

LocalDutch

A franchise of
neighborhood farm-shops
365 days Fresh & Local, by design



LocalDutch

What We Solve

Vulnerable Supply Chain · **Poor Quality** · **Limited Access**



LocalDutch: Same price · higher quality · Longer shelf life · Healthier · Locally available



The Timing is Right

Consumer demand is strong

Majority of consumers consider local in their purchasing decisions

Policy tailwinds are real

State and federal support for local food systems and job creation

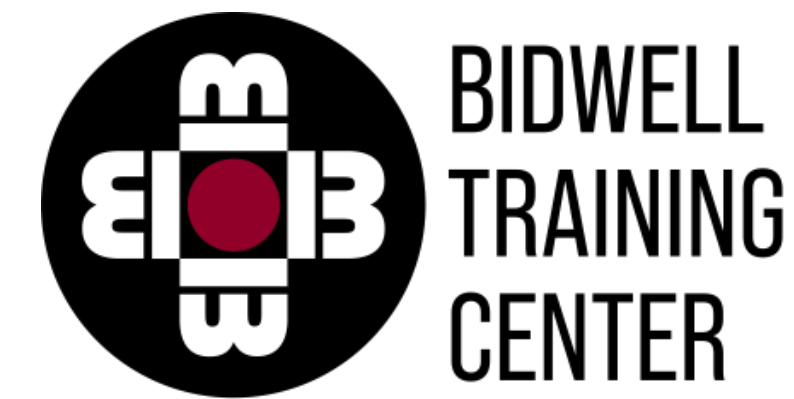
Unique Real Estate opportunity

There is hardly competition for the sites we require

The 2010s Ag-tech wave has reset

Regional CEA players forgot to change the Supply Chain

A lot of Traction





STANDARDIZED DESIGN

Building: 19,320 ft²

Plot: < 1 acre

**We build and franchise a dense network of LocalDutch Shops,
fusing Controlled-Environment Agriculture with Retail**

Fast rollout · Standardized design · 365 days Fresh · Strong margins



Franchise Partner Model

LOCALDUTCH



- Owns the Real Estate
- Reduces Franchisee CAPEX
- Asset-Backed Investment

FRANCHISEE



- Operates the Shop
- Supported by LocalDutch
- Reduces Investment Risk

LOCAL FARMERS/BUSINESSES



- Complement Shop Offering
- No Middleman
- Guaranteed Supply/Outlet



Proven Technology – One Design

8 Months per year Carbon Neutral



HYDROPONICS, NO RUNOFFS



RAINWATER COLLECTION



COMB. HEAT & POWER UNIT



HOT & COLD BUFFERS



INTEGRATED SOLAR PV



DYNAMIC BATTERY SYSTEMS

We work with, or Purchase from same Sources as



LocalDutch

365 Days Premium, In-House Produce

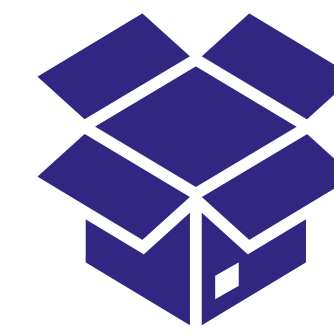


Complimented with Regional Artisan Products



Channels to Market

CSA



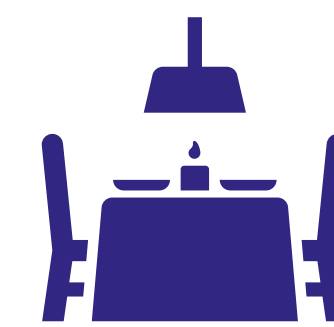
- Long term Commitment
- Upfront Payment
- Production Friendly

LOCALDUTCH SHOP



- Experience & Engagement
- High service level & flexibility
- Awareness & Direct Feedback

LOCAL BUSINESSES



- Chefs' Choice
- Farm2Table in hours
- Quality, Grown on Demand



Meaningful, Scalable and Sustainable

SOCIAL

- Available & Affordable
- Healthy Food as Medicine
- Meaningful Jobs

ECONOMIC

- Keep Farmers Farming
- New Local Business
- New lasting Jobs

ENVIRONMENTAL

- Circular Agriculture
- Fewer Food Miles
- Preservation of Farmland

Aligns with 75% of SDG's



Environmental

Each Shop

1 ENTREPRENEUR

Owner Operator

\$3M annual revenue

10 MEANINGFUL JOBS

Fulltime · Parttime · Training

1,000 FAMILIES or

multiple **BUSINESSES**

365-days access to fresh produce

A SUSTAINABLE WAY

Zero Runoff · Fewer Food miles

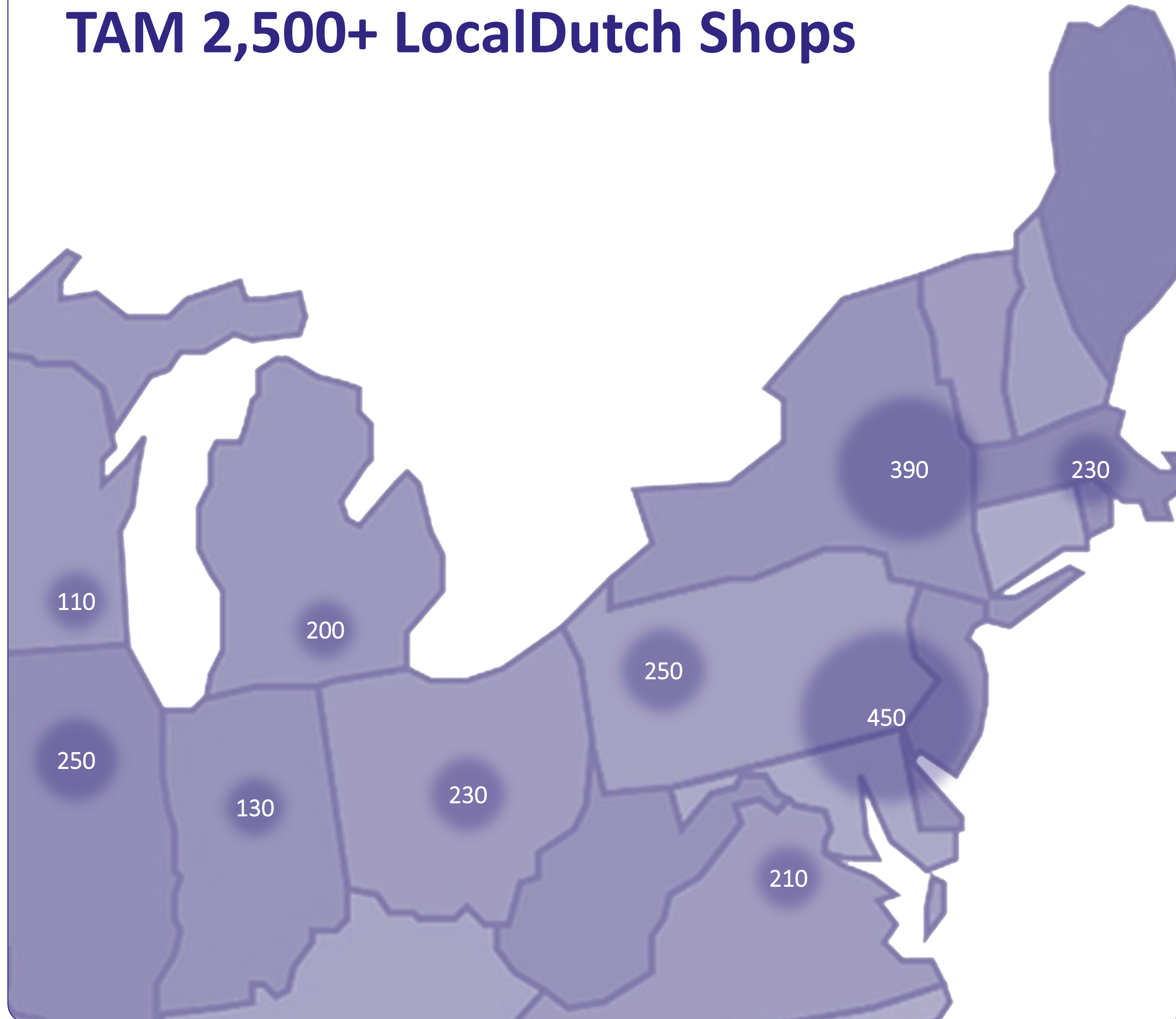
Farmland Conservation

and so on ...

Social

Economic

TAM 2,500+ LocalDutch Shops



Market Data

- Annual Fresh Produce Sales in our Target Market is \$15-20B.
(freshproduce.com, USDA | NASS, statistica.com)
- 80% of Fresh Produce purchased is imported
(from Southwest USA, Canada & Mexico)
- 95% of Consumers want to make Sustainable Living a greater part of their Lives
(2024 survey of us consumers @ NielsenIQ)
- 40% of Consumers are willing to pay a Premium for Sustainable Choices
(2023 research @ grocery doppio)
- **\$3M average annual Revenue per Shop**



Competition

LocalDutch wins because: Franchise model transfers Risks · Real Estate Ownership creates Asset Base
 Farm-Direct Supply cuts out the Middleman · 365-day operation beats seasonal CSAs

Fresh Produce	Local Grown	Availability	Quality	Varieties	Cost Price	Low Waste
 LocalDutch	✓	✓	✓	✓	✓	✓
High-end Retailer <i>Wegmans – Trader Joe’s</i>	●	●	●	✓	●	✗
Home Delivery <i>Instacart</i>	●	✓	●	✓	✗	✗
Farmers Markets	✓	✗	●	●	●	●
Seasonal CSA’s	✓	✗	✓	●	●	✓

Founding Team

Dry Hydroponics
4 CEA Patents



Maurice van der Knaap

Co-CEO · CEA

Founder · Dry Hydroponics (15yrs)
30+ CEA projects · \$400M+ assets
4 patents · serial founder

C&J Catering
300+ Employees



Jamie Berger

Operations · Marketing

Founder · C&J Catering
300+ employees · Central PA
Local food operations at scale

TU Delft
NL Family Fund



ir. Arne Splet

Finance · Project Management
Project Manager of \$50-500M Industry Assets
Investment manager · NL Family fund
MSc Engineering · TU Delft

Drew Barton, P.E.

Engineering Lead

Founder · LIVIC Civil LLC
\$300M+ Real Estate Projects
P.E. · University of Pittsburgh



LIVIC Civil
50+ Engineers

Cat Wilsbach, P.E.

Co-CEO · Real Estate · CEA

Director · LIVIC Civil (Land development)
\$250M+ CEA · \$110M+ RE Development
P.E. · LEED A.P. · Georgia Institute of Technology



LIVIC Civil
\$250M+ CEA



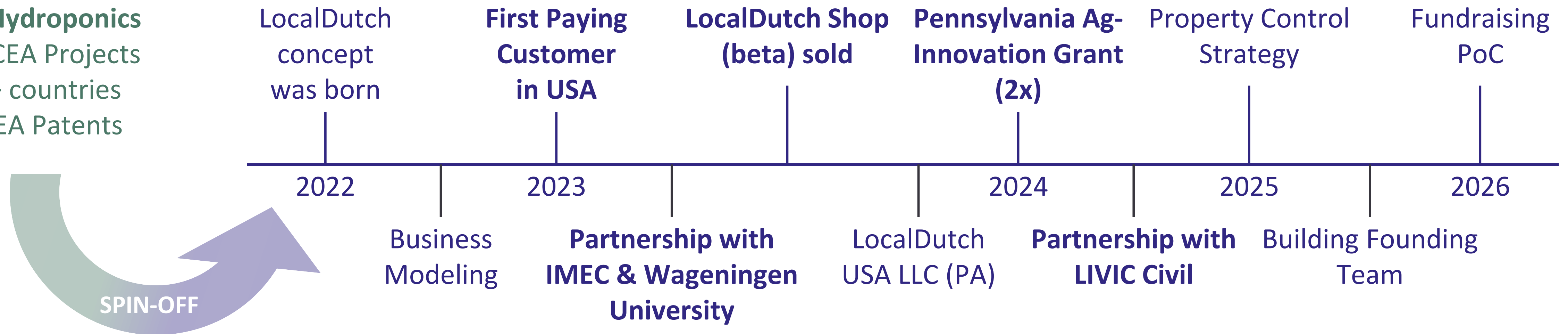
Our Strategy

In-house portfolio development combined with strong control over franchisees ensures

Premium Quality for our end Consumer

Our Journey

Dry Hydroponics
30+ CEA Projects
20+ countries
4 CEA Patents



Key Investment Metrics

Business Unit Economics · per Shop

\$3M

annual revenue / shop
after ramp-up, year 3

30%

EBITDA margin
stabilized

>60%

Gross margin
own produce + artisan

<6 yrs

Payback period
on \$3.5M CAPEX / Shop

Portfolio Economics · investor thesis

>20%

Portfolio IRR
15-year horizon

\$1.1B

Revenue at scale
300 shops · year 15

300

shops
year 15

>70%

Leverage
after PoC

Current total capital need: \$33M · \$15M equity + \$18M asset-backed Real Estate debt

5 sites operational in 3 years · Cash positive year 2 · 20+ sites in pipeline · local jobs · fewer food miles

Let's talk!

More information on request. Please contact:

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Appendix:

Appendix A: Business Unit Economics (one Shop, 15 years)

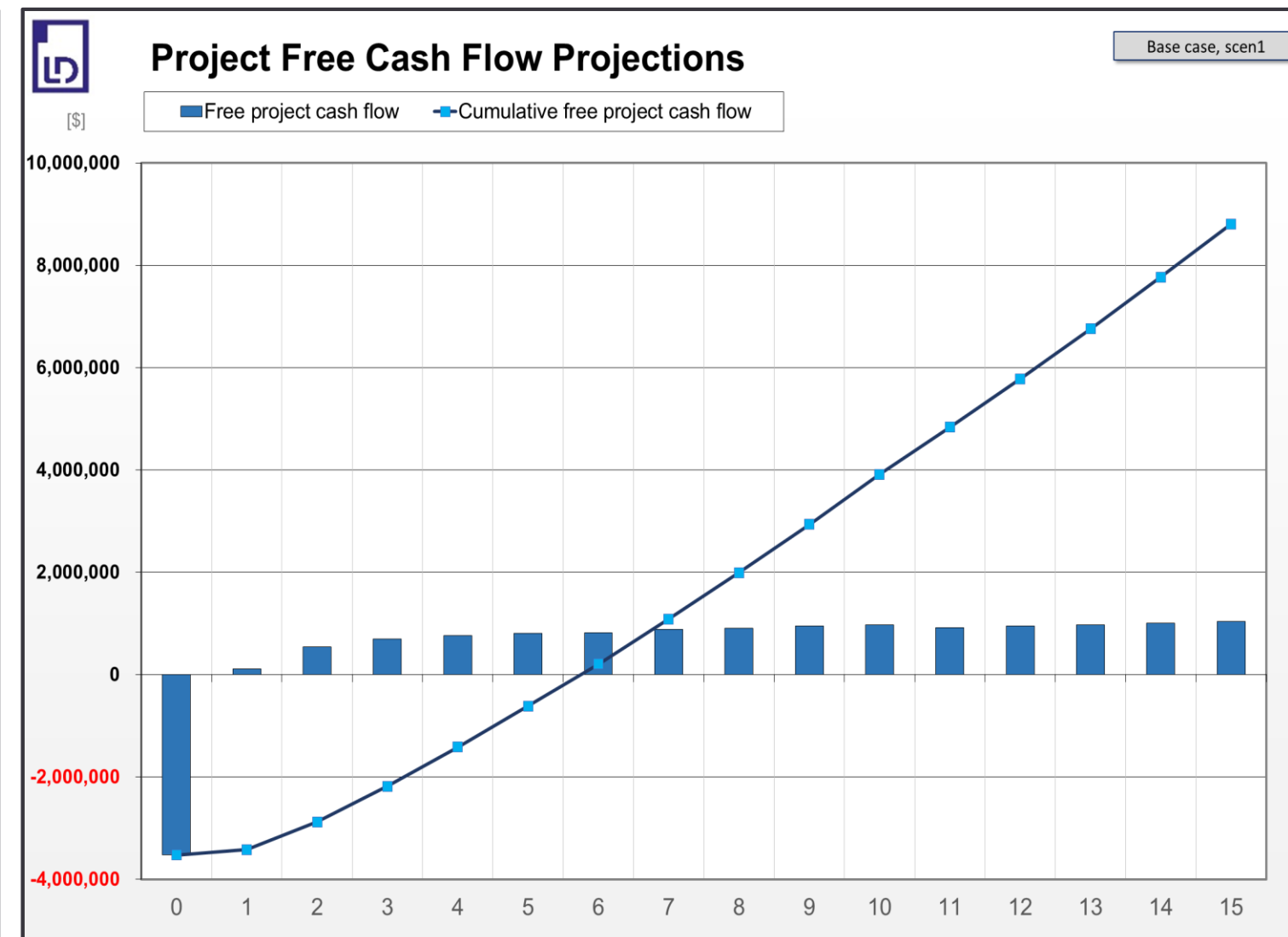
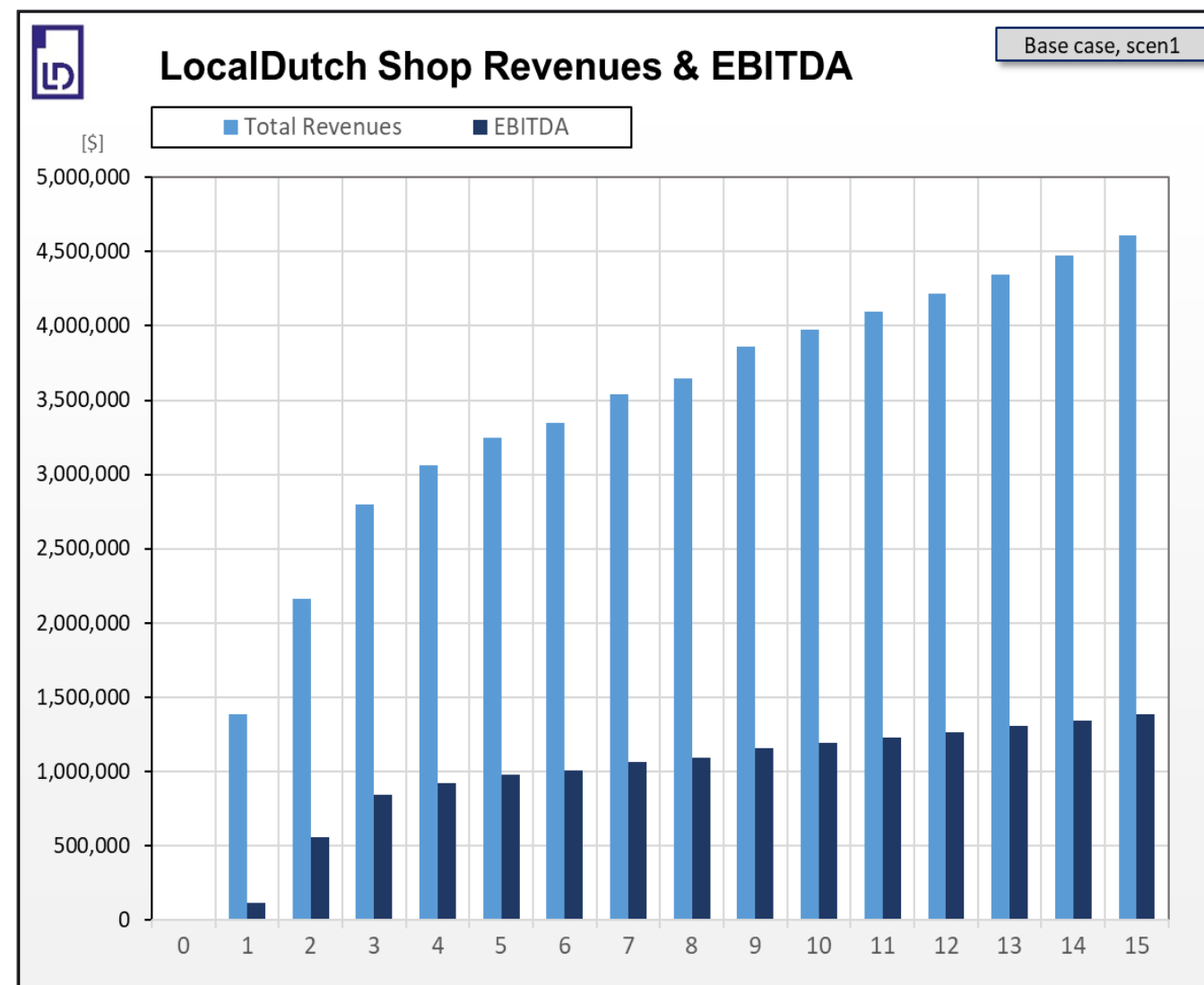
Appendix B: Portfolio Economics (300 Shops, 15 years)



Appendix A: Business Unit Economics (One Shop)

LocalDutch

COCO model - with inflation		Base case, scen 1															
LocalDutch Shop typical P&L [\$]	yr	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Volume own produce	400,000	-	240,000	340,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Volume other products	340,000	-	96,000	170,000	240,000	280,000	300,000	300,000	320,000	320,000	340,000	340,000	340,000	340,000	340,000	340,000	340,000
Average sales price without inflation	4.00	4.12	4.24	4.37	4.50	4.64	4.78	4.92	5.07	5.22	5.38	5.54	5.70	5.87	6.05	6.23	
Total Revenues		-	1,384,300	2,164,200	2,797,400	3,061,400	3,246,000	3,343,300	3,542,000	3,648,300	3,862,100	3,978,000	4,097,300	4,220,300	4,346,900	4,477,300	4,611,600
Total COGS	25,600	512,100	749,300	976,000	1,113,900	1,203,000	1,239,100	1,336,000	1,376,000	1,479,900	1,524,300	1,570,100	1,617,200	1,665,700	1,715,700	1,767,100	
Gross margin	-25,600	872,200	1,414,900	1,821,400	1,947,500	2,043,000	2,104,200	2,206,000	2,272,300	2,382,200	2,453,700	2,527,200	2,603,100	2,681,200	2,761,600	2,844,500	
Gross margin		63%	65%	65%	64%	63%	63%	62%	62%	62%	62%	62%	62%	62%	62%	62%	
Total SG&A	-	753,800	855,500	975,500	1,025,200	1,066,500	1,098,500	1,142,700	1,176,900	1,224,100	1,260,800	1,298,700	1,337,600	1,377,800	1,419,100	1,461,700	
EBITDA	-25,600	118,400	559,400	845,900	922,300	976,500	1,005,700	1,063,300	1,095,400	1,158,100	1,192,900	1,228,500	1,265,500	1,303,400	1,342,500	1,382,800	
EBITDA margin	0%	9%	26%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	
Depreciation	10 yrs	-	317,150	317,150	317,150	317,150	317,150	317,150	317,150	317,150	317,150	-	-	-	-	-	
EBIT	-25,600	-198,750	242,250	528,750	605,150	659,350	688,550	746,150	778,250	840,950	875,750	1,228,500	1,265,500	1,303,400	1,342,500	1,382,800	
EBIT margin		-14%	11%	19%	20%	20%	21%	21%	21%	22%	22%	30%	30%	30%	30%	30%	
Interest	7%	-	176,864	163,118	148,409	132,671	115,831	97,812	78,532	57,902	35,828	12,209	-	-	-	-	
EBT	-25,600	-375,614	79,132	380,341	472,479	543,519	590,738	667,618	720,348	805,122	863,541	1,228,500	1,265,500	1,303,400	1,342,500	1,382,800	
Taxes	25%	-	-	-	14,565	118,120	135,880	147,685	166,905	180,087	201,281	215,885	307,125	316,375	325,850	335,625	345,700
Net Profit	-25,600	-375,614	79,132	365,776	354,360	407,640	443,054	500,714	540,261	603,842	647,656	921,375	949,125	977,550	1,006,875	1,037,100	
Net Profit margin		-27%	4%	13%	12%	13%	13%	14%	15%	16%	16%	22%	22%	22%	22%	22%	



Key Considerations

Typical LocalDutch Shop financials @ retail benchmark prices and 70% leverage:

- CAPEX \$3.5M, excluding land & inflation
- Gross margin: >60%
- Stabilized EBITDA margin: 30%
- High Net Profit margin: >13%, increasing to 22% when debt free
- Cash flow positive in yr 2
- Pay back in <6 yrs
- Sufficient profit-sharing capacity for incentivising Franchisor to generate upside potential
- Economic life > 15 yrs

LocalDutch

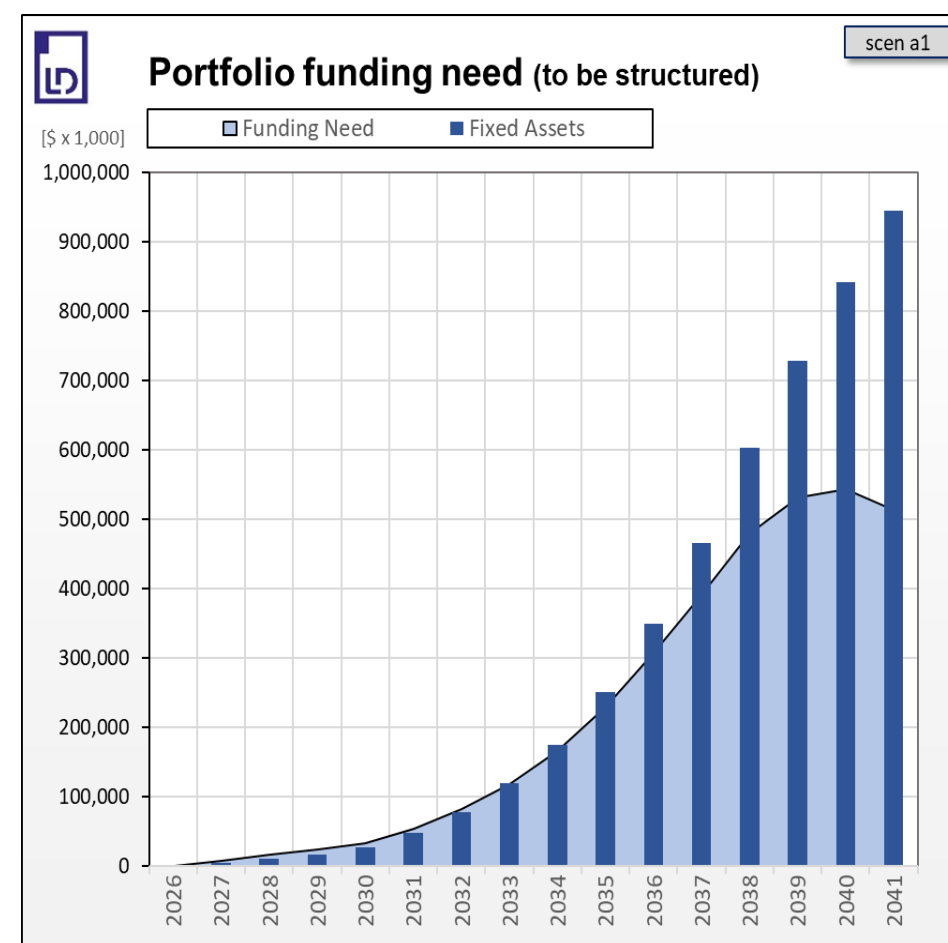
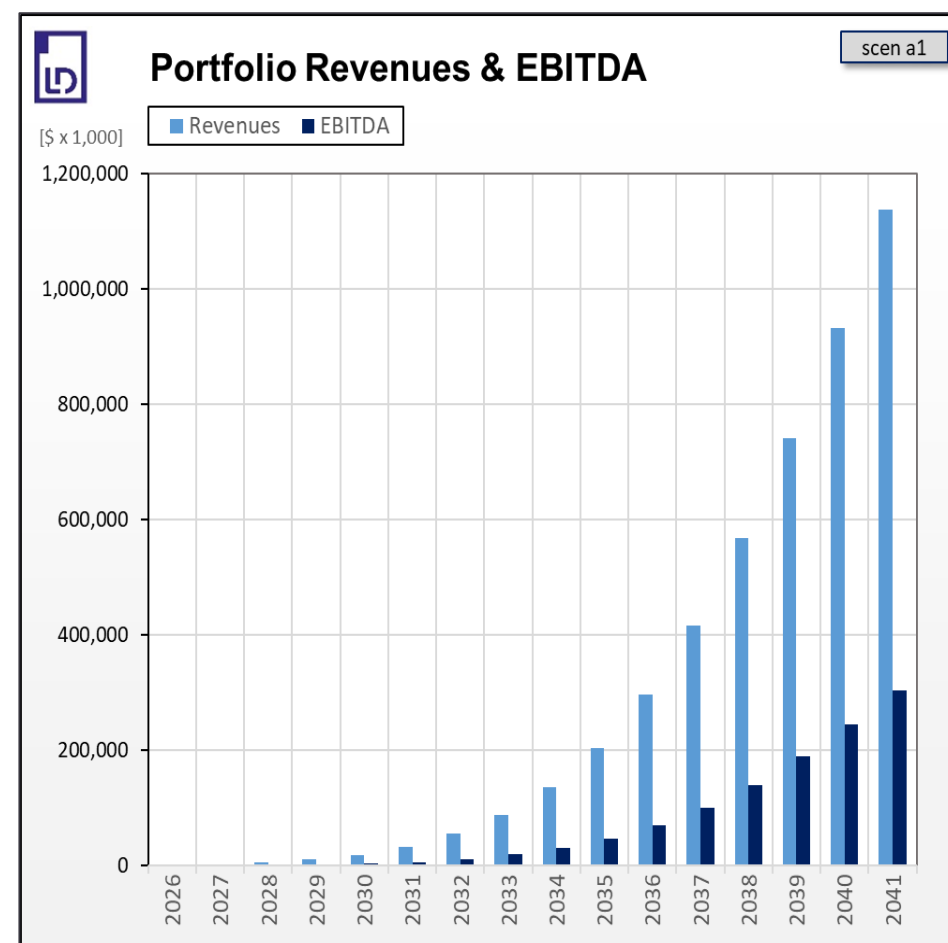
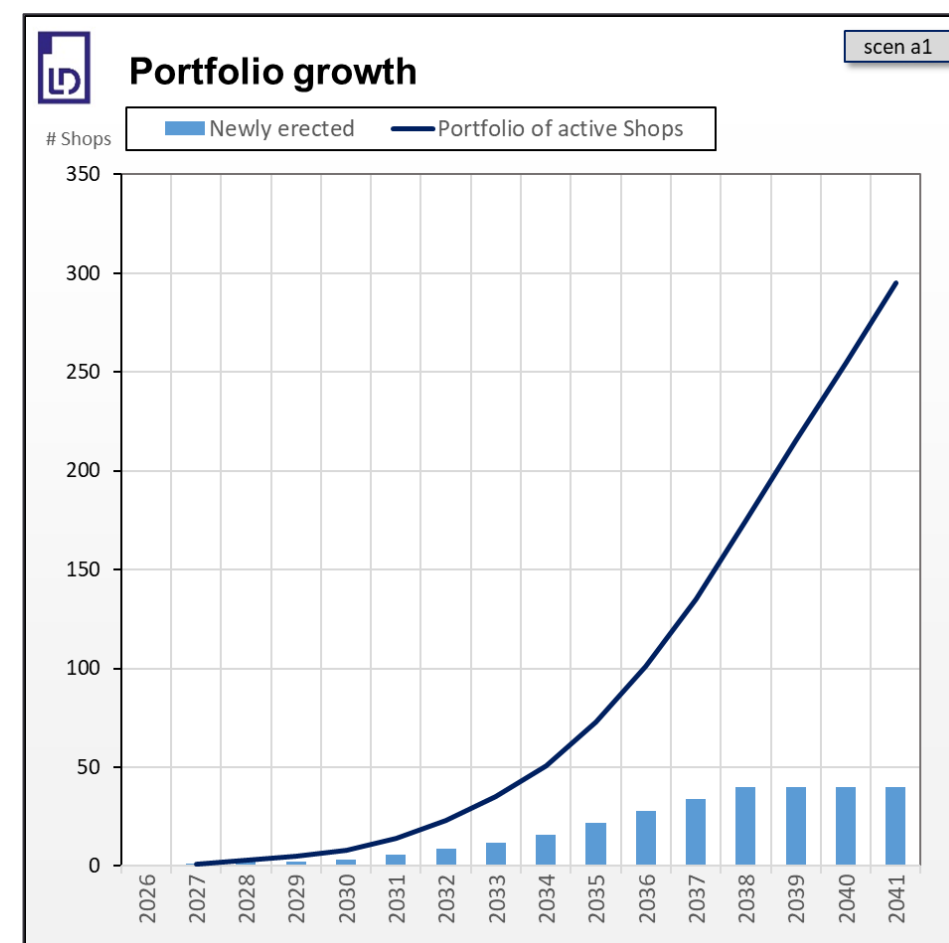
Appendix B: Portfolio Economics

LocalDutch

Portfolio growth	yr	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Newly erected LocalDutch Shops			1	2	2	3	6	9	12	16	22	28	34	40	40	40	40
Portfolio size		1	3	5	8	14	23	35	51	73	101	135	175	215	255	295	
Growth rate				200%	67%	60%	75%	64%	52%	46%	43%	38%	34%	30%	23%	19%	16%

Base case, scen 1a

Portfolio P&L [x 1,000 \$]	yr	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
Total Revenues Portfolio Shops		-	1,372	4,970	10,098	17,806	31,693	54,342	88,009	135,859	203,630	295,658	415,772	566,976	740,472	931,753	1,137,452		
Total COGS		-	512	1,804	3,606	6,393	11,483	19,683	31,839	49,220	73,958	107,549	151,441	206,887	270,711	341,698	418,730		
Gross margin		-	860	3,166	6,492	11,413	20,210	34,659	56,170	86,639	129,672	188,109	264,331	360,089	469,760	590,055	718,723		
Gross margin			63%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	64%	63%	63%	63%		
Total SG&A consolidated		-	754	2,408	4,337	7,321	13,143	22,310	35,343	53,550	79,392	113,837	157,868	212,335	271,665	335,492	403,287		
Expensed startup costs first Shops		-	1,545	1,000	500	-	-	-	-	-	-	-	-	-	-	-	-		
SG&A HQ		270	918	936	1,152	1,400	1,502	1,929	2,443	3,434	4,279	5,636	7,071	8,095	9,098	10,414	11,533		
EBITDA		-270	-2,358	-1,178	503	2,692	5,564	10,420	18,385	29,656	46,000	68,636	99,392	139,659	188,997	244,148	303,903		
EBITDA margin			-172%	-24%	5%	15%	18%	19%	21%	22%	23%	23%	24%	25%	26%	26%	27%		
Depreciation (no Amortization)		-	327	1,000	1,693	2,764	4,970	8,378	13,058	19,487	28,590	40,525	55,124	72,539	90,475	108,593	126,151		
EBIT		-270	-2,684	-2,178	-1,190	-72	595	2,042	5,326	10,169	17,410	28,111	44,267	67,121	98,522	135,555	177,751		
Interest			7%	-	169	502	812	1,284	2,292	3,815	5,830	8,522	12,285	17,069	22,835	29,540	35,675	41,239	46,269
EBT		-270	-2,853	-2,680	-2,002	-1,356	-1,697	-1,773	-504	1,648	5,125	11,043	21,433	37,580	62,847	94,316	131,483		
Taxes			25%	-	-	-	-	-	-	-	1,170	5,358	9,395	15,712	23,579	32,871			
Net Profit		-270	-2,853	-2,680	-2,002	-1,356	-1,697	-1,773	-504	1,648	5,125	9,873	16,074	28,185	47,135	70,737	98,612		
Net Profit margin			-208%	-54%	-20%	-8%	-5%	-3%	-1%	1%	3%	3%	4%	5%	6%	8%	9%		
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Retained earnings		-270	-2,853	-2,680	-2,002	-1,356	-1,697	-1,773	-504	1,648	5,125	9,873	16,074	28,185	47,135	70,737	98,612		



Key Considerations

Portfolio financials are based on indexed financials of typical LD Shop @ 70% leverage:

- Base case: continued Shops growth to ~300 Shops in 15 yrs
- IRR 15 yrs: >20%
- Frequent portfolio refinancing foreseen, limiting new equity need while growing fast
- Total Funding Need (to be structured, optimizing debt, mezz, equity and grants)
- Potential for:
 - accelerated depreciation (investor benefit)
 - improved financials due to standardization and predictability of cash flows
 - Real Estate equity will increase with land revaluations and collateral pooling