



case study

utilizing the market
opportunity for branded
vitamin K2 in the CEE region

Can branded vitamin K2 succeed in CEE?

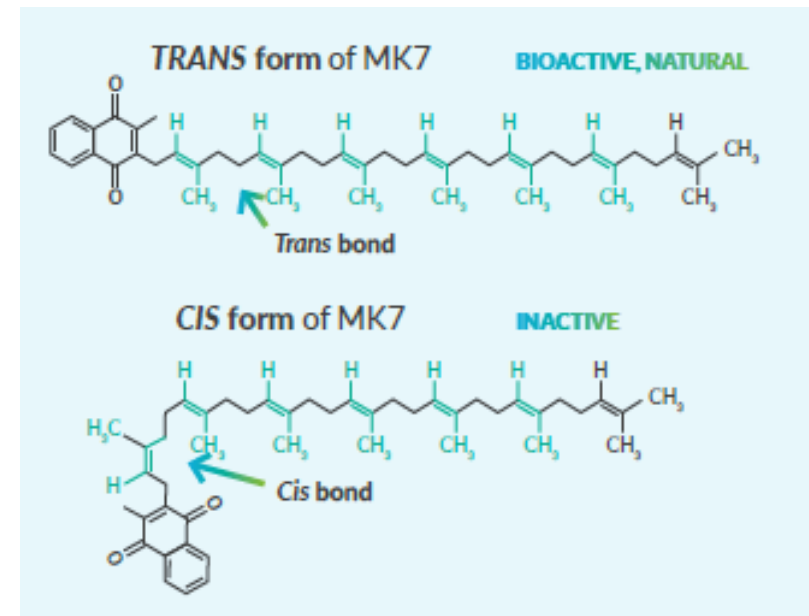
7 mio € surpassed in 5th year

In this case study, we analyzed the market situation that allowed our clients GAL Vital from Hungary to achieve such results with VitaMK7® from Gnosis by Lesaffre.



vitamin K2

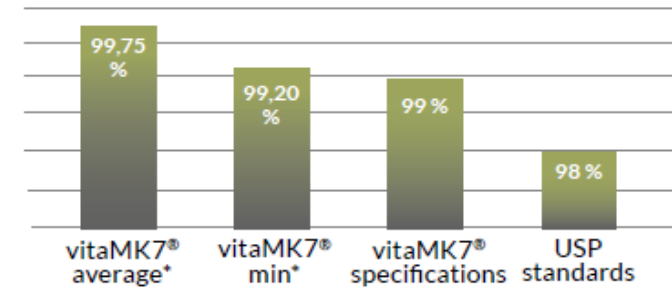
- vitamin K2 provides several health benefits, particularly for one's **bones and heart**
- **it can be obtained through means** of controlled natural biofermentation or by chemical synthesis
- **vitamin K2 as menaquinone-7 (MK-7)** can be obtained through natural fermentation
- vitamin K2 in the form of MK-7 **exists in two isomers**: the trans isomer, the only bioactive form of vitamin K2, and the inactive cis isomer
- the isomeric purity relates to the proportion of trans active isomers in the product versus cis isomers



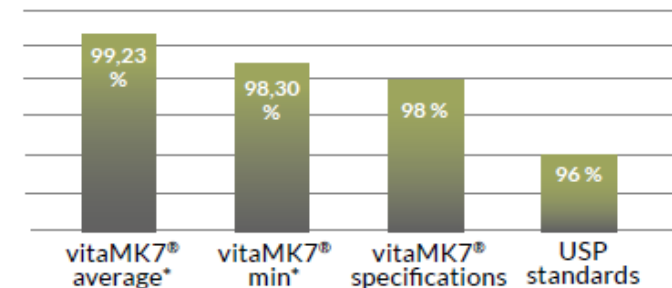
why VitaMK7®?

- vitaMK7® comes from a **unique natural source of K2**, the bacteria *Bacillus subtilis natto*
- it achieves a **high level of purity**: it contains >99% of all-trans isomers of Menaquinone-7 (MK-7), a biological active form of vitamin K2
- it is available in a **wide range of formats** and concentrations (powder, pure, and oil) and can as such be used in user-friendly delivery formats
- it offers **high stability** – 3 years at room temperature

Isomeric purity >99% all-trans MK-7



General purity >98% vitamin K2

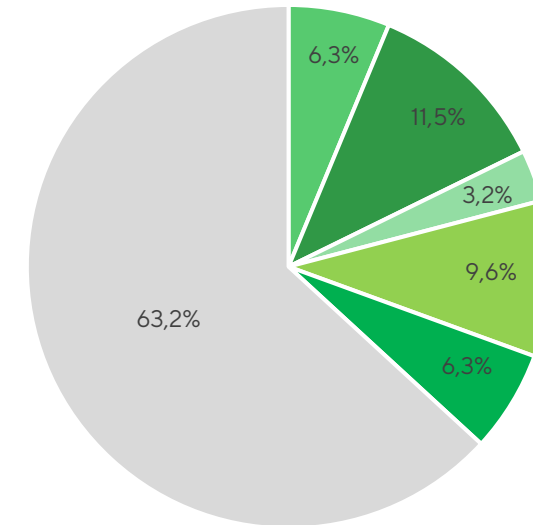


Source: Gnosis by Lesaffre

global market trends

- **vitamin K2** can be used in various segments, such as bone health, cardiovascular health, joint health, women's health, and immunity
- **cardiovascular, bone, joint, women's health, and immunity products** represented over 35% of the global dietary supplements market in 2022

Global dietary supplements value split (2022)



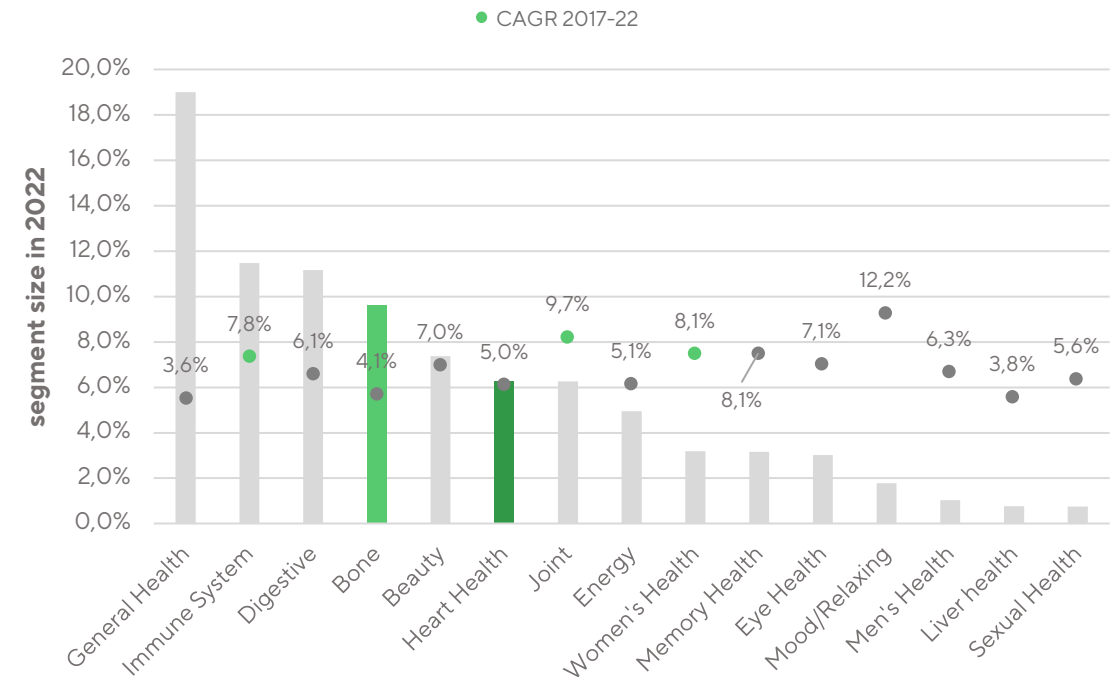
■ Joint ■ Immune System ■ Women's Health ■ Bone ■ Heart Health ■ Other

Source: Euromonitor International, January 2023

global market trends

- **bone and cardiovascular health**, where vitamin K2 has clinically proven effects, are among the largest dietary supplement segments globally
- **joint, women's health, and immunity products** were among the fastest-growing categories globally in the past 5 years

Global dietary supplements by positioning

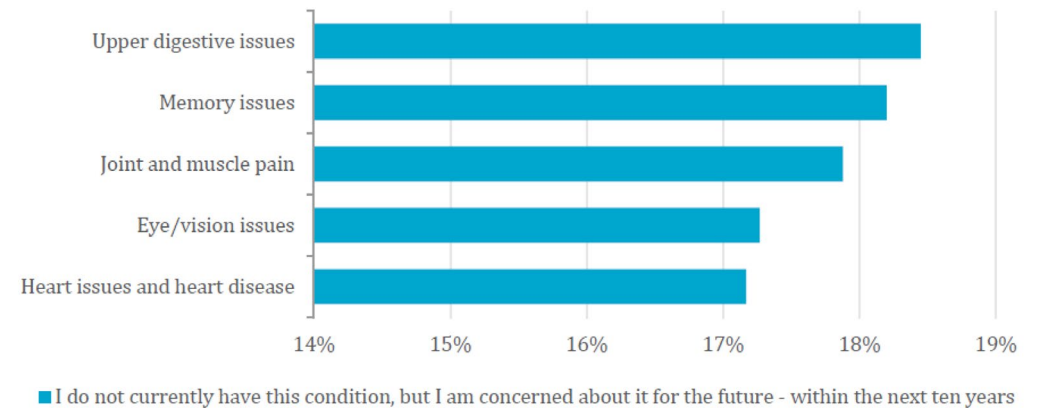


Source: Euromonitor International, January 2023

consumer concerns

- **cardiovascular health is at the top** of future consumer health concerns due to the impact of COVID-19 on the cardiovascular system
- **European consumers have placed joint and muscle pain** in the top 3 health concerns for the next 10 years, stating they don't currently suffer from this condition but are concerned about it in the future

Top Health Concerns for European Consumers for the Next 10 Years



Source: Euromonitor International's Health & Nation Survey, 2020, 2021

market opportunity

- Frost & Sullivan recently published a “Global Bone and Joint Health Ingredients Growth Opportunities” report, which highlights the **opportunity for clinically studied ingredients in the European market**
- the report states ingredients **like vitamin K will continue to increase in penetration**

FROST & SULLIVAN



With increasing number of active and young consumers seeking healthy lifestyle the demand for clinically evaluated bone & joint health ingredients is expected to witness increased penetration in the European market. Ingredients like collagen peptides, vitamin k and curcumin will continue to increase in penetration in line with rising consumer interest in general health and fitness.

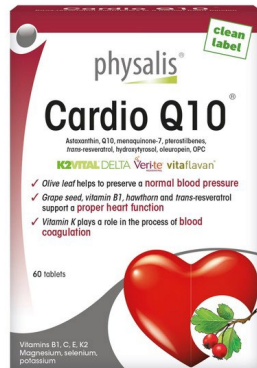


Akheela Dhiman
Industry Analyst - Chemicals, Material & Nutrition



global segment development

- **growth typically brings the development** of the premium segment, with products based on branded and clinically studied vitamin K2 ingredients



Physalis BEL
Based on a branded vitamin K2 ingredient
Launched in 2022



The Genius Brand USA
Based on VitaMK7®
Launched in 2022



Biogen ZAE
Based on a branded vitamin K2 ingredient
Launched in 2022

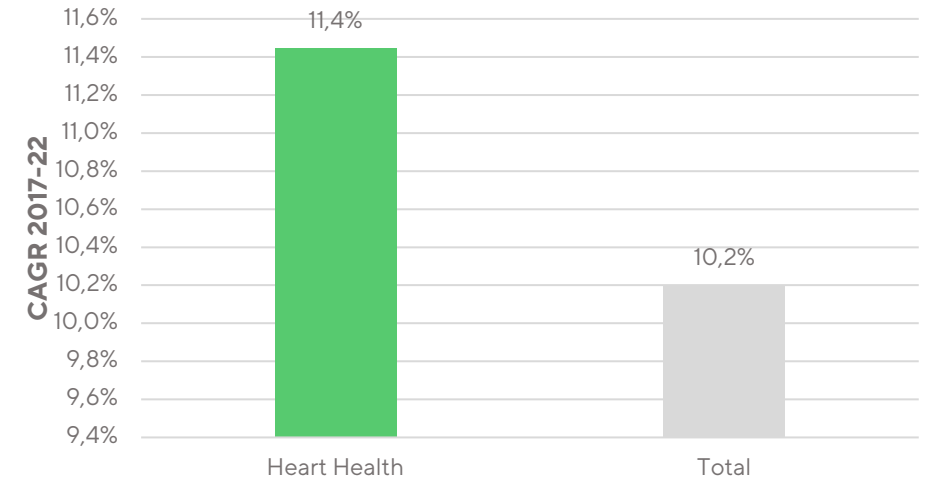


Jolly mama! FRA
Based on multiple prenatal branded nutrients, including VitaMK7®
Launched in 2022

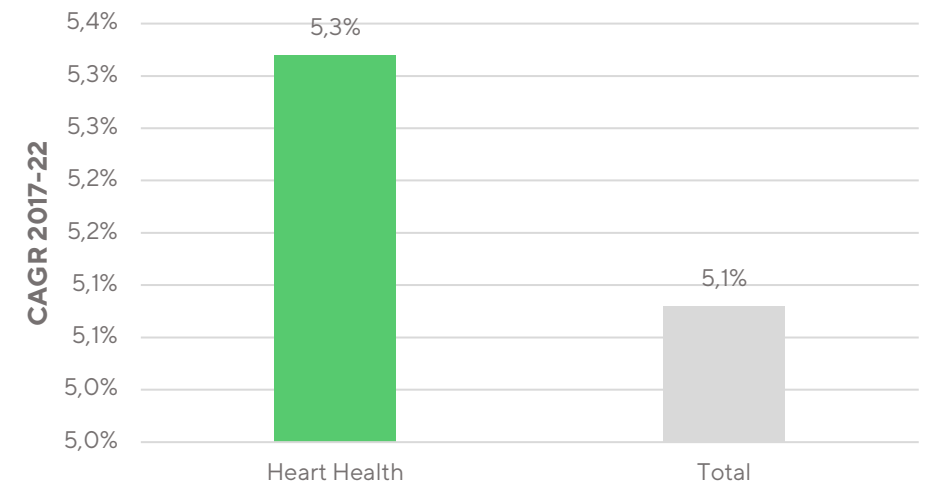
CEE market trends

- **cardiovascular health segment** has been growing faster than the total dietary supplements market in the past 5 years in Central & Eastern European markets

Supplement growth rates - ROM



Supplement growth rates - POL



Source: Euromonitor International, January 2022

CEE segment development

- recently, advanced products based on branded vitamin K2 sources are increasingly appearing



Gal Vital HUN

Various products based on VitaMK7® addressing cardiovascular, bone, and women's health



Dietpharm CRO

Based on VitaMK7®
Launched in 2022

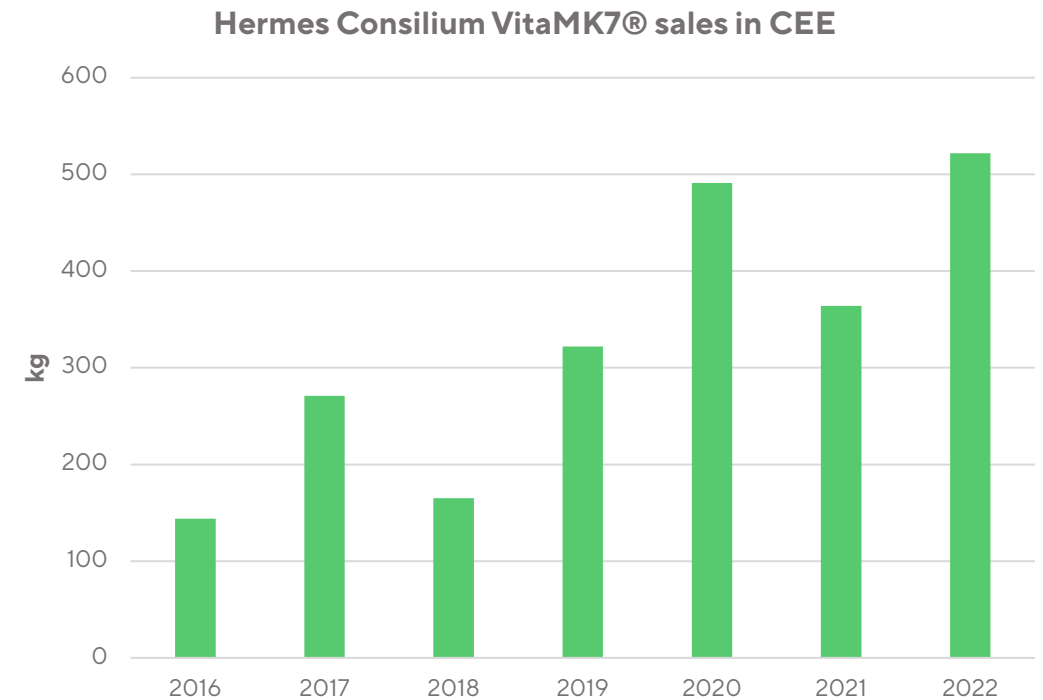


Minnabelle GER

Based on a branded vitamin K2 ingredient
Launched in 2023

CEE segment development

- sales of VitaMK7® in Central & Eastern Europe have been growing in recent years with a slight decline in 2021 but a peak in 2022
- in 2022 sales of VitaMK7® in CEE exceeded 500 kg
- a growth in sales indicates a good consumer response and commercial success of added-value product launches



GAL Vital – background

- **market:** Hungary
- **market status:** most products are based on commodity K2 sources
- **our client launched various supplement products** based on VitaMK7®
- **products:**
 - GAL K-complex
 - GAL K-komplex Forte
 - GAL K2D3
 - GAL K2D3 Forte
 - GAL Multivitamin
 - GAL Multivitamin Plus
 - GAL Prenatal
 - GAL Prenatal Plus



GAL Vital – products

- **GAL K-komplex and GAL K-komplex Forte** in combination with vitamins K1 and K3 address osteoporosis, cancer prevention, prevent calcification, and ensure the development of regular, healthy teeth
- **price:** 6,40 EUR and 12,50 EUR
- **VitaMK7® dose:** 45 mcg and 100 mcg



GAL Vital – products

- **GAL K2D3 and GAL K2D3 Forte** in combination with vitamin D3 aid the general immune system strengthening, cardiovascular health, cognition, fertility, respiratory health, and to address diabetes, depression, and osteoporosis
- **price:** 9,00 EUR and 14,00 EUR
- **VitaMK7® dose:** 45 mcg and 100 mcg



GAL Vital – products

- **GAL Multivitamin and GAL Multivitamin Plus** in combination with other vitamins and minerals supplement the required daily intake
- **price:** 20,00 EUR
- **VitaMK7® dose:** 10 mcg



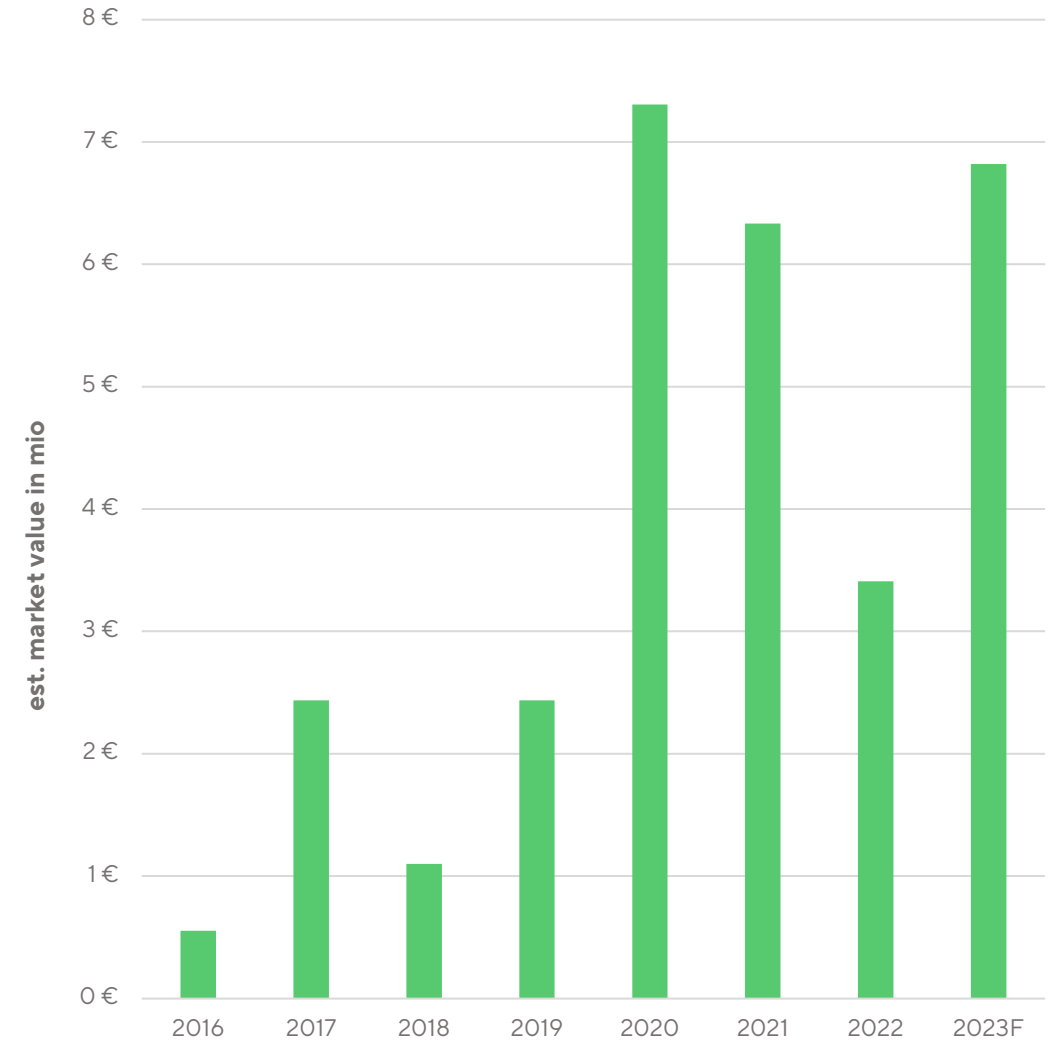
GAL Vital – products

- **GAL Prenatal and GAL Prenatal Plus** address women during pregnancy
- **price:** 21,00 EUR
- **VitaMK7® dose:** 10 mcg



GAL Vital - results

- they surpassed **7 mio €** in estimated market value just 5 years after the launch
- the product with the **most sales** is **GAL K2D3**



“Our market success was achieved by communicating that VitaMK7® has the highest trans/cis-menaquinone-7 content.”

Peter Samudra

Plant manager at GAL Vital



Why invest in clinically supported branded vitamin K2 ingredients for launches in Central & Eastern Europe?

Cardiovascular health is currently at the top of consumer health concerns.

Clinically studied ingredients with proven effects and improved stability maximize chances for success.

Vitamin K2 can be used to address several indications.

You can base various formulations on the same clinically substantiated source.

Promotion to doctors and pharmacists is an effective promotional channel in the region.

Ingredients with gold-standard clinical trials provide a crucial advantage.



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