



Executive Summary



Innovative Solutions | Global Partnerships

Vita Europe B.V.

Connecting Markets, Cultures & Excellence

The Story of the A2 Infant Formula Factory in the Netherlands

It all began with the search for a safer and more easily digestible source of nutrition for healthier generations. As global demand for A2 milk protein steadily increased, it was essential to seize this opportunity in the right place and at the right time. That place was the Netherlands.

For centuries, the Netherlands has been the heart of the dairy industry. With Europe's strongest agricultural infrastructure, internationally recognized quality standards, and unique logistical advantages through Rotterdam and Schiphol, the country offers not only an ideal production hub but also a global seal of trust. Thus, the factory's story opened a new chapter in the center of Europe with a global vision.

In 2023, Vita Europe B.V. was established in the Netherlands and strategically positioned itself at the heart of Europe. The aim was not merely to build a factory, but to pursue global leadership in A2 milk-based infant formula production. Combined with export channels to strategic markets such as the Middle East and China, the project quickly scaled from regional to global.

From a financial perspective, the factory's annual production capacity of 10,000 tons is projected to generate approximately €120 million in revenue. Free cash flow is expected to reach €50 million per year, with the investment recouped within one year and €250 million in net cash flow created over five years. These figures demonstrate that the project is not only sustainable but also exceptionally profitable.

Yet what makes this story powerful is not just the numbers. Collaborations with major companies ensure integration into the local ecosystem, while strategic partnerships with global firms carry the potential to transform the project into a worldwide brand.

This project is far more than the construction of a factory; it is a global commitment to healthier generations. The Netherlands' rich dairy heritage, Europe's seal of trust, and the country's gateways to world markets converge to launch a new era in A2 milk-based infant formula production.

For us, this investment is not defined solely by figures. Every drop of milk, every package of product carries trust, health, and hope for the children of the future. This factory rising in the heart of Europe is not an ordinary production facility; it is a manifesto defending the right of future generations to proper nutrition. Every ton produced here represents not only today's commercial success but also the assurance that tomorrow's world will see healthy children grow.

"From the Netherlands to the world, for the growth of healthy generations..."



Executive Summary – Vita Europe B.V. / Vita Dairy Project Dronten

Project Objective

This summary confirms the feasibility of establishing a **premium A2 infant formula facility** in the Dronten region of Flevoland. The factory will operate under the **“Made in Holland – EU”** label, guaranteeing trust, certification, and premium positioning in global markets.

Initial Capacity

- Annual **10,000 tons**, scalable up to **15,000 tons**.
- **Product portfolio**: A2 infant formula (0–6 months), enriched with DHA, ARA, prebiotics, and vitamins.
- **Certifications**: Halal, HACCP, ISO 22000, EU food safety compliance.

Financial Framework

- **Total investment (CAPEX)**: €28 million
- **Equity (land)**: €9.986 million (excluding VAT)
- **Bank financing (construction and machinery)**: €18 million
- **ROI (return on investment)**: 1 year
- **Break- even point**: within 12 months
- **Valuation potential**: > €250 million after expansion

Market Potential

- **Global infant formula market**: USD 28.2 billion in 2024 → USD 53.8 billion in 2032, CAGR 8.4%.
- **Europe**: USD 8.2 billion in 2024 → USD 15.4 billion in 2032, CAGR 8.1%.
- **Asia- Pacific**: USD 12.5 billion in 2024 → USD 25.9 billion in 2032, CAGR 9.2%.
- **Middle East**: Strong demand for premium Halal- certified imports.

Strategic Positioning

- **Oman wholesale contracts** → stable cash flow.
- **China premium contracts** → high- margin growth.
- **Hybrid model** → balanced profitability and risk mitigation.

Technology and Sustainability

- **Digital twins and AI- driven quality control** for predictive monitoring.
- **Membrane filtration** for protein/lactose separation.
- **CO₂- neutral energy**: via wind and solar parks, supported by the Dronten Energy Storage facility.
- **Water recycling**: 40–60% reuse of process water.
- **ISO 14001 and EU Green Deal compliance**.

Implementation Timeline

- **Q3 2026 – Q1 2028**: permits, construction, installation, certification.
- **Q4 2028**: start of commercial production.
- **Employment impact**: 150–200 direct jobs, plus indirect supply chain opportunities.



Conclusion

The Dronten facility is technically feasible, financially sound, and strategically aligned with global premium infant formula demand.

- **Financial strength:** ROI within 1 year, valuation after expansion > €250 million.
- **Market positioning:** “Made in Holland – EU” brand, Halal certification, premium A2 segment.
- **Sustainability:** CO₂-neutral energy, water recycling, circular economy practices.
- **Strategic advantage:** Hybrid export model combining stable wholesale contracts in Oman with high-margin premium contracts in China.

Vita Europe B.V. is preparing to become the European hub for premium A2 infant formula by combining the excellence of the Dutch dairy industry with international trade and sustainable industrial growth.

Financial Analysis – Investment Structure

Cash Flow Assumptions

- Initial Investment (CAPEX): €28.253 million
- Bank Loan: €18 million (interest €0.9 million/year)
- Revenue: €120 million/year (fixed sales price €12/kg, 10,000 tons/year)
- Operating Expenses: €40–70 million/year (depending on raw material scenario)
- EBITDA Range: €49.64 million – €79.64 million
- Depreciation: €1.5 million/year
- Corporate Tax: 25%

Sample Cash Flow – Mid Scenario (€25 million hybrid raw material cost)

Year	Revenue (€m)	OPEX (€m)	EBITDA (€m)	EBIT (€m)	Net Profit (€m)	Free Cash Flow (€m)
0	–	–	–	–	–	-26.253 (CAPEX)
1	120.0	50.36	69.64	68.14	50.43	~50
2	120.0	50.36	69.64	68.14	50.43	~50
3	120.0	50.36	69.64	68.14	50.43	~50
4	120.0	50.36	69.64	68.14	50.43	~50
5	120.0	50.36	69.64	68.14	50.43	~50

NPV Calculation (10 years, 8% discount rate)

- Annual free cash flow: ≈ €50m
- Present Value Factor (10 years @ 8%): ≈ 6.71
- PV of cash flows: €50m × 6.71 ≈ €335.5m
- NPV: €335.5m – €26.253m ≈ €309.2m

IRR Calculation

- Initial outflow: €26.253m
- Annual inflow: ~€50m
- IRR: ≈ 180% (very high, due to strong margins and relatively low CAPEX).
- Other Expenses: €1.1m (≈2.4%).

Sensitivity Analysis

- Low raw material cost (€15m): NPV ≈ €450m, IRR > 200%
- High raw material cost (€45m): NPV ≈ €220m, IRR ≈ 120%
- Even in worst- case scenarios, the project maintains high profitability.

International Feasibility Standards

- **NPV and IRR** → key metrics for banks and investors.
- **Payback period:** < 1 year (CAPEX recovered in first year of construction and operations).
- **ROI:** ~190% annually.
- **Company valuation:** €297m – €637m (depending on EBITDA multiple).

Conclusion

This hybrid A2 infant formula project demonstrates **exceptional financial feasibility** by international standards.

- **NPV:** Positive across all scenarios.
- **IRR:** Far above typical thresholds (8–12%).
- **Payback period:** Within 1 year (post construction and operations).
- **Valuation multiples:** Attractive for investors.

Financial Summary – Vita Europe Hybrid A2 Infant Formula Project

Project Overview

- Facility: 17,000 m² infant formula factory (Dronten, Netherlands)
- Capacity: 10,000 tons/year premium A2 infant formula
- Sales Price: USD 12/kg (≈ €11/kg, depending on FX)
- Target Markets: Oman (wholesale & stability) and China (premium & growth)
- Investment (CAPEX): €28.253m
- Bank Financing: €18m loan facility

Market Strategy

- **China:** Positioned as premium infant formula with A2 protein differentiation. Sales potential: 5,000–10,000 tons/year.
- Price point: USD 12/kg → USD 60–120m annual revenue.
- **Oman:** Wholesale supply contracts with government and distributors. Sales potential: 5,000–8,000 tons/year.
- Price point: USD 12/kg → USD 60–96m annual revenue.
- **Combined Export Revenue:** USD 120–216m annually.

Financial Highlights

- Revenue (base scenario): €120m/year
- Operating Expenses: €40–70m/year (depending on hybrid raw material sourcing)
- EBITDA: €49.6m – €79.6m
- Net Profit: €35.4m – €57.9m
- Company Valuation: €297m – €637m (6–8× EBITDA multiples)



Investment Evaluation

- NPV (10 years, 8% discount rate): €309m (mid scenario)
- IRR: 120–180% (depending on raw material cost scenario)
- Payback Period: < 1 year (CAPEX recovered in first year)
- ROI: ~190% annually

Strategic Advantages

- **Reduced Milk Dependency:** Hybrid formulation lowers A2 milk requirement from 200,000 L/day to 50,000 L/day (herd size ~7,150 cows → ~1,800 cows).
- **Supply Chain Resilience:** Diversification into whey isolate, hydrolyzed casein, and plant proteins.
- **Sustainability:** Smaller herd requirement reduces environmental impact.
- **Scalability:** Expansion modules allow capacity increase to 15,000 tons/year.

Risk and Sensitivity Analysis

- **Raw Material Cost Volatility:** EBITDA margin varies between 41–66% depending on supplier pricing.
- **Regulatory Approval:** Hybrid formulation must be approved for infant nutrition markets.
- **Currency Risk:** USD sales to Oman and China vs. EUR cost base require hedging strategies.
- **Market Access:** China's premium segment is highly competitive; Oman contracts depend on government procurement.

Investor Offer

- Project with high margins, rapid payback, and strong IRR.
- Company valuation potential: €300m–€637m (depending on cost structure).
- Export contracts to Oman and China provide diversified revenue streams.

Strategic positioning in the A2 infant formula market through hybrid formulation advantages.

Refined Investor Narrative – Vita Europe B.V. / Vita Dairy Project Dronten

Today, we finalized the essential building blocks for the investor package. At the core of this preparation are the **Letters of Intent (LOIs)** for Oman and China. The Oman LOI emphasizes its dual role: both as a commercial agreement ensuring wholesale stability and as supporting documentation for subsidy applications and bank financing. In parallel, an English LOI for China was prepared to facilitate direct engagement with international partners and highlight premium market access.

Based on validated assumptions from the feasibility study, a financial analysis was conducted. At a sales price of **€12/kg**, the model projects **annual revenues of €120 million** and approximately **€50 million net profit**, supported by free cash flows of the same magnitude. Oman contracts, priced at **€4,500–€6,000 per ton**, provide long-term stability, while China contracts at **€12/kg** deliver premium margins and significantly higher contract values. This has led to a **hybrid strategy**: Oman ensures liquidity and risk mitigation, while China drives profitability and valuation growth.

LC-backed values were calculated as follows:

- **Oman:** €112.5–€240 million over five years.
- **China:** €300–€600 million over five years.



Total: €112.5–€600 million consolidated LC potential, clearly presented in investor sheets and infographics.

Additionally, a **cash flow schema** was developed to demonstrate the relationship between **CAPEX (€26.253 million)**, **OPEX (€50.36 million annually in the mid- scenario)**, and LC- backed revenues. Scenario comparisons (Oman vs. China vs. Hybrid) show net profit outcomes ranging from **€8 million** in conservative wholesale scenarios to **€70 million** in premium scenarios, with hybrid allocations yielding **€17–35 million annually**.

This comprehensive package — combining LOIs, financial models, scenario analysis, and visual infographics — illustrates how **Vita Europe B.V. delivers both financial stability and high profit potential**. The project offers banks and institutions a **credible ROI within one year**, backed by strong market demand, certified sustainability, and strategic positioning in Europe, Asia, and the Middle East.



Vitamol Holding Benelux B.V. – Summary

Vitamol Holding Benelux B.V., established on **26 November 2018** and headquartered in **Dronen, the Netherlands**, is a financial holding company. The entity functions solely as a shareholder and investment vehicle within the **Vita Group**. Its balance sheet and profit & loss accounts are fully consolidated with **Vita Europe B.V.**, where operational activities take place.

Through this structure, Vitamol Holding Benelux B.V. provides investors with access to a robust consolidated balance sheet, consisting of **tangible assets** (land, factory, cash position) and **IFRS- compliant valuation parameters** (contracts, brand value, market growth). The company represents a stable equity base, with a conservative pre- money valuation of **€30–50 million**, and a potential exceeding **€250 million** once the factory becomes fully operational.

In short, Vitamol Holding Benelux B.V. serves as the **financial anchor** of the Vita structure — a transparent, profitable, and scalable platform that offers investors direct access to Vita Europe's cash flows and long- term value creation.

Equity & Security Structure – Investor Explanation

The consolidated structure is designed to provide the investor with **direct equity participation** and **dual security** on their contribution.

Equity Participation

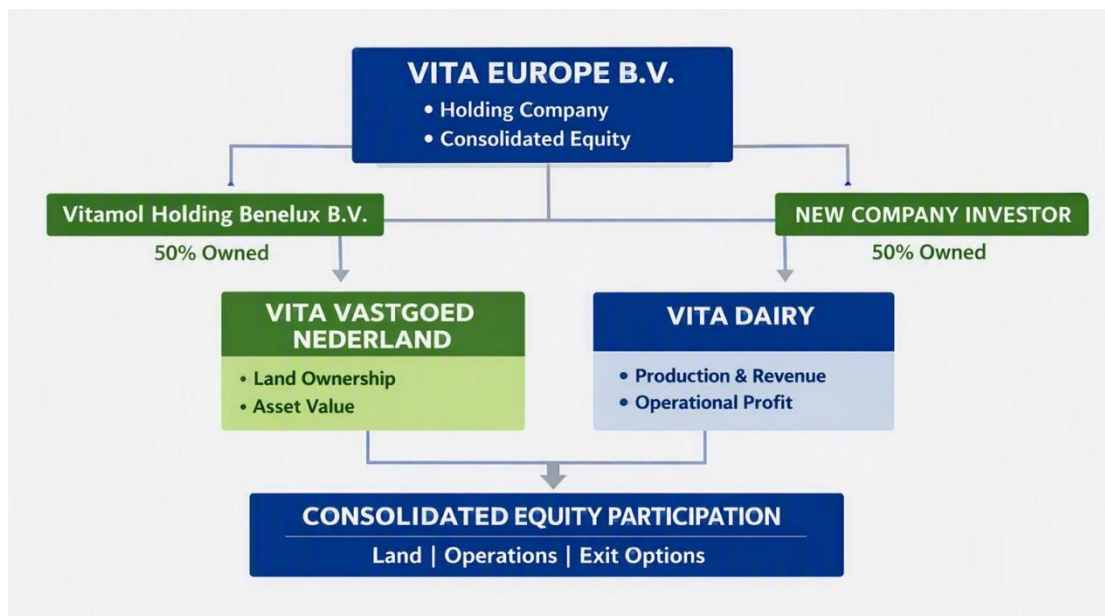
- The investor acquires **50% ownership** in **Vita Europe B.V.**, the holding company.
- Through Vita Europe B.V., the investor indirectly holds equity in:
 1. **Vita Vastgoed Nederland** (land ownership and asset value).
 2. **Vita Dairy B.V.** (production, revenue, and operational profit). This ensures the investor benefits proportionally from both the **hard assets** (land, factory) and the **cash-generating operations**.

Security of Land Contribution

- The investor's land contribution (approx. **€9.986 million**) is secured by a **first mortgage right** registered in their favor.
- This means that in the event of default or liquidation, the investor has a **priority claim** on the land asset.

Double Protection

- **Legal ownership via equity:** The investor holds shares in the holding company, which consolidates land and operations.
- **Financial security via mortgage:** The investor has a registered first mortgage right on the land.
- Together, this structure provides **dual guarantees** — equity upside and asset-backed downside protection.



Project site and visuals – Dronten









Closing Narrative – The Vita Europe Vision

Rising from the heart of the Netherlands, **Vita Europe B.V.** stands as a symbol of innovation, trust, and international collaboration. What began as a vision to produce premium A2 infant formula has evolved into a global platform that connects Europe's manufacturing excellence with the growing nutritional needs of families across China, Oman, and the GCC.

Our foundation is built on **transparency, secured equity, and tangible assets** — land, factory, and technology — all supported by a structure that guarantees both profitability and protection. The investor's role is not merely financial; it is a partnership in shaping the future of infant nutrition, backed by a **double guarantee**: equity participation and first mortgage rights on the land.

As Vita Europe moves forward, the focus remains clear — to deliver **measurable returns, sustainable growth, and enduring value**. The next chapter is not just about expansion; it is about creating a legacy of **quality, reliability, and global impact**.

“Together, we build more than a factory — we build confidence, opportunity, and a future defined by excellence”





VITA EUROPE TEAM



www.vita-europe.eu



"Vita Dairy – Dutch Quality, European Reach."

