

ROYAL CARIDEA, LLC EXECUTIVE SUMMARY

April 1, 2021



94% of the shrimp consumed in the US each year is imported. Over 3.3MM pounds every day of the year which almost all was previously frozen. Americans have little to no access to fresh, never-frozen or live shrimp. The same is true in Europe and Asia.

Today Consumer needs are met largely by farms in Thailand, Indonesia, India, Vietnam, and Ecuador. Together, these production regions account for over 4.6B lbs. of shrimp, representing over 42 percent of global production – all have high chances of supply chain disruption and significant sustainability concerns. The overall trend of shrimp farming is towards more efficient, sustainable, and cleaner production, but significant challenges remain in the dominant, small-scale portion of the sector. Most of the smaller, often family-run operations in Asia continue to be serious sources of concern, principally due to wastewater discharge and antibiotics overuse that led to increased risk of widespread disease outbreaks. **Cleaner and more efficient farming requires capital investments and technical training, which is not universally accessible. These farms are subject to the vagaries of weather, plagued by disease, excessive land abuse, and poor labor practices.**

Demand for shrimp continues to rise fueled by a growing population of consumers, seeking high quality sustainable, traceable protein. Year-over-year, global shrimp consumption is growing at a rate of over 4%. Consumers “accept” frozen shrimp but are constantly in search of a locally grown fresh product. Wild fisheries cannot meet the demand and current farming practices cannot meet demand for fresh, never-frozen or live shrimp in Europe or America. **There is a clear opportunity for a market entrant that can produce locally grown, high quality shrimp in quantity through sustainable, responsible methods, available to the market daily. Royal Caridea (Royal) was formed to take advantage of this opportunity.**

Our patent-pending production method is innovative, sustainable, traceable, and, most importantly, supports raising shrimp close to the consumer that is free of antibiotics and toxic chemicals and is harvested under sanitary conditions. Local farming enables the delivery of live and fresh, never-frozen shrimp, thereby meeting high-end underserved markets. Employing a proprietary enclosed raceway-based system is the key to this innovation. Shrimp “colonies” are raised in independent, enclosed environmentally controlled raceways or troughs, thus reducing water, land, and feed while eliminating disease. **The Royal system effectively converts shrimp farming from a batch-oriented process with periodic harvests to a continuous environmentally friendly process permitting daily harvests year-round. When the customer demands shrimp Royal will deliver *with its branded Arizona Desert Shrimp™* (www.arizonadesertshrimp.com).**

Initial taste tests have confirmed the quality and desirability of Royal-raised shrimp. Our proprietary production methods have been validated and refined in pilot plant operations and an industry-experienced team has been assembled. We are ready to embark on a five-year plan to build and operate the first Royal technology based commercial shrimp product plants using our patented and patent pending technology (Gen 2) starting in 2021. The first plant will be a Two-Stacked Container system producing about 22,000 lbs. to the market in 2022. In 2022 Royal will build its first Module (¼ full plant) producing about 325,000 lbs. to market starting in 2023. In 2023 Royal will build its second Module and in 2024 Royal plans to build its third and fourth Modules with a net capacity of about

1.3MM lbs./Yr. and in 2023, discontinue the pond production. Royal plans to return the pond land to its pre-shrimp farming condition to be used in a manner consistent with “good land practices”.

Royal expects to see its sales grow from over \$960K in 2021 to about \$20.9MM in 2025 with EBITDA surging from 2021 of \$64,000 to over \$13.2MM in 2025 **with expenses growing as business expands, but at a less than expected rate compared to revenue.** This means Royal is on the path to excellent prosperity while bringing to market a series of high-quality products meeting a vast unmet need of demanding and savvy consumers

We are raising \$1.5M to support the continued development and operation of our initial Two-Stacked Container GEN2 plant and aquaculture farm.

The following points further detail our goals, status, and plans.

OUR GOAL	<ul style="list-style-type: none"> • Develop and market a premium branded live and fresh never-frozen farm-raised shrimp
SUMMARY PLAN	<ul style="list-style-type: none"> • Launch a premium brand of shrimp grown in Company-owned plants built close to key markets • Initially focus on the US but eventually address the worldwide opportunity • Address existing, growing demand for tasty, healthy, responsibly grown shrimp as well as the unmet market for live and fresh never-frozen shrimp • Begin with a small production-scale plant followed by one full-scale plant/year (1.3MM Lbs./year) • Take advantage of existing retail and wholesale distribution channels
US MARKET	<ul style="list-style-type: none"> • The US imports over 605,000 metric tons of shrimp/year (2017) • Imports account for about 94% of shrimp consumed in the US • Annual shrimp consumption is growing at a rate of greater than 4% • Imports cannot meet market demands for live and fresh, never-frozen shrimp
WORLDWIDE MARKETS	<ul style="list-style-type: none"> • Other leading importing regions include: China – over 1,600,000 metric tons/year Japan – over 225,000 metric tons/year EU – over 600,000 metric tons/year
MARKET DRIVERS	<ul style="list-style-type: none"> • Consumer demand for healthy protein is shifting from other animal-based proteins to shrimp • Perception of seafood, shrimp, as healthy • Increasing affluence and access to seafood • Growing populations • Cultural and cuisine-oriented demand, such as Asian demand for live shrimp • Consumer interest in how food is produced sustainable, environmentally friendly, and traceable to its origins
EXISTING INDUSTRY ISSUES	<ul style="list-style-type: none"> • Current production methods are outdated. They facilitate disease (the #1 threat), and restrict best practices by being batch-orientated, and limited by weather, other environmental interruptions, high shrimp mortality with unpredictable yields, and an inability to serve live and never-frozen markets • Cultural issues include pollution, poor land use, labor abuse, and questionable business practices

<p>OUR CONCEPT</p>	<ul style="list-style-type: none"> • Our solution addresses all the industry issues and is commercially viable and sustainable • Leverages many of the same techniques used to convert new generation vegetable farming from a land-intensive, unpredictable industry to one employing high-intensity, indoor-vertical farming techniques that led to reduced land and water needs, better disease management and year-round production • Shrimp grown indoors in a controlled environment designed to optimize shrimp growth and health • Shrimp are raised in a series of raceways, or troughs, housed in customized shipping containers • Raceways and containers promote rapid shrimp development (four months to market) while isolating the operation from weather, disease, and other operational issues • Shrimp can be raised and harvested in a predictable manner year-round
<p>THE FARMING PROCESS</p>	<ul style="list-style-type: none"> • Royal Caridea's innovation is Generation 2 Raceway Farming • Raceway farming was first introduced by Texas A&M University researchers in conjunction with Royal Caridea founders • Pre-larval shrimp are introduced into a nursery raceway for its initial grow-out • Water level and quality, as well as feed, are controlled in each raceway • After one-month shrimp are transferred to a grow-out raceway for a second month • The shrimp colony doubles in size in one month and is then subdivided between two additional raceways (biomass management) • After a third month, the subdividing process is repeated • At the end of the fourth month, 16 to 26-gram shrimp are ready for market • Each time a shrimp colony is transferred to a new set of raceways, the original raceway is "reloaded", enabling continuous production • After the initial four-month process, product is available daily year-round
<p>PRODUCTION FACILITIES</p>	<ul style="list-style-type: none"> • Raceways are built into containers, three per container • Containers are grouped into production units, two containers per unit • A production unit may be dedicated as a nursery or a grow-out unit • A plant will consist of multiple production units • 50 grow-out units, accompanied by one nursery unit, will produce 1.3 million pounds annually • Plants include water and waste processing, product packaging, office, and locker room facilities • A plant can be easily located in a warehouse-like facility close to major markets
<p>OUR INNOVATION</p>	<ul style="list-style-type: none"> • Each custom fabricated container: Isolates each batch of shrimp from the elements and other batches, eliminating the impact of weather and reducing the chance for disease Enables rapid, repeatable, economical manufacturing and plant construction • Use of raceways: Reduces the amount of water and feed required Employs recirculating water enabling purity along with salinity and pH control Permits automated tracking of shrimp during their grow-out • Subdividing the colony Management of biomass in each raceway creates optimal shrimp development
<p>OUR INTELLECTUAL PROPERTY</p>	<ul style="list-style-type: none"> • 1st issued patent (Australia) and patents pending in the US and more than 11 other countries for "Multi-Phasic Super-Intensive Shrimp Production System" (Gen 2) • Cover our "plug and play", modular approach to shrimp production • Patents assigned to Company

MARKET ACCESS / CHANNELS	<ul style="list-style-type: none"> • There are many established channels to market including: <ul style="list-style-type: none"> ▪ Company-owned retail ▪ Online sales ▪ Food wholesalers ▪ Grocery chains ▪ Restaurant and hospitality ▪ Institutional food Services
GO TO MARKET APPROACH	<ul style="list-style-type: none"> • Two-Stacked container product available early 2022 Our initial retail channel will be a distribution site followed by a retail store both in Phoenix, AZ • Subsequent Years As additional Modules and other plants come online, other distribution channels will be engaged as listed above
COMPETITION	<ul style="list-style-type: none"> • Indirectly, we will compete with alternative protein sources • Our primary direct competition will be foreign shrimp farmers exporting to the US
COMPETITIVE ADVANTAGES PRODUCT	<ul style="list-style-type: none"> • Compared to imported shrimp, our advantages include: <ul style="list-style-type: none"> ▪ Better taste, texture, and appearance ▪ Healthy, disease-free ▪ Ability to serve live and fresh, never-frozen markets ▪ Year-round availability ▪ Strong product margins ▪ Consistent, predictable shrimp production in 16 and 26-gram sizes
COMPETITIVE ADVANTAGES TECHNOLOGY	<ul style="list-style-type: none"> • Our product advantages stem directly from our superior technology: <ul style="list-style-type: none"> ▪ Minimum land and water use ▪ No use of antibiotics ▪ Recirculating, conditioned water ▪ Continuous production ▪ Plug and play architecture ▪ Built at market in warehouse space
CURRENT STATUS	<ul style="list-style-type: none"> • Stage 1 completed, ready for commercialization <ul style="list-style-type: none"> ▪ Trial runs and taste test complete ▪ Buyer interest tested ▪ Plant designed ▪ Key vendors identified ▪ Patents filed in more than 12 countries ▪ Team assembled
ROADMAP AND KEY MILESTONES	<ul style="list-style-type: none"> • Stage 2 -- 2021 Build Two-Stacked container system (Gen 2) 22,000 lbs./yr. Begin retail sales in first quarter 2022 Hire additional management • Stage 3 -- 2022 Build and operate first Module (1/4 unit of a Full 1.3MM lb. plant) Sales from Module 1 will start early 2023 2023 Build and operate Module 2 Sales from Module 2 start early 2024 2024 Build and operate Module 3 and 4 capacity at 1.3MM lbs./yr. (Full Plant) Broaden distribution channels beyond retail • Stage 4 -- Ongoing operations -- Build one Full plant per year Cash flow and net income positive in 2023 Broaden distribution including testing foreign markets

<p>START-UP TEAM</p>	<ul style="list-style-type: none"> • Maurice Kemp, PhD – CEO Co-inventor of Gen 2 raceway technology Participant in development and testing of Gen 1 technology • Michael Cunha – CFO Finance and extensive company operations including manufacturing Experience leading investor-owned companies and working with boards of directors • Anthony Brand -- VP Engineering Co-inventor of Gen 2 raceway technology Hands-on aquaculture experience with systems design, controls, and automation background • Craig Collins -- Operations Manager 30+ years of shrimp farming experience Launched and successfully ran retail shrimp business
<p>KEY FINANCIAL AND PRODUCTION MILESTONES</p>	<ul style="list-style-type: none"> • 2020 Secured a \$2.2MM USDA backed loan Farm reconstituted including building processing and storage facilities • 2021 First full year of pond production and build and operate Two-Stacked system Revenue 2021 expected to be \$960K Shrimp lbs. sold estimated 75,000. • 2022 build and operate Module 1 Module 1 sales starting in QTR 1 2022 Revenue 2022 expected to be \$1.5MM Shrimp lbs. sold estimated 115,000. • 2023 build and operate Module 2, Reach self-sustaining mode Positive cash flow and EBITDA Revenue 2023 expected to be \$5.5MM Shrimp lbs. sold 357,000. • 2024 Build and operate Modules 3 and 4 Continued profitable operations Production capacity 1.3MM lbs. /yr. Revenue 2024 expected to be \$10.8MM Shrimp lbs. sold estimated 694,000. • 2025 and thereafter build and operate 1 Full 1.3MM lb./yr. plant Revenue 2025 expected to be \$20.9MM Shrimp lbs. sold estimated 1,342,000.
<p>FUNDING NEEDS AND USE OF FUNDS</p>	<ul style="list-style-type: none"> • Stage 2 – Build and operate Two-Stacked container system (Gen 2) – One-year duration Need \$1.5M (Series A) Primary uses are Plant 1 construction (60%) and working capital (40%) and Contingency included. • Stage 3 – Scale Up – Two-year duration Need \$4MM in equity (Series B) Primary use is to build and operate Modules 2, 3, and 4 with ongoing working capital • Financially self-sustaining thereafter
<p>SERIES A FUNDING</p>	<ul style="list-style-type: none"> • Seeking \$1.5million • \$1.00 / unit • • Offering Series A Preferred Units • 14.77% of Company
<p>LIQUIDITY</p>	<ul style="list-style-type: none"> • Continue to grow the company. Investors will generate annual distributions • Sale the company, probably to another seafood producer, in 3-7-year time frame
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