

Crowdfunding 2022 Loop.a life – Investment Memorandum

Minimum amount	€350,000,-
Maximum amount	€1,000,000,-
Interest	6.0%
Duration	5 years
Closing date	30-11-2022
Type	Convertible

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SUMMARY

This Summary should be read as an introduction to this Investment Memorandum. Any decision by potential investors to subscribe to the offering must be based on a review of the entire Investment Memorandum, including its attachments.

This is the Crowdfunding offer from Loop.a life. You are offered the opportunity to become a co-owner of our brand. The first 100% circular knitwear brand from the Netherlands, Loop.a life is an impact brand that aims to stimulate the transition to a circular fashion industry. Founder Ellen Mensink already felt a deep connection with nature as a child. For years she was shocked at the immense degradation and pollution of the fast fashion industry: CO₂ emissions, water pollution, waste and drought. By 2030 the production of clothing will increase by 60%, resulting in even more waste.

The solution

The solution to this problem is circular fashion. Only 1% of all clothing is currently recycled, a situation that must change. Loop.a life was founded at the end of 2016 and makes circular yarns and high-quality end products from locally discarded clothing without the use of water and chemicals. It couldn't be more sustainable! We have worked hard to develop a high-quality collection. Together with our production partners, we have succeeded in realising the world's first local supply chain of discarded clothing in the Netherlands.

Why do crowdfunding?

The foundation of Loop.a life is now solid. We are proud of our beautiful slow fashion collection for men and women, which we sell online and through retailers. The new website will be launched this month. With a compact and enthusiastic team, we are ready to scale up further to a broader all-season collection of our newly developed fabric. In addition, the focus is on new channels such as marketplaces and white label sales. We will now also focus on selling in other countries, initially Germany, Belgium and Scandinavia. Loop.a life's turnover has grown to a stable €500K per year in the past year. Financing is needed to grow the turnover to €5 million with a gross profit margin of 45% in 2026. The break-even point must be reached by the end of 2024.

We would like to raise this funding through crowdfunding. We will collect the remaining amount at the end of 2024/2025 via a Green Fund and innovation subsidy. You can invest from €500 in the form of a convertible bond with 6% interest, so that you will eventually become a co-owner of Loop.a life.

From a €25K investment you will receive an extra discount on the valuation, at the time of conversion. In addition to an attractive financial return, we also offer you different circular extras depending on your investment.

Are you a changemaker? Do you want to make the world cleaner and greener with us?

Invest with us and become a co-owner of Loop.a life!

General information issue

Issuing party	Brightloops B.V.
Website issuing party	www.loopalife.com
Type of issue	Convertible bond loan
Size of issue	Minimum €350,000 – Maximum €1,000,000
Minimum value per unit	€500
Purpose of issue	Marketing/Sales and innovation
Risk profile	<u>High</u>
Costs Symbid Issuing party	Success fee 4% (excl. VAT)
Costs Symbid Investors	Administration fee 1% (excl. VAT)
Target group issue	Retail investors
Interest	6% (singular and constructive)
Security	None
Repayment	No interim repayment, option to repay end of term
Early repayment option	None
Conversion	With a follow-up investment of at least €1,000,000 or end of 5-year term
Expected profit	Not fixed, depends on issuer's performance. More information about the return can be found under the heading 'Return and exit policy' under the financial section

THE CONCEPT

Through our own brand Loop.a life we sell 100% circular sweaters from Dutch soil. Beautiful slow fashion sweaters, cardigans and accessories with attention to detail and fit. A durable, timeless collection that lasts a long time. Circular because we sort locally discarded clothing by material and colour before we turn it into new raw materials, yarns and knitwear – a fully closed loop within Europe. Unique because no clothes are upcycled into new fashion worldwide. We reuse materials and colours therefore we do not use water and do not have to dye any materials. We are the first in the Netherlands to have a 100% circular collection made from post-consumer material. That's what makes Loop. a life a pioneer in the field of circular fashion.



The fashion industry is responsible for 10% of all CO₂ emissions worldwide, more than all aviation and shipping combined. The 25 largest rivers in the world are polluted by the fashion industry, which is the largest user and polluter of water worldwide, leading to drought all over the world. By 2030 the production of clothing will increase by 60%, resulting in even more clothing waste. With our current way of producing, we are reaching the limits of our planet. Circular fashion is the solution.

Clothing that is discarded and thrown away is largely incinerated (60%) or collected and sorted into re-wearable clothing. What cannot be sold as second-hand clothing is then recycled. Recycling used textiles is an industry that has been around for over 100 years, a process where the discarded clothing is shipped all over the world and not recycled sustainably. It mainly produces low-quality yarns and products such as moving blankets or yarn for mops.



100 YEARS OF TEXTILE RECYCLING

TEXTILE WASTE TRAVELS 4X AROUND THE WORLD

USING CHILD LABOUR TO SORT AND CLEAN

WASTE IS UNDYED AND DYED

Unique Selling Points

- We are the first and only brand in the Netherlands that consists entirely of products made from local residual flows and discarded consumer clothing. Other recycled garments are made from industrial waste or PET bottles, which is not really circular fashion.
- We produce our items within Europe, so waste flows do not go around the world 4 times, as normally happens when discarded clothing is processed into low-quality yarns and products. We also work on our own waste streams and use this to make high-quality yarns and end products.
- We work in a fully closed loop so Dutch material is also in our sweaters. This makes us extremely transparent and allows us to be innovative. We know exactly what input material leads to which quality.



Revenue model

We make knitwear for men and women (cardigans and sweaters and accessories). We sell our collection through our own website, retailers, and as a private label producer where Loop.a life works for other brands on new circular designs within their collection. This helps to make more of an impact, together. Our products are offered in the mid-price segment.

Achieved so far

We are a frontrunner in the field of circular fashion and known in the Netherlands and Europe as a 100% circular fashion brand. Upcycling residual flows of clothing (post-consumer textiles - PCT) in a sustainable way within Europe did not yet exist. We were the first to set up this concept. In recent years we have innovated and developed a wide qualitative collection with slow fashion designs; beautiful timeless styles in multiple qualities and colours that fit into every wardrobe. To this end, we have developed different types of yarns made of different materials - wool, denim and cotton. We have collaborated intensively with Dutch parties to set up the local supply chain of circular raw materials. As a result, we are now assured of a sufficient influx of high-quality materials. We have grown to a solid turnover of €500K per year and now want to scale up.

Required investment and use of the money

We need funding for marketing/sales and innovation. We want to increase both the brand awareness of Loop.a life and our turnover in the Netherlands and Europe. We need financing to expand to a larger marketing/sales team, with e-commerce specialists, a commercial director, and a COO in permanent employment, in order to make the connection to several larger online portals and the step abroad. In order to grow into a year-round collection and to approach the younger target group, we will introduce a circular T-shirt and sweater line in 2023.

For the investor

As an investor in Loop.a life you will, in time, become co-owner of the company. Initially you will invest in the form of a convertible bond with an attractive return of 6%. In the next financing

round, this convertible bond will be converted into depositary receipts for shares with which you become part owner. Our plan is to allow Loop.a life to grow rapidly in the coming years, both in the Netherlands and abroad, and all available resources will be used for this.

As a conversion round still needs to take place, it is not in line to pay out dividends soon. This is strongly related to the circumstances in the future. For the time being, our goal is to invest in further growth and not to sell Loop.a life quickly (exit) because we want to build a great company and have a great impact. At the same time, there may be a trade-off that the best way to achieve this impact is to merge together with another party. As an investor, you will of course be regularly informed of our plans and choices.

With every investment amount there are interesting rewards, as outlined below.

Extra reward financing in Euro	One free Loop.a life tote bag	One year 10% discount on the entire collection	One free Loop.a life sweater	Masterclass + excursion to factory	One free sweater a year for 5 years	Dinner with founder/ CEO	Annual progress meeting
500	x						
1,000	x	x					
2,500	x	x	x				
5,000	x	x	x	x			
10,000	x	x	x	x	x	x	
25,000*	x	x	x	x	x	x	x

*) informal investors that invest over 25k will have personal contact with founder/CEO.

RISK FACTORS

General risk factors

General risk factors of investing in SMEs

- Adverse change of laws and regulations due to political decisions
- Change in macroeconomic conditions
- Issuer is dependent on the performance of the board members
- Competitive risk in markets in which the issuer is active
- Risk of bankruptcy or suspension of payments of the issuer
- Fiscal risk due to legislative change, new regulations or political decision-making

Company-specific risks

Description of specific risk factors applicable to the company and its environment.

- In the circular economy, the biggest challenge is to obtain a sufficiently consistent volume of qualitative residual flows.
 - Our advantage is that we have been working together for many years with one of the largest sorters in the Netherlands. They have developed an installation to sort and clean local residual flows by colour and composition, and we are preferred buyer of these materials.
- Greenwashing of major brands is making it more difficult for us to stand out.
 - The ACM (Authority for Consumers and Markets) is paying more and more attention to greenwashing and is reprimanding major brands. We want to use our communication to show that we are REALLY different and TRULY circular.
- Due to the geopolitical situation, people buy fewer clothes.
 - We sell woollen cardigans and sweaters, products to wear in the colder weather so that the central heating can be turned down a degree.
- Loop.a life is a pioneer, innovator and real impact company that actively works on the transition of the chain. To invest in the supply chain and product innovation – because there was no local chain and yarns from discarded sweaters available in the market – loan capital was raised in the early years. The outstanding loans are soft loans with a low-interest rate (largely 4%) subordinated to bank credit. The interest and repayments are deferred and only need to be repaid in a number of years when the cash flow is positive.

Product-specific risk factors

Product specific risks when investing in convertible bonds.

- Investor agrees that its claims under this agreement against the issuer will rank lower than all other non-subordinated claims against the issuer as referred to in Section 3:277(2) of the Dutch Civil Code.
- Issuer issues a subordinated convertible bond that can later be converted by the investor into depositary receipts with which the investor becomes a co-shareholder. Investor bets on the expected (exponential) value growth of the company and on the expected possibility of selling certificates later at a profit. This usually takes more than five years after conversion. However, the chance of a high return with exponential growth is offset by the risk that the investment will be lost if the company does not do well.

- **Ranking Pay out:** Returns are paid out after payments to creditors have been made. There is a risk that the issuing institution will have insufficient liquid assets to pay out the return. This means for you as an investor that (part of) your return cannot be paid out if risk materialises. In the event of bankruptcy, outstanding creditors and other existing loans take precedence over the payment of the yield on the convertible bonds. For you, this means that in the event of bankruptcy the return on the convertible bond may not be distributed.
- The convertible bond(s) cannot be traded on a stock exchange or a platform and can therefore be traded to a limited extent. This means that there may not be a buyer for your convertible bond(s) if you want to dispose of your investment in the interim. You then run the risk that you will not be able to get your money back at the desired moment and that you will have to hold your investment longer or have to sell your convertible bond(s) for a lower price.

Find out more about the above risks and gain insight into Symbid's standard reporting on our [general risk page](#).

ORGANISATION

Ellen Mensink – Founder and CEO

Ellen is originally a business economist (University of Amsterdam) and creative (2 years part-time Rietveld Academy). She started her career as a marketer in the fast movers world (Unilever, Bols Royal Distilleries) and then as a strategic management consultant (Boer & Croon, Squarewise), often with assignments aimed at knowledge development, innovation and sustainability. She set up her own Creative City Lab foundation, where innovation labs were organised with top students around chain transitions. Following the Rana Plaza accident in Bangladesh, she ran her latest innovation lab on making the fashion industry more sustainable in which circular textiles emerged as a promising option. Later on she started her own company Brightloops with the full conviction that things could be done differently and better. Her great passion is local production, circular materials, and colours and nature. She is passionate about making the world a little better by DOING, learning and inspiring others.

Antoinette de Weerd – Head of Development & Production, Design Lead

Antoinette recently joined Loop.a life and is responsible for the design, development and production of the company collections. She worked for Claudia Sträter for 20 years, partly as an MT member, promoting the brand. She has always had a love of fashion, with keen attention to the design, the quality of the materials and the fit. Her strength is building a long-term relationship with the producer.

Ramona Kaiman – Merchandise Manager & Process Advisor (freelance)

Ramona is the merchandise manager responsible for the analysis of the sales of the collection and the commercial plan. She is involved in the implementation of an ERP system to gain more efficient insight and achieve financial objectives with regard to planning, development, production and sales. Ramona spent 14 years at Tommy Hilfiger as the Supply Chain Director where she led Sourcing, Development, Production, Buying & Merchandising teams.

Dick Langenberg – Knitwear Design & Development

Dick is co-responsible for the design and development of the Loop.a life styles. Besides his specialisation in knitting, he also has experience with jersey designs, prints and artworks. He has worked as a senior knitwear designer at Soap studio, Still and at Just B, Just Brands (Pall Mall) and also set up his own label. He taught Fashion & Design at the Academy of Fine Arts in Maastricht. He designs with a feeling for material, colour, shape and has an eye for detail. Besides fashion, Dick also has a passion for yoga.

Ramona Morman – Back Office Retail & Customer Service

Ramona is responsible for customer service and the point of contact for our retailers. She gained her experience in fashion at Filling Pieces, where she was also a customer service and back office manager. Being socially involved is what Ramona finds important in her work.

Shanon Welhous – Brand & Social Media Manager

Shanon is co-responsible for branding and overall marketing activities. He has worked with major brands such as NUBIKK and Red Bull and has more than 10 years of experience in marketing with a strong affinity with fashion and music. Shanon would like to take Loop.a life to the next level and be part of the growth, because he believes in the story of Loop.a life and sees it as the future of fashion.

Floor Edelkoort – Content & Event Manager

Floor is responsible for on- and offline content and communication and the organisation of events. During her early years as a professional in the fashion industry, she discovered that not many companies really 'want' to make a difference when it comes to sustainability. Floor fully supports the company's mission and uses her marketing experience to put Loop.a life on the map.

Lucia Antico – Webshop Manager

Lucia is responsible for Loop.a life's new webshop as well as the transition from WooCommerce to Shopify and has a lot of knowledge of making the connection with large portals. She has more than 10 years of experience in marketing and she contributed a lot to large companies such as Uniqlo and Porsche. In her penultimate job she worked as a webshop manager and marketer at Elements of Freedom. Her passion for fashion and sustainability brought her to Loop.a life.

We always have one or two interns for the product development of the collection. In this case, Iris Glorie from AMFI researches knitwear design, and development and sizing.



Ellen Mensink-CEO



Ramona Kalman



Shanon Weihouse



Floor Edelkoort



Lucia Antico



Iris Glorie



Ramona Morman



Petra Schouten



Antoinette vd Weerd



Dick Langeberg



Fieke Wegdam

Juridic structure

The provider of the convertible bonds is different from the issuer.

The issuer is Brightloops BV, incorporated on 14-06-2016 and located in Amsterdam under the Chamber of Commerce number 66245842. The address of the issuer is Emmy Andriessstraat 278, 1087 ML Amsterdam. The issuer's website is www.loopalife.com.

Contact person: Ellen Mensink.

The issuer is controlled/managed by Ellen Mensink Holding B.V.

The main activities of the issuer are: Textile finishing + industrial and product design + manufacturing of made-up textile articles (excluding clothing).

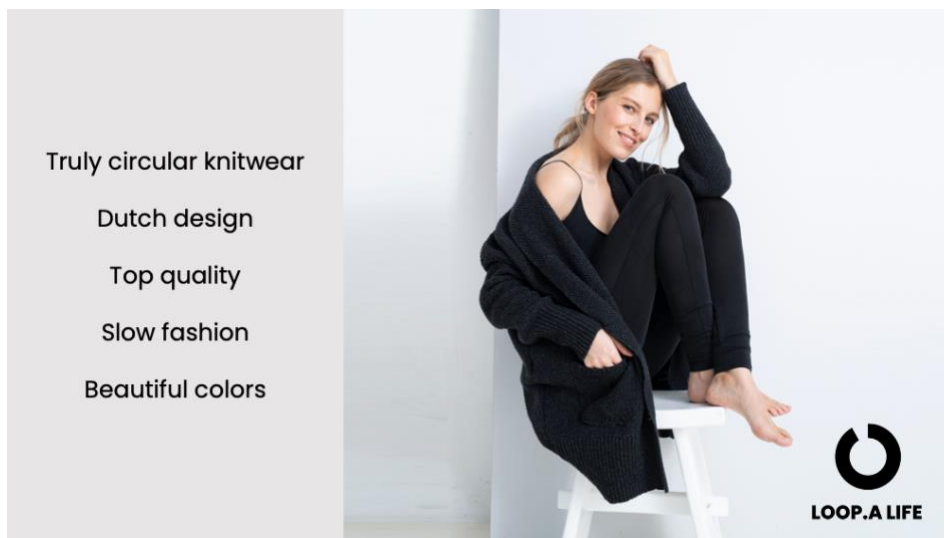
The offeror is not the issuer of the convertible bonds. There is no financial relationship between the provider and the issuer.

Personnel development

We want to expand the team with a Commercial Director, a webshop manager, an e-commerce employee and a retail employee. The goal is to increase conversion and sales through our own website, to start selling Loop.a life through larger international platforms such as Zalando and Only You, as well as through four well-known portals (that fit well with the collection and target group of the brand) and to grow the number of retailers where the brand is sold.

THE PRODUCT

The Loop.a life collection consists of beautiful quality basic essentials, designs that should be in every wardrobe. Luxurious knits (with recycled cashmere and alpaca) and special design (collector's items) such as our Wadden or Fryske sweaters. Our clothes are designed in such a way that they can be styled differently by multiple target groups and ages, in a casual, business or chic style. The collection is made with attention to detail, fit and colour.



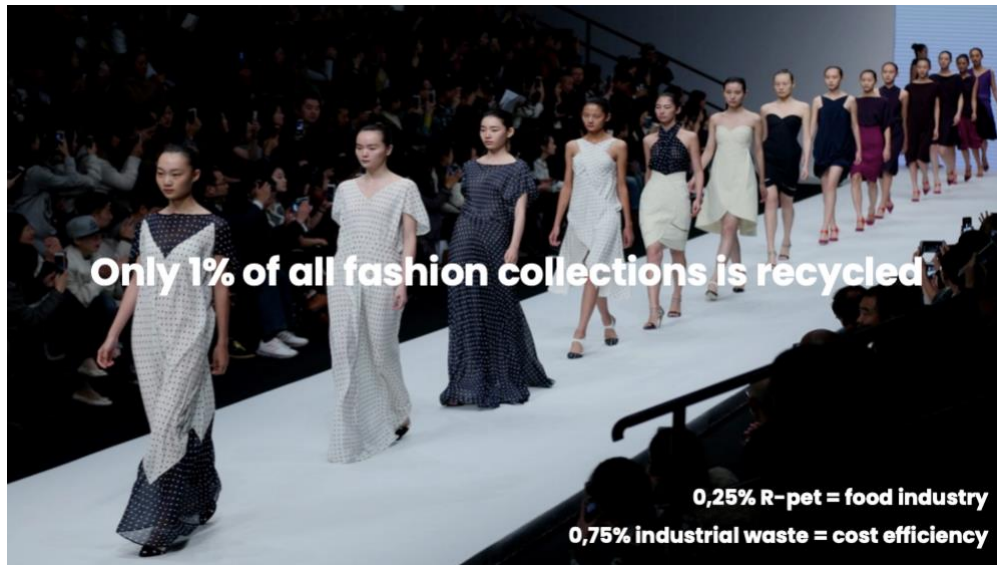
Beautiful colours

Because we recycle colours, each one has to be developed separately. Loop.a life specialises in colours and pays a lot of attention to developing special colours (with depth and variation) and a nicely coordinated palette. We make clothing from all colours of the waste mountain - 'the United colours of waste'. Our mission is to make the most sustainable sweater in the world and to become the Benetton of circular fashion.



Unique

Loop.a life is unique because we are the first and only fully 100% circular collection on the Dutch and European market. We make our own raw materials, yarns and end products, for the simple reason that this wasn't being done in a sustainable and qualitative way from discarded clothing. Our clothing consists of at least 35–70% local post-consumer textiles from Dutch soil and is produced within Europe. By reusing materials and colours we do not use water and chemicals and that is why we are incredibly sustainable in addition to being circular. This is unique because the current recycled clothing is not necessarily produced sustainably and almost always consists of industrial waste or PET bottles (which is not the major challenge that the fashion industry faces now).



As a frontrunner in circularity, we gathered great knowledge and actively worked together with our suppliers in the industry to realise a local automated production chain. As a result, we are assured of a consistent influx of high-quality materials – crucial to grow our collection and turnover.

Revenue model

We will make an average margin of 45% over the coming years. The turnover comes from the various sales channels: webshop, private label and retail. The margins differ greatly per sales channel but are complementary. Each sales channel has a different added value: retail is important so that the consumer can see and experience us; private label production (for other brands) is important to generate impact; the portals ensure broader growth abroad and highlight greater awareness; and through our webshop we can tell our own story and sell at a higher margin. The average margin will remain the same in the coming years because we make careful choices in this channel mix, therefore they will jointly continue to ensure a solid gross margin.

The net margin will increase over the next 6 years. We will grow from a negative margin of -35% in 2023 to a positive margin of 11% in 2024 and 28% in 2028. Because turnover will increase, personnel costs, housing and general costs will eventually remain the same.

Scalability

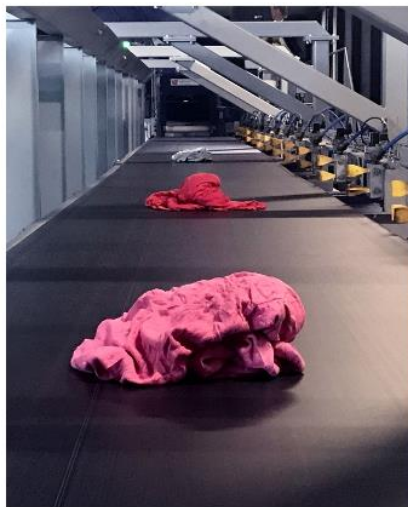
Our initiative is scalable, both in terms of market, product, target group and material. The collection has been expanded for men and women and is well received; there is arguably traction and a market for recycled clothing, which is growing. Loop.a life is now largely sold within the target group of 50+, however the collection is suitable to be worn by a wider customer base. We want to use our marketing budget to serve multiple target groups and to sell our products through further channels. Online portals are a promising channel that we are not yet using. In 2023 we will put a new sweater line on the market, 86% of all clothing is made of knitwear (from sweater to T-shirt) and 76% of all knitwear is jersey (T-shirt, sweater, polos). With these items we can also appeal to the younger target group, supply products to the market year-round, and become more active in a much larger (growth) market.

By collaborating on setting up a local supply chain, we have ensured that we can purchase a consistent volume of high-quality material and yarns from post-consumer material by colour. Attention should now be focused on brand awareness and sales growth through our website and portals abroad.

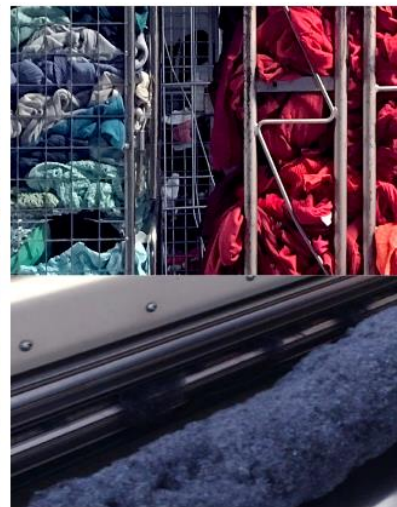
Partner in a worldwide unique fully automatized local supplychain Preferred customer to secure high volume feedstock



WIELAND TEXTILES
Sorting on re-use and pct waste



FIBERSORT + TEXTILE2TEXTILE BV
Automatic sorting & cleaning



BRIGHT.FIBER TEXTILES BV
High value fiberizing, yarn, fabric

The new UPV legislation requires brands to include at least 25–33% post-consumer material in their collections before 2025–2030. We can support them in this through our private label activities.

Current status

In recent years, we have developed various designs and yarns, resulting in a beautiful, broad permanent collection. We started by recycling wool (re-wool) to make cool sweaters and cardigans, then brought denim (re-denim) and a sailing collection to the market, and set up the cotton program (cotton2cotton) for the sale of beautiful basic essentials in spring, made from local residual flows AND 100% natural materials. Last year we launched a softer wool yarn

(Softwool) including recycled cashmere and alpaca for a finer soft chic program that appeals to both men and women. Our products are purchased in the spring and in winter particularly.

Further development

During the last 18 months we have worked with production partners to develop super thin yarns to provide very fine knitwear for the summer and jersey fabric for making T-shirts, sweaters and hoodies. With these innovations we can supply products all year round and be active in a broad growth market. We will launch this new line in 2023. We are conducting a lifecycle analysis of our own chain, in which we map out how sustainable each producer is. For all our products, we will communicate measurable sustainability results and savings on the product by 2023 via a digital tag.

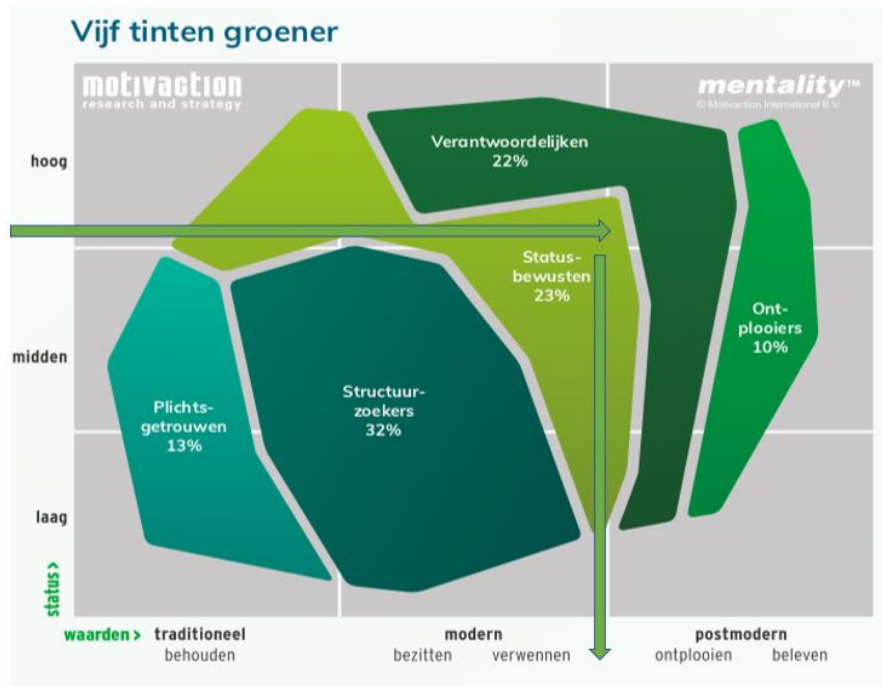
MARKT

Target group

We currently serve the target group of 50+ and mainly women (70%). We would like to change this. Below are the target groups that we want to approach step-by-step:

1. 50% of the current target group consists of 50+ consumers, they are educated, are in the higher income class, socially aware and are sustainable. They are also status conscious, have an above-average lifestyle, their style group is classically modern and atmospherically modern.
2. Currently we serve both women (70%) and men (30%). We want a 60/40 ratio, our concept fits well with the men's target group. Men are brand loyal, once a product has the right fit, they buy the same thing back in multiple colours.
3. In the future we would like to serve a wider target group: 35–50 years old, working, family, active, sustainable and latently aware. This is a large group that finds our collection attractive and also affordable. We have to focus directly on this target group with photography, pricing and marketing.
4. We also want to focus on the young target group: 25–35 years, a growing group of young working professionals who are actively involved in sustainability. These are the consumers of the future and therefore important to Loop.a life.

We make a collection that the consumer initially buys because they find it very attractive, both in style and in colour. The fact that our product is 100% circular promotes sales, but in our opinion should not be the first and only reason to buy a Loop.a life product. Our customers are style and quality conscious.



Market size

The total import market for clothing is €72 billion in Europe.

The import market for knitwear is €21.8 billion and has grown from 2014 to 2021 by 5.1%. Within the Netherlands, knitwear is growing by an average of 6% per year. The growth of the market for knitwear is due to the increasing use of knitwear in other product segments such as trousers, dresses, shoes, etc. The comfort of knitwear, items that are easy to wash, and the unique design possibilities, are all reasons for the growth of the knitwear market.

The new product group we will be introducing in 2023 is jersey. This accounts for 86% of all clothing worldwide with a current growth of 6%. Europe sells 50% of the jersey market worldwide. The outerwear market accounts for 85% of total clothing sales worldwide.

Competition

Our competitors are other brands with an 'extensive' knitwear collection, such as Filippa K, NN07, Unrecorded, Alchemist, Arket, American Vintage, Moscow, Sandwich, ByBar, etc. Our collection is comparable in terms of price and quality. Some brands communicate that they are also sustainable, however we stand out because we are 100% circular AND super sustainable. Most brands have a sustainable part of the collection. We experience almost no competition, because their concept does not match ours (post-consumer and produced locally and nearby). At the same time, there is currently a lot of greenwashing – 40–60% of brands falsely claim they are sustainable and the ACM is now taking action against this. This is our biggest challenge and the reason why we want and need to grow and deploy more marketing budget to make consumers aware of our USP – 100% circular and super sustainable.

Current customers

The Loop.a life customer base is 12,000, and the active client base that repeatedly purchases via the newsletter is 5,600. The reach of our website is currently 150,000 visitors per year. We work closely with NRC – through their platform we do 4 print/newsletter campaigns (for 4 to 6 weeks) per year via a page in the newspaper. We also offer our collection on their webshop and in special newsletter edition. We do a larger campaign 4 times a year in collaboration with the NRC, where our products are sold at a discount for members in exchange for exposure in the newspaper and via their newsletter to members. NRC has the right target group and the campaigns are very successful. The NRC website has a reach of 40,000 visitors per month, the newspaper has a reach of 1.4 million readers and their newsletter has a reach of 16,000 interested customers.

Feedback from customers

We receive many positive reactions; our customers find our products and the colours very beautiful. They ask why the items are not available in more retail stores. For some customers, the products are a bit too expensive, and that is why we occasionally have sales promotions, aimed at customers with a smaller wallet. The finer knits and sweaters that come on the market next year will be in a slightly lower price segment. If we grow towards a higher production volume, the average price may drop slightly.

New customers

We are expanding our target audience and have programs in the collection that have a more casual look. After a Loop.a life re-brand – styling and photography – we are now focusing on the 25-45 year-old target group. We see that this 'younger' group are showing more interest and buying our products. We are also working on further professionalising of our marketing team and we've recently teamed up with one of the most renowned ad agencies for fashion brands. Compared to the beginning of the year, we are now attracting double the number of new visitors to our webshop every week.

Last year there was a lot of interest from other brands for the private label segment. We have just signed a contract with a major customer for 2023, guaranteeing 60% of our turnover for 2023. We are in deep discussions with 6 other well-known brands to make circular products as parts of their collection. This way we create impact and, via our collaboration hang tag on their clothing and joint communication, we also benefit from the communication of other brands.



The retailers who have been our customers have often come to us on their own initiative. There is a lot of interest among retailers for truly sustainable fashion, and circular fashion is something that appeals to them greatly and in which we are the only one with a total concept. We want to actively enter the market to approach more retailers, but selectively focus on real ambassadors and national distribution for the visibility of our collection and not on rapid growth. The new back-end system that we are implementing is equipped with a business2business portal, through which retailers can view and order the stock remotely.

SALES

Sales story

Loop.a life sells beautiful 100% circular sweaters and cardigans, beanies, scarves and plaids from Dutch soil. Colourful slow fashion sweaters and cardigans made with attention to detail and fit that can be worn for a long time. Circular because we process local discarded clothing into raw materials, own yarns and knitwear in a fully closed loop within Europe. Because we reuse materials and colours, we do not have to dye our products and we do not use water. With a special sweater from Loop.a life, not only do you look nice and feel warm, but you work with us on the mountain of waste and a clean and green planet.

Completed so far

1. Social media (paid): We advertise via Google and Meta to increase our awareness and generate more conversions. We do this in collaboration with a specialised digital agency.
2. Social media (owned): These are our own social media channels – Instagram, Facebook, LinkedIn.
3. Newsletter: We send out a weekly newsletter to 5500 active subscribers.
4. Media partners: We work together with 2 media partners, NRC and Mediahuis Noord in the form of discounts on products, a great way for us to get attention without a large media budget.
5. Press: We are often picked up by the press when we have new developments.
6. Events: We regularly organise our own events such as a pop-up store or the Dutch Design Week, in this way we can set up our own program.

Marketing & sales channels

Marketing:

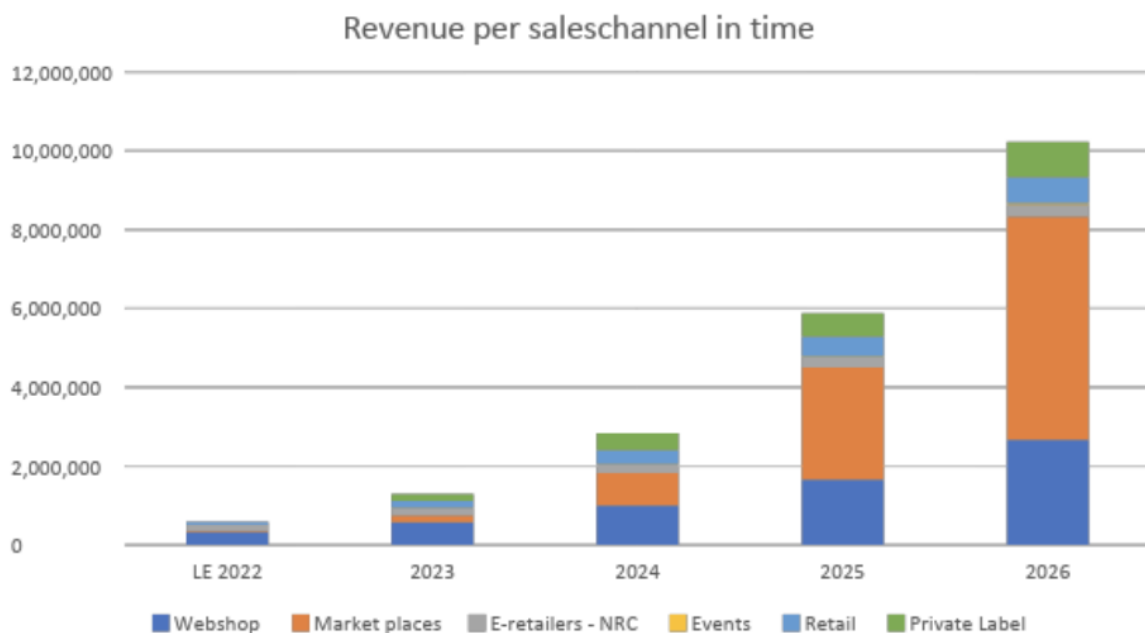
1. Social media (paid): We are going to grow our SM budget to boost our awareness through social media. Our social media agency specialises in this.
2. Social media channels (own): Facebook, Instagram, YouTube, LinkedIn, TikTok. We need to increase the interaction on these channels – a content manager has been hired to do this.
3. Newsletter: Sales through our newsletter is an important channel that generates stable revenue, we want to grow significantly with the number of newsletter subscribers and will take targeted actions for this.
4. Media partners (including NRC)
5. Influencers: We will start an influencers program to realise more awareness in the market. We are considering approaching celebrities to be/become our ambassadors.
6. Press: We approach the press very specifically when there is news to share.
7. Events: We organise our own events and link up with events in fashion or design that matter, such as Modefabriek, Dutch Design Week, and international fairs.

Sales channels:

- Our own webshop: www.loopalife.com
- 20 sustainable retailers
- Private Label – other fashion brands
- Marketplaces
- NRC webshop
- Bol.com

Marketing target

We want to be the leading circular fashion brand in Europe in five years' time. During these five years we want to grow by 50% each year via the webshop. The number of newsletter subscribers should grow to 25–35,000 active subscribers over the next 3 to 5 years. In the long term, the turnover ratio of the webshop should be up to 30% of the total turnover and of the online portals should be 50% of the total turnover.



Partnerships

Partnerships are crucial for both Loop.a life and the circular fashion industry. Together we can ensure a local supply chain and the transition in the chain:

Wieland Textiles, Fibersort and Textiles2Textiles B.V. and Bright.fiber Textiles, cooperation ICCT – jointly setting up the local supply chain, sorting discarded textiles into reusable and non-reusable material, automatic fine sorting and cleaning of residual materials and fiberising materials, and subsequent supply of yarns and cloth.

Amsterdam Economic Board and the Municipality of Amsterdam – co-initiator of Greendeal Circular Textile and initiator of the Circular Fashion Innovation Lab together with AEB and the Municipality of Amsterdam.

Collaborations with the Salvation Army and Sympany – influx of materials and tenders to Municipalities.

Wieland, ByBorre, Knit-it and Bright.fiber Textiles and Province of North Holland – joint development program for developing new yarns and cloth.

Direct production partners

- 4 spinners in France, Italy and Turkey
- 4 knitters in the Netherlands, Portugal and Turkey

5 brands and Co-labs to make new collections within their collection.

Knowledge institutes Saxxion and AMFI – for developing and testing yarns and making capsule collections and internships/learning places.

Industry association – with Modint and Euretco (partner of the DCTV) in particular the Dutch Circular Textile Valley Amsterdam.

Member and partner of:

- Social Enterprise
- Amsterdam Made
- UnitedSuccess
- Changeclub
- Impact Hub Amsterdam
- Change Inc.
- NVRD
- Stichting Doen
- Makers Unite

FINANCE

Current financial position

The issuer has been active since 14/06/2016. The following financial information is the most recent information available as of August 2022.

Income statement

The following information pertains to 2021 and is the most recent information available.

The turnover for this period is €586,798

The purchase costs for this period are €323,900

The operating costs over this period amount to €578,697

Financial income and expenses amount to €82,388

The net profit for this period amounts to -/- €233,411

Balance sheet and securities

The date of this information is August 2022.

Equity amounts to -/- €772,073 and consists of:

- €121 issued capital
- €315,125 share premium
- -/- €1,087,322 other reserves

The loan capital amounts to €1,266,810 and consists of:

Long-term debt: €943,211

Short-term loan capital: €323,599

- €85,110 creditors
- €137,496 debts to participants/group companies
- €70,531 debts to banks
- €15,395 pensions
- €3,944 payroll processing
- €11,123 other debts

The equity/debt ratio is 0/100. After the issuance of the convertible bonds this ratio is 0/100.

This includes the long-term financing outlined below.

The working capital is €20,851 consisting of €36,994 debtors

- €305,004 stock
- €1,789 accruals
- -/- €85,110 creditors
- -/- €137,496 debts to participants/group companies
- -/- €70,531 debts to banks
- -/- €15,395 pensions
- -/- €3,944 payroll processing
- -/- €11,123 other debts

The amount of outstanding loans is €943,211. This concerns the following loans that the issuer must repay on the date outlined.

- €92,711 shareholder loan 1, deferred repayment 31-12-2024
- €355,379 loan from participations subordinated to bank credit until Dec 2025, 5% interest
- €161,952 shareholder loan 2 subordinated to bank credit until February 15, 2025, 6% interest
- €171,670 shareholder loan 3, deferred to Dec 2024, 4% interest
- €20,408 shareholder loan 4, deferred to Dec 2024, 4% interest
- €22,993 dept repayment in 2022 from current cash flow (not from financing)
- €118,038 tax debt, repayment until Oct 2027

The issuer has not provided any security to investors in the convertible bond. Furthermore, no securities have been provided to other current creditors.

The following information relates to the situation after issuance of the convertible bonds. The proceeds of the offer are expected to be a minimum of €350,000 and a maximum of €1,000,000.

After the issuance of the convertible bonds, the working capital amounts to €370,187 at the minimum funding of €350,000 and €1,020,187 at the maximum funding of €1,000,000 and consists of:

- €36,994 debtors
- €305,004 stock
- €1,789 accruals
- €350,000 cash or €1,000,000 cash
- -/- €323,399 current liabilities

Expected revenue

Brightloops B.V. Operating budget			
01-09-2022			
Revenue	LE 2022	2023	2024
Webshop - incl. NDC	€ 330,000	€ 577,500	€ 1.010.625
Retail	€ 700,00	€ 175,000	€ 350,000
E-retailer - NRC	€ 150,000	€ 175,000	€ 215,000
Events	€ 5,000	€ 10,000	€ 20,000
Marketplaces	€ 30,000	€ 180,000	€ 810,000
Private Label	-	€ 175,000	€ 425,000
Total revenue	€ 585,000	€ 1,292,500	€ 2,830,625

Assumptions

We expect to grow by 75% in 2023 and 2024 via our webshop as our new website launching October is more user-friendly. We are also allocating more budget to social media and have started working with a new digital agency with extensive experience in the fashion industry. In addition, we turned in less turnover last year because our knitters delivered very late internally due to COVID-19, which caused our turnover to stagnate. We have 2 new knitters; we also want to hire more marketers, hire a webshop manager on a permanent basis, a commercial director, an e-commerce employee and a back office employee, resulting in a solid permanent marketing team.

Private label turnover will certainly increase; during COVID-19 it was quiet because brands were in heavy weather, but we are now in extensive talks with several brands and recently signed a contract ensuring that 75% of our private label turnover for 2023 is secured. Due to the new UPV legislation that makes brands responsible for producing 25-33% recycled clothing, more and more parties are turning to us. PL is about larger amounts per assignment, which is why we expect to grow faster there. We want to grow to a fixed number of customers.

We also want to grow retail with a number of retailers who are also truly sustainable or who want to take steps in that direction. We see our retailers as our ambassadors who tell the story of Loop, a life and where the consumer can feel and see our product. We want to grow in the coming years to a fixed number of retailers from 150 to a maximum of 200. The aim is to mainly grow through the webshop and portals.

After the crowdfunding, in the coming months we would like to start selling via Zalando and About You, the two most important portals that offer opportunities for us and that pay more attention to sustainable brands. The online portals hold more than 50% of the market share for the sale of clothing. Our new website is now suitable for connecting to large portals. In addition to an e-commerce employee, we want to hire an e-commerce manager in due course to make the link and commercial deals with these and more portals and to also start communicating via the online channels.

Invested so far

Nominal capital employed €121,030
Share premium reserve €194,219
Total invested – €315,249.40

Investment need

Through this campaign, a minimum of €350,000 and a maximum of €1,000,000 will be raised in the form of a convertible bond.

Use of the collected funds

The total maximum revenue of the offer €1,000,000.
This amount may also be lower if not all convertible bonds are subscribed.
The minimum proceed is €350,000.
The proceeds are used for marketing/sales and innovation.

With the minimal revenue we can hire a commercial director and an extra e-commerce employee, increase the marketing sales costs necessary to successfully realise our current

obligations via Social Paid (Google and Meta advertising costs). We expect to be able to grow in turnover in the coming year, but to a limited extent in the years after that.

If we achieve our maximum proceeds, we can also hire an e-commerce manager, a permanent COO and a retail manager/support. We can then further develop and launch our new product innovation – jersey material for T-shirts and sweatshirts. We can also supply more stock and finance our working capital to scale up. In short, the difference is between continuing to exist and quiet organic growth, versus scaling up, selling a broad year-round collection, selling to more brands and online portals, being visible in retail and selling abroad.

The issuer has no other costs besides the costs related to the investment.

Return and exit policy

Interest

The proceeds are a singularly and constructive interest of 6% on the convertible bond. In addition, there may be dividends and/or gains in value upon conversion of depositary receipts for shares when these depositary receipts are sold.

Conversion

Any investor can convert their entire investment in shares or depositary receipts for shares through a STAK (Stichting Administratiekantoor) of the issuing institution in all situations where:

- The convertible bond becomes due and payable.
- The issuing entity issues shares to one or more third parties for a total amount of at least €1,000,000.
- A transaction is executed whereby one or more third parties become shareholders of more than half of the outstanding shares in the issuing entity.
- The initial or extended term of the agreement will expire within one month.

Conversion Discount

As a Bondholder, you receive depositary receipts for shares in the issuing entity via a STAK under the same conditions as a follow-up investor, but at a discount. This is to reward investors for having invested in an earlier stage. The discount applied on a conversion is according to the following schedule:

Investors up to €24,999

- 15% - Conversion after 3 months, but within 1 year after the bond is made available
- 20% - Conversion after 1 year, but less than 18 months after posting of the bond
- 25% - Conversion after 18 months after the bond is made available

Investors from €25,000

- 20% - Conversion after 3 months, but within 1 year of posting the bond
- 25% - Conversion after 1 year, but less than 18 months after posting of the bond
- 30% - Conversion after 18 months after the bond is made available

The investor receives interest on the original loan amount over the life of the convertible bond. This amount is not paid out but is added to the initial amount invested and paid out when the loan is repaid or converted into shares or depositary receipts for shares.

Pay out of the convertible bond may be made at the initiative of the issuing entity at the end of the term, and only if the issuing entity is able to do so.

The proceeds are not paid from the investments of other investors.

Besides the investors, there are no other persons who receive any income (other than 'expenses') from this investment.

Exit Scenarios

For the time being, our goal is to invest in further growth and not to sell Loop.a life quickly (exit) because we want to build a great company and have a great impact. At the same time, there may be a trade-off that the best way to achieve this impact is to merge together with another party. As an investor, you will of course be regularly informed of our plans and choices.

STATEMENTS ISSUING INSTITUTIONS

No significant change

There has been no negative change of significance in the Issuer's prospects since the Issuer's last published and audited financial statements.

Trends

There is no information about known trends, uncertainties, requirements, obligations or events that could reasonably be expected to have an effect on the Issuer's prospects during at least the current Financial Year.

No significant change in the financial or trading position since the Issuer's last published and audited financial statements, there has been no change of significance in the financial or trading position of the Issuer and the group to which the Issuer belongs.

Corporate Governance Code

Since the Dutch corporate governance code only applies to companies with a registered office in the Netherlands whose shares or depositary receipts for shares are admitted to the official listing of a government-recognised regulated market (stock exchange), the Issuer (not listed) does not apply this code.

Potential Conflicts of Interest

There are no (potential) conflicts of interest between the obligations towards the Issuer of the members of the Board of the Issuer on the one hand and their own interests and/or other obligations on the other.

Procedures

There are no governmental actions, lawsuits or arbitrations, including such proceedings, which, to the best of the Issuer's knowledge, are pending or may be initiated over any period of at least the preceding 12 months that could have significant influence or recent history on the financial position or profitability of the Issuer or the group to which the Issuer belongs.

Numbers

All figures in this Information Memorandum have not been audited unless expressly stated otherwise.

SYMBID AND PLATFORM

Background information

Symbid's business consists largely of taking and transmitting orders for retail, high net worth and professional investors. Through its activities, SC supports the interaction between committed investors and forward-thinking start-ups and growing SMEs in the Netherlands. This involves financing various types of projects that achieve a positive impact on society with an involved group of investors or ambassadors. Our platform provides a non-personalised recommendation to a wide audience online by enabling organisations to profile its project in a transparent and financially sound manner, and to professionally build and maintain the relationship with its financiers/investors.

Affiliated agency

Symbid BV has an agency, as defined in the Financial Supervision Act (Wft), affiliated with the private company with limited liability, Ilfa Tools & Service B.V. Ilfa is an investment firm within the meaning of the Wft, it has received a license from the AFM as referred to in Section 2:96 Wft and is therefore supervised by the AFM.

OTHER PARTIES INVOLVED IN ISSUE

Structure

The following legal entities play an important role in the issuance:

- **Brightloops BV** (the Issuing Institution).
- **Symbid Crowdfunding**, a trade name of Symbid BV, a private limited company, with its registered office in Rotterdam, with offices at Schiedamse Vest 154, Rotterdam and registered in the trade register of the Chamber of Commerce under number 52466825.
- **Online Payment Platform B.V.**: Symbid has a partnership with Online Payment Platform – a Dutch financial institution that specialises in providing payment transaction settlement services. In order to be able to offer its financial services in accordance with the applicable financial legislation and regulations, Online Payment Platform is licensed as an Electronic Money Institution and Online Payment Platform is supervised by De Nederlandsche Bank (DNB) plus the Dutch Authority for Financial Markets (AFM).