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## ADULT MEDICAL NUTRITION

UNLOCKING POTENTIAL OPPORTUNITIES  
WITH DANONE'S DISTINCTIVE ASSETS

**Jean-Marc Magnaudet**  
President Specialized Nutrition

**Bruno Chevot**  
President Greater China,  
North Asia and Oceania



# ADULT MEDICAL NUTRITION

## 01 ADULT MEDICAL NUTRITION



### Category Dynamics

Danone Footprint & Performance

Danone Distinctive Assets

Accelerating Category Penetration

## 02 ADULT MEDICAL NUTRITION OPPORTUNITY IN CHINA

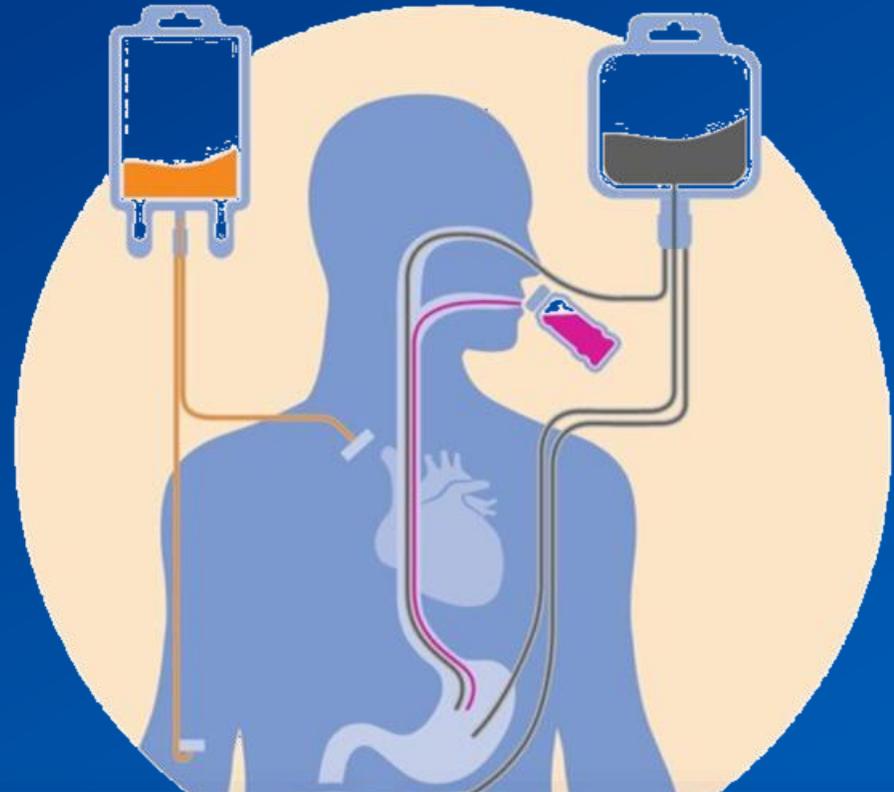


### Market Characteristics & Dynamics

Danone Strong Position & Assets

Danone Strategic Choices

# MEDICAL NUTRITION HELPS PATIENTS OF ALL AGES ADDRESS NUTRITIONAL INSUFFICIENCIES, UNDER MEDICAL SUPERVISION WITH A NUTRITIONAL THERAPY



## UNIQUE AND SPECIFIC NUTRITIONAL NEEDS

**Helps in the prevention of malnutrition**

**Contribute to the therapeutic regimen**

**Supports recovery & improves the quality of life for patients**

**Essential for managing chronic diseases**





# ≈ 1 BILLION PEOPLE ARE LIVING WITH CONDITIONS

## ELDERLY +70



447m

213m



## CANCER



53m

25m



## STROKE



101m

27m



## DIABETIC



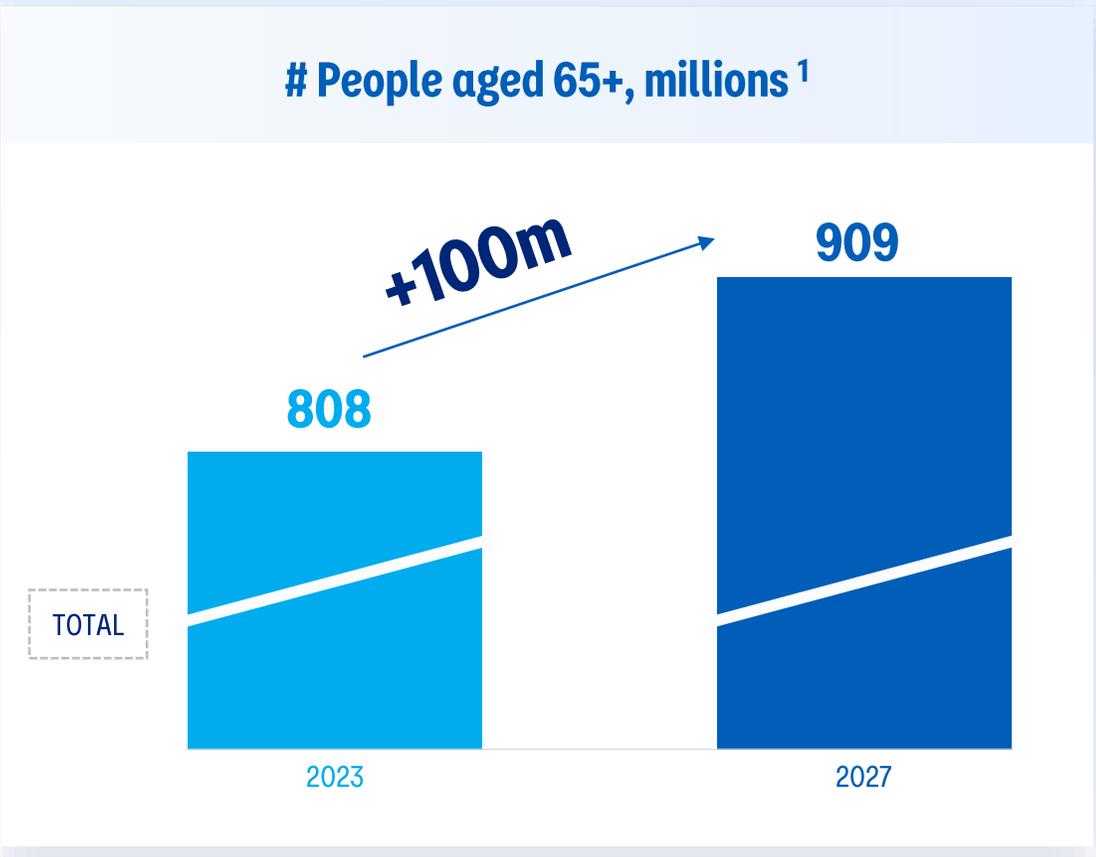
536m

74m



WE CURRENTLY PLAY HERE

# GROWING ADULT POPULATION, INCREASE OF CHRONIC DISEASES AND LOW MEDICAL NUTRITION PENETRATION



## PENETRATION<sup>5</sup>

<b>29.9m</b> new <b>CANCER</b> cases/year by 2040 <sup>2</sup>		<b>CANCER</b> ~18%
<b>21.3%</b> of population at risk of <b>FRAILTY</b> by 2050 <sup>3</sup>		<b>FRAIL / ELDERLY</b> ~20%
<b>12.2m</b> new <b>STROKE</b> cases in 2022 <sup>4</sup>		<b>STROKE / NEURO</b> ~20%

1. Euromonitor; 2. WHO-International Agency for Research on Cancer; 3. Kojima, G., Iliffe, S. (2021). Epidemiology of Frailty. In: Gu, D., Dupre, M.E. (eds); 4. World Stroke Organization-Global Stroke Fact Sheet (2022); 5. Frail & Stroke: Bain, penetration at home in EU5: FR, UK, DE, IT, SP | Cancer: Quant online study via Conjoint.ly, Feb 2024. UK=5.5k; DE=5.5k. | General Adults pop 18+.



# LEADERSHIP POSITIONS IN KEY GEOGRAPHIES



## Top 5 Countries



**#1**  
Europe

**#1**  
CNAO

**NS**  
Double Digit  
CAGR

# PIONEERING A DISTINCTIVE PORTFOLIO OF SOLUTIONS



## Adult Medical Nutrition

### Oral Nutrition ~50%



### Tube Feeding ~50%



# DANONE IS WELL POSITIONED TO TAKE ADVANTAGE OF THE HUGE ADULT MEDICAL NUTRITION POTENTIAL

It all starts with our Mission and our People

**A** **Unique and Differentiating Science**

**B** **Robust Healthcare & Medical Expertise and Access**

**C** **Differentiated Needs-based Portfolio & Pioneer innovations**

**D** **Diversified & Balanced Channel Footprint**

**E** **Continue to invest in Operations, R&I and Building Future Fit Capabilities**





# A OUR SCIENCE AND ENGINES DEVELOPMENT ARE ANCHORED IN OUR BENEFIT PLATFORMS, WHILE MOVING TO SUSTAINABLE SOLUTIONS

## BENEFITS DRIVEN



Everyday  
Nutrition &  
Hydration



Immunity  
& Allergy



Gut  
Health



Physical  
Performance &  
Recovery



Metabolic  
Health



Mental  
Well-being &  
Brain Health



## HYBRID SOLUTION



**MOVE TO**  
Dairy + Plant



# **B** WE HAVE UNIQUE CAPABILITIES TO EDUCATE AND DEMONSTRATE THE POSITIVE HEALTH IMPACT OF OUR SOLUTIONS TO PATIENTS, CARE GIVERS, HCPS & PAYERS

## Building Science



Needs  
Solutions  
Relevance

## Generating Evidence



**92** Studies on Adult Medical Nutrition  
**30** on Cancer

Clinical trials  
Health economics  
Digital health

## Providing Education



HCP Recommendation  
Multi-channel engagement  
Webinars, Congresses (ESPEN)

## Expanding Access



### Oral Nutrition\*

In hospital	In community
<b>12%</b> Reduced cost of hospital care	<b>16.5%</b> Reduction in hospitalizations

Health economics  
Guidelines leadership

\*Source : MNI Booklet 2018 ' ELIA M ET AL. CLIN; NUTR 2016; 35'



# C PATIENT-CENTRIC NEED BASED PORTFOLIO & INNOVATIONS TO DRIVE PREFERENCE AND MAXIMISE SUPERIORITY

PRE-TREATMENT PREHABILITATION	POOR NUTRITIONAL STATUS	TASTE ALTERATIONS	INFLAMMATION	GASTROINTESTINAL ISSUES	SWALLOWING ISSUES	NEED FOR TUBE FEEDING	POST-TREATMENT RECOVERY
<b>FORTIMEL MUSCLECARE</b>	<b>FORTIMEL COMPACT PROTEIN</b>	<b>FORTIMEL COMPACT PROTEIN SENSATIONS</b>	<b>FORTIMEL FORTICARE SENSATIONS OMEGA 3</b>	<b>FORTIMEL &amp; NUTRISON PEPTIDE RANGE</b>	<b>NUTILIS RANGE</b>	<b>NUTRISON PROTEIN RANGE</b>	<b>FORTIMEL MUSCLECARE</b>

**Unique Launches**  
2023 & 2024

### Fortimel Omega 3 Compact

HPHE Oral Nutrition with high protein, Vit. D and Omega-3

### Fortimel Plant Based

1st first nutritionally complete plant-based Oral Nutrition

-33% CO2

### Enhanced TUBE Portfolio

80:20 Hybrid Protein

-15% CO2

### Compact Protein Oncosensation

Special Flavours Tailored for CANCER patients

Fortimel PB Energy Mocha flavor has lower carbon footprint than Fortimel Energy standard  
Measured in accordance with the internationally recognized standard iso 14067, verified and certified by the carbon trust in 2023



# D OUR BALANCED CHANNEL FOOTPRINT ALLOWS US TO BE PRESENT WHERE PATIENTS ARE, ACROSS JOURNEYS

FY 2023 NS Split



#1

in Europe



#1

in UK, PL & NL



## HOME CARE

- Leadership positions within our footprint
- Sustainable double-digit Net Sales growth in 2022-2024
- High level of customer satisfaction
- 217,000 patients that Danone serves directly

\*Others : e-commerce-modern trade 9



# WE WILL ACCELERATE CATEGORY PENETRATION AND USAGE IN CANCER CARE

## Raise Awareness

First Danone **General public awareness campaign**  
Direct to **patients** and Direct to **HCP campaigns**



## Leverage HCP

Ensure **HCP Education** on role of nutrition  
Drive usage through **screening & guidelines**  
**Evidence generation & Health economics**



## Secure Adherence

Patient centric **need-based portfolio**  
Balanced **channel mix**  
Superior **User experience**



## POLAND IS A PROOF POINT OF CATEGORY GROWTH ACCELERATION

✓ 1st consumer awareness campaign in Europe

✓ Distinctive portfolio strategy with Compact and Hero products

✓ Solid HCP activation with Pharma & homecare focus reaching ~80% patient coverage

• ~ 20 % NS CAGR (Last 5 years)

• >80% Market share



02

# ADULT MEDICAL NUTRITION OPPORTUNITY IN CHINA

# LEVERAGING OUR GLOBAL & LOCAL ASSETS TO WIN SHARE AND EXPAND IN A GROWING MARKET

01

**LARGE, GROWING MARKET UNDERPINNED BY FAVOURABLE DRIVERS**

02

**WITH UNIQUE ASSETS, DANONE STARTS FROM A POSITION OF STRENGTH**

03

**CLEAR STRATEGIC CHOICES TO GAIN SHARE AND EXPAND IN NEW SPACES**



01

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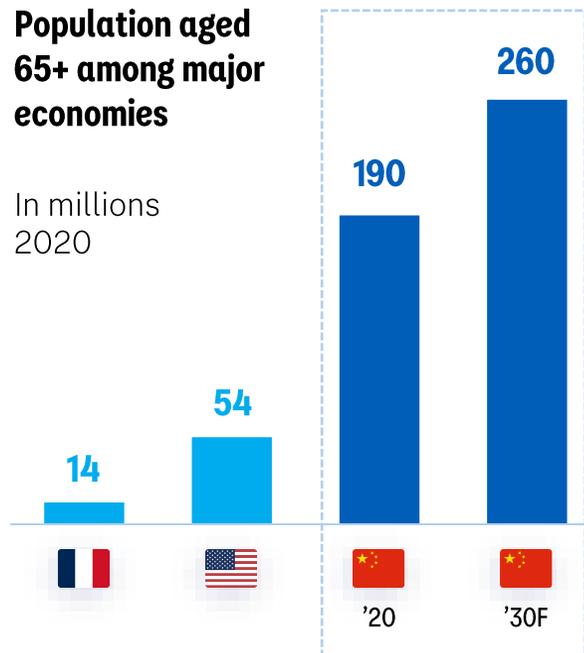


# AN AGEING SOCIETY WITH RISING HEALTH NEEDS AND HEALTH EXPENDITURE

## A GROWING AGED POPULATION

Population aged 65+ among major economies

In millions 2020



## RISING TREATMENT NEEDS



**+5m**

New cancer cases each year



**>2m**

Patients admitted to ICU each year



**+10%**

YoY growth of in-patient surgeries<sup>1</sup>

## HEADROOM FOR HEALTH SPENDING

China public and private health expenditure

**1/10**

of per capita spending vs US

**1/4**

of per capita spending vs Europe<sup>2</sup>

**2x**

Growth<sup>3</sup> in China spending by 2035

1. CAGR 2010 TO 2021 ; 2. INCLUDING 44 EUROPEAN COUNTRIES ACCORDING TO THE UNITED NATIONS; 3. FORECAST OF HEALTH EXPENDITURE FROM DIFFERENT INSTITUTIONS RANGE FROM 5% TO 7%  
SOURCE: NATIONAL BUREAU OF STATISTICS, WORLD BANK, OECD, NHS

# PUBLIC HEALTH IS A KEY PRIORITY FOR THE GOVERNMENT



## PREPARING FOR AN AGEING SOCIETY

### HEALTHY AGEING

“By 2025, **more than 60%** of general secondary hospitals and above will have **geriatric departments.**”

“Strengthen early screening for key chronic diseases in the elderly population.”

“By 2025, more than **500 new community hospitals** will be added across the country every year.”

### BALANCE RESOURCES ACROSS MEDICAL SYSTEM

## POSITIVE FOR ADULT MEDICAL NUTRITION

Adult nutrition products part of the **Essential Drug List (EDL)**

**Reimbursable** for chronic diseases from 2023 Jan

**Enteral Nutrition** became reimbursable in **out-patient** departments in 2024



# PRECISING ADULT NUTRITION CATEGORY LANDSCAPE



NOTE: 1. ADULT FOODS FOR SPECIAL MEDICAL PURPOSES.

# HIGH GROWTH POTENTIAL, ENTERAL NUTRITION BEING THE MAIN DRIVER

China Adult Medical Nutrition Market Growth  
by segment

**TODAY**

## PARENTERAL NUTRITION



Limited  
growth from  
PN

## ENTERAL NUTRITION



In-hospital  
remains a Drug  
Market

EN taking  
share from PN

## αFSMP



Self-Paid

Requires Long  
Term  
education of  
both HCP's and  
Patients

## PROTEIN & Sr. MILK POWDER



Opportunity to  
strengthen  
perceived  
benefits

Avoid commodity  
perception to  
**Value-Up**

Future Growth  
Momentum

**2X**

**ADDRESSABLE  
MARKET IN 2030**



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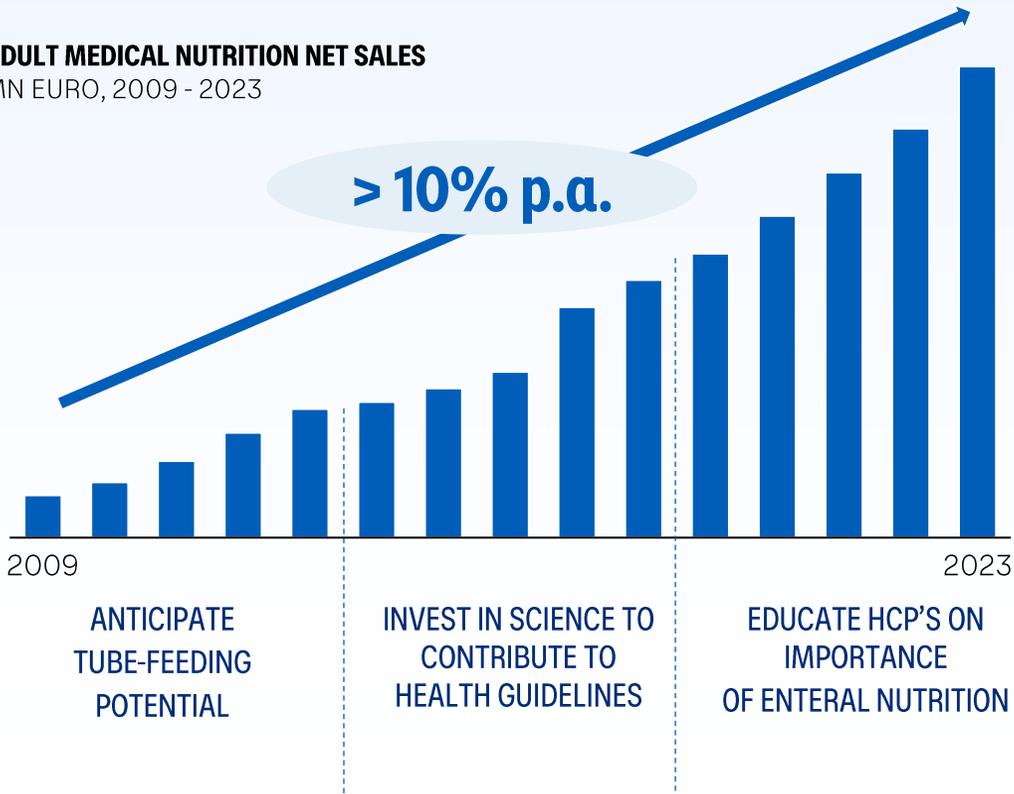
01

02

# WE HAVE A PROVEN TRACK RECORD AND ARE ACTIVELY CONTRIBUTING TO THE CHINA HEALTHCARE ECOSYSTEM

## OVER A DECADE OF DOUBLE-DIGIT TOPLINE GROWTH

ADULT MEDICAL NUTRITION NET SALES  
MN EURO, 2009 - 2023



## CONTRIBUTOR TO HEALTHCARE ECOSYSTEM



>1,000

**Published Medical Evidence** in past decade  
*(Top 1 in Enteral Nutrition)*

>5,000

**Hospital Coverage** in Enteral Nutrition  
*(Top 1 in Enteral Nutrition)*

>500k

**Healthcare Professionals** engaged directly



Proprietary End-to-end **Patient Journey Management**



Leading **Digital Health Platforms** Partnerships



# WE HAVE UNIQUE ASSETS TO WIN IN CHINA: DRUG LICENSED REGISTERED PORTFOLIO, STRONG SCIENCE & LOCAL CAPACITY

## DRUG



Complete range of China both in tube and Oral

TUBE FEEDING

ORAL

NUTRISON FIBRE



GENERAL PURPOSE

NUTRISON MCT



DIASON



DIABETES

PEPTISON



MALABSORPTION/ MALDIGESTION

PEPTISORB



DIASON



DIABETES

NUTRISON MCT



GENERAL PURPOSE

NUTRISON



## ADULT FOOD FOR SPECIAL MEDICAL PURPOSE (AFSMP)



Domestic China and Cross-border<sup>1</sup>

CHINA REGISTERED

CROSS-BORDER E-COMMERCE

FORTIMEL



GENERAL PURPOSE

FORTIMEL



FORTIMEL PRO



GENERAL PURPOSE (HIGH PROTEIN)

FORTIMEL REPAIR



RESTORE SKIN BARRIER

SOUVENAID



EARLY ALZHEIMER'S DISEASE

## LOCAL MANUFACTURING

Pharmaceutical factory established in Wuxi with scope to expand production



## GLOBAL SCIENCE & LOCAL EVIDENCE

e.g. Peptison™ shown to improve recovery rates in gastro-enterology and beyond



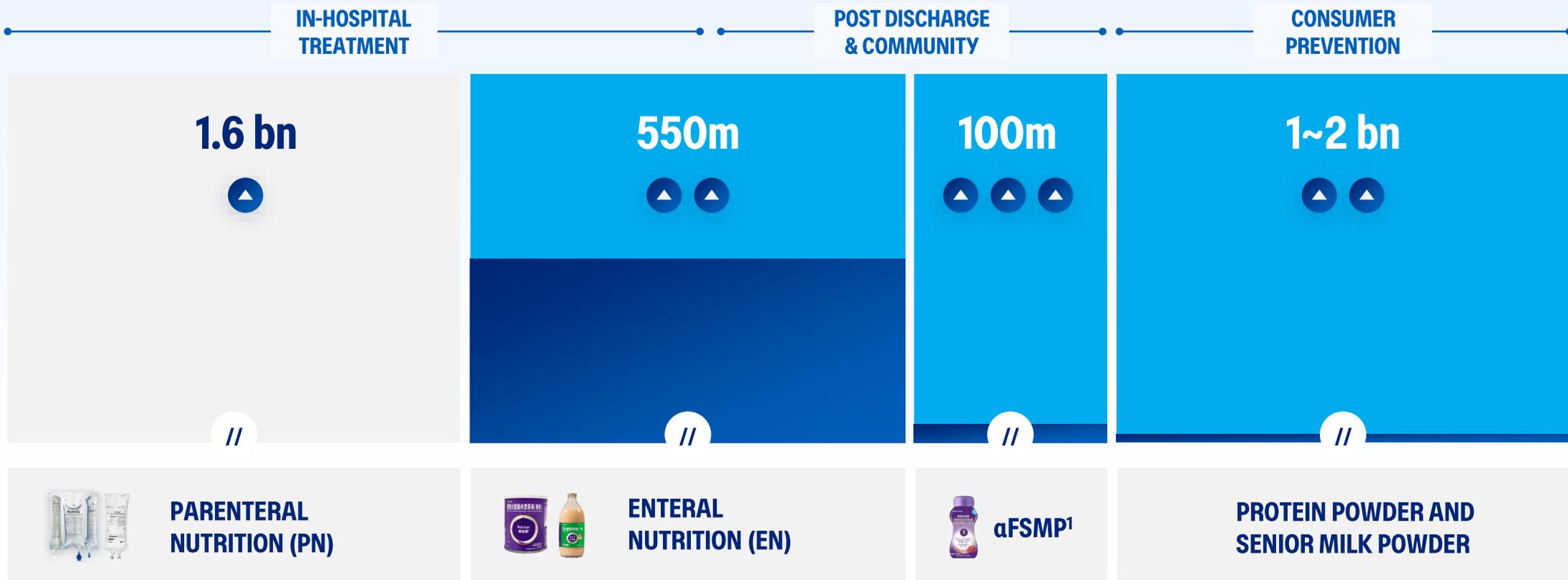
1. CBE: Cross Border Ecommerce

# ESTABLISHED STRONG LEADERSHIP IN ENTERAL NUTRITION

## CHINA ADULT MEDICAL NUTRITION LANDSCAPE

Market value, €, 2023

 FUTURE GROWTH MOMENTUM  DANONE PRESENCE



1. Adult Foods for Special Medical Purposes; Source: IQVIA, Nielsen, Euromonitor, Smartpath



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# 3 PILLARS TO GROW IN-HOSPITAL AND EXPAND TO ATTRACTIVE NEW SPACES

DANONE ADULT MEDICAL STRATEGIC PILLARS

 DANONE PRESENCE

**IN-HOSPITAL  
TREATMENT**

**POST DISCHARGE &  
COMMUNITY**

**CONSUMER  
PREVENTION**

**WIN WHERE  
WE ARE**  
Gain Share in  
growing in-hospital  
Medical Nutrition Market

1

**EXPAND WHERE  
WE SHOULD BE**  
Extend leadership from  
Hospital To  
Community

2

**SEED THE  
FUTURE**

Lead HCP and  
Consumers  
Education on importance  
of Specialized Adult Nutrition  
For Managing Conditions Of  
Ageing

3



**ENTERAL NUTRITION  
STRONGHOLD**

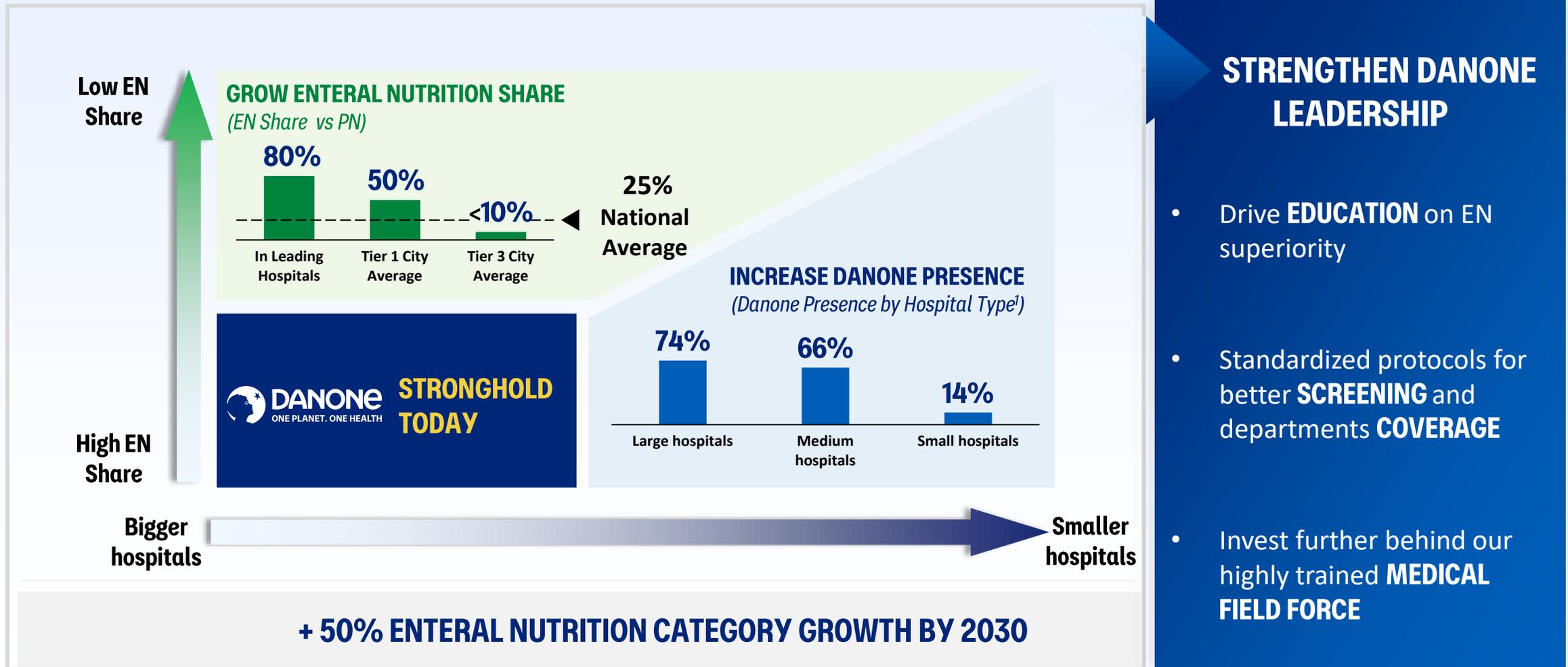


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# 1 DRIVING ENTERAL NUTRITION SHARE AND EXPANDING DANONE PRESENCE



Note: Large hospital includes all level-3 hospitals, medium hospital includes all level-2 hospitals; Source: IQVIA, Danone estimates



# 2 LEVERAGE IN HOSPITAL LEADERSHIP TO INCREASE OUT-OF HOSPITAL PENETRATION AND USAGE

## 2 UNDER-SERVED PATIENT GROUPS



**POST-DISCHARGE RECOVERY**

**<10%**

*continue using medical nutrition post discharge*



**MANAGING MEDICAL CONDITIONS IN LONG TERM**

**10+Mn**

*patients who could benefit EN rom long-term usage*

**Triggers & Barriers**

- **HCP Prescription** at discharge
- **Reimbursement** in out-patient pharmacy
- **Patient compliance**

- **HCP Recommendation**
- **Patient Awareness & compliance**
- **Product Superiority** (both science and flavor)
- **Multi-channel Accessibility**

OUT OF HOSPITAL MARKET TO GROW **3x by 2030c**

## LEVERAGING DANONE ASSETS

- Activate the **HCP / PATIENTS / BRAND TRIANGLE** to **EDUCATE**
- **SUPERIOR LOCALIZED TASTE** of new a-FMSP Range
- **RTM** to drive **OUT-OF-HOSPITAL ACCESSIBILITY** in OPD<sup>1</sup>, pharmacy near hospital & EC

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Note: 1. OPD: Out-patient department

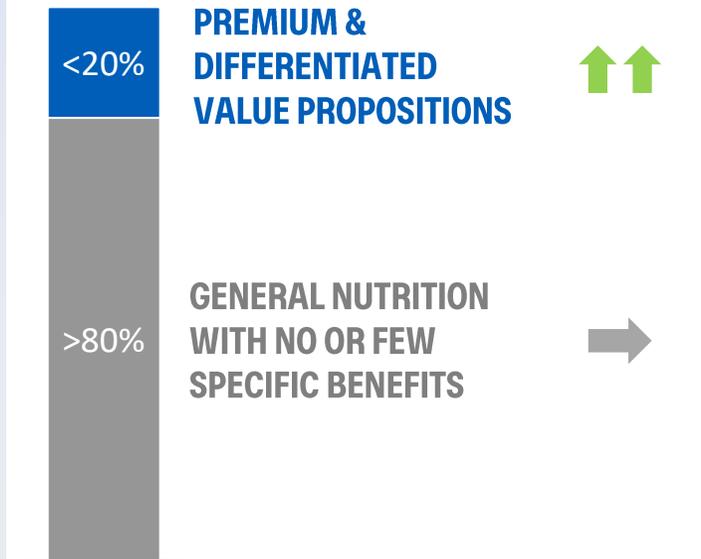


# 3 SEED ATTRACTIVE NEW CONSUMER SPACES USING WIDER DANONE ASSETS

## OPPORTUNITY PREMIUMIZE A LARGE MARKET

### Market potential

Senior milk powder and protein powder,



## GLOBAL SCIENCE AND ENGINE TO DESIGN SUPERIOR PROPOSITION

### BENEFIT PLATFORMS



Gut Health



Energy & Physical Performance



Recovery



Mental Well-Being Brain Health

### ENGINES



Multi Fibre



ActiSyn



Fortasyn



Compact protein

## PROVEN LOCAL CAPABILITIES TO ENGAGE CONSUMERS



GENERATING LOCAL SCIENTIFIC EVIDENCE & SUPERIOR LOCAL PRODUCT DEVELOPMENT



BUILDING STRONG BRANDS



ENGAGING PATIENTS & CONSUMERS WITH LEADING DIGITAL TECHNOLOGY



OMNI CHANNELS PRESENCE & ADVANCED RTM

# DANONE CHINA WELL POSITIONED TO SUCCEED IN AN ADDRESSABLE MARKET THAT WILL GROW 2 TIMES IN VALUE BY 2030

## SUMMARY OF KEY GROWTH LEVERS (EXAMPLE PRODUCTS FOR EACH SPACE, NOT EXHAUSTIVE)

01 Driving share gain in a growing in-hospital market

STRONGHOLD TODAY IN HOSPITAL



02 Extend leadership in Medical Nutrition from hospital to community



03 Lead consumer education on the importance of specialized adult nutrition



2x

Market value of addressable market in 2030 vs today



# LEADING ADULT MEDICAL NUTRITION A MASSIVE VALUE CREATION OPPORTUNITY FOR DANONE

**THERAPY AREAS**

<b>CANCER CARE</b> 	<b>FRAIL &amp; ELDERLY CARE</b> 	<b>STROKE &amp; NEUROLOGY</b> 
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**GEOGS**

 #1	 #1
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**NEXT**

<b>PIVOT</b>	<b>HCP TECH, DIGITAL &amp; DATA</b> <b>HYBRID PROTEIN MODEL</b>
<b>BROADEN</b>	<b>CATEGORY PENETRATION</b> <b>HOME CARE CHANNEL</b>
<b>EXPAND</b>	<b>CONDITIONS OF AGEING</b>  



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# CAPITAL MARKET EVENT

