the following areas:

- Vendor of Record change
- EDI Connection modification
- Ship-from Locations
- Order Lead Times
- Payment Terms
- Payment/Remittance Details
- Delivery method harmonization (Delivered vs. Customer Pickup)

If any of these updates impact your current terms or shipping processes, we will be in touch directly with your team to walk through the details. In the meantime, please continue placing orders as you do today:

- Nutricia North America, Inc. for Nutricia products and Real Food Blends products
- Nutritional Medicinals, LLC for Functional Formularies products
- Kate Farms, Inc. for Kate Farms products

We remain focused on business continuity, and most importantly, on ensuring that our patients, consumers and healthcare providers continue to receive the trusted products they count on. To learn more

about Nutricia North America¹, Kate Farms², Functional Formularies³ and Real Food Blends⁴, please visit their respective websites.

We will keep you updated on any developments as we continue integrating our Danone North America Medical Nutrition business unit. As always, please do not hesitate to reach out to your account point of contact with any questions.

Thank you for your continued partnership and trust.

A handwritten signature in black ink, appearing to read "Brett", with a long, sweeping horizontal line extending to the right.

Brett MATTHEWS
Chief Executive Officer & Chairman
Danone North America Medical Nutrition

¹ <https://www.nutricia-na.com/>

² <https://www.katefarms.com/>

³ <https://www.functionalformularies.com/>

⁴ <https://www.realfoodblends.com/>