

9th October 2023

PRESS RELEASE

Arla Foods Ingredients invests for growth in Latin America

Upgrade to Argentina site allows doubling of whey permeate powder capacity and production of infant formula-grade proteins

Arla Foods Ingredients has invested in a major upgrade to its facility in Argentina, allowing it to meet growing demand for high-quality whey ingredients, both in Latin America and globally.

The improvements to the company's Porteña site include a new drying tower, which will more than double capacity for production of whey permeate powder. It has also taken the measures necessary to produce infant-formula-grade proteins in Latin America.

New drying tower to double whey permeate powder capacity

Demand for whey permeate, a low-calorie source of sweetness and minerals, is growing globally, in particular in Asia and Latin America.

Healthy sales have helped Arla Foods Ingredients S.A. invest in infrastructure at the Porteña facility, including a new tower for the drying of whey permeate. This will allow all permeate solids produced at the site to be turned into dry ingredients for food and beverage markets. Capacity for the production of whey permeate powder is set to more than double.

Dairy technology provider RELCO, a Koch Separation Solutions Company, is due to begin building work on the tower once financial arrangements have been finalised. RELCO was selected for its global experience in permeate processing and drying, South American resources and commitment to the specific requirements of the project. The tower is scheduled to be completed and go live in 2026.

Henrik Andersen, CEO of Arla Foods Ingredients, said: "We've been active in Argentina since 2000 and we're pleased that Arla Foods Ingredients S.A. has achieved some very satisfactory results, allowing it to invest in further growth for the future. This major upgrade is an essential element of our strategy to meet the increasing demand for high-quality whey products – both in Latin America and globally."

Producing infant formula-grade proteins in Latin America

The manufacture of products for early life nutrition requires adherence to strict standards on nutritional quality and hygiene. Arla Foods Ingredients' Danmark Protein facility has been supplying proteins to the sector since the 2000s.

Following a rigorous process, the Porteña facility can now meet the same standards. Measures taken include new sanitary barriers to protect the zone where formula-grade products are manufactured, and strict procedures to improve environmental standards and raw material separation.

Meanwhile, agreements have been reached with local dairy suppliers, including training programmes to ensure that raw materials meet the necessary quality standards.

Henrik Andersen, CEO of Arla Foods Ingredients, said: “We’re very proud that we’re able to produce infant-grade products in Latin America. Getting to this point has taken a lot of time, hard work and – most importantly – co-operation, not just between our fantastic teams in Argentina and Denmark, but also with local dairies. They’ve all worked very effectively together to take our performance to the next level.”

The measures taken to meet the standards were completed in June. Arla Foods Ingredients predicts that infant-grade material will account for a sizeable proportion of the plant’s output within the first year and then to increase further.

Arla Foods Ingredients supports the WHO recommendation for exclusive breastfeeding for the first six months of an infant’s life and continued breastfeeding up to the age of two or beyond, in combination with nutritionally appropriate complete foods.

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About Arla Foods Ingredients

Arla Foods Ingredients is a global leader in improving premium nutrition. Together with our customers, research partners, suppliers, NGOs and others, we discover and deliver documented ingredients and products that can advance lifelong nutrition for the benefit of consumers around the world.

We serve leading global brands in early life nutrition, medical nutrition, sports nutrition, health foods, and other foods and beverages.

Five reasons to choose us:

- We're passionate about improving nutrition
- We innovate by connecting the best
- We master both discovery and delivery
- We build strong, long-lasting partnerships
- We are committed to sustainability

Headquartered in Denmark, Arla Foods Ingredients is a 100% owned subsidiary of Arla Foods.

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