



**Information memorandum relating to the offer of
Class C 'Druivenstrekters', Class D 'Sympathisers' and Class E 'Investors' shares
by the cooperative Papaver CV.**

This document was produced by Papaver CV.

IN ACCORDANCE WITH REGULATIONS, THIS INFORMATION MEMORANDUM IS NOT A PROSPECTUS AND HAS NOT BEEN AUDITED OR APPROVED BY THE FINANCIAL SERVICES AND MARKETS AUTHORITY (FSMA). IT HAS HOWEVER BEEN SENT TO THE FSMA.

This information memorandum is correct as at 30 October 2023.

WARNING: INVESTORS RUN THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT AND/OR NOT OBTAINING THE EXPECTED RETURN.

THESE INVESTMENT INSTRUMENTS ARE NOT LISTED: INVESTORS MAY FIND IT DIFFICULT TO SELL THEIR POSITION TO A THIRD PARTY IF THEY SO WISH.

Part I: Key risks specific to the issuer and the investment instruments being offered

The instrument offered is a share. By subscribing, the investor becomes the owner of part of the issuer's capital. The shareholder is subject to the risk of the company and may therefore lose the capital invested. In the event of liquidation, the shareholder takes second rank to the creditor in the distribution of the proceeds from the sale of assets.

Shares have an unlimited life. See points 2.4 and 3 of Part IV for information on liquidity windows and redemption options.

In return, a share entitles the holder to a share in all profits made by the issuer, and the shareholder may receive an income payment called a dividend. The amount of the dividend depends on the profits made by the issuer and how it decides to allocate them, between reserves and shareholder remuneration. Shares also carry voting rights at general meetings.

The issuer believes that the most significant risks for investors are as follows:



Issuer-specific risks:

<p>Operating and commercial risks :</p>	<ol style="list-style-type: none"> 1. A lockdown, partial or total, due for example to a pandemic, which would require the closure of indoor commercial activities. 2. Future competition from bakeries, cafés and restaurants in Hoeilaart. 3. Changes to the legal and tax regulations related to employment law for directors, self-employeds and workers. 4. Access to raw materials and price inflation. 5. Changes in energy prices (electricity and gas). <p>One of the consequences of these risks on Papaver and its investors is the delay in the company's profitability.</p> <p>The multi-modal business model, which brings together diversified, complementary and agile activities under one roof, combined with an online ordering and payment platform and a delivery infrastructure, means that the risk of a lock-down is almost entirely covered:</p> <ul style="list-style-type: none"> - Based on the experience following the pandemic in 2020 and 2021, the bakery is a commercial activity that should remain open in the event of a lockdown; - The restaurant's kitchens are designed to cater for a catering business and take-away/delivery demand. <p>Papaver uses the following approaches to cover other risks:</p> <ul style="list-style-type: none"> - Sourcing flour from mills located mainly in Belgium, from wheat grown in Belgium; - Sourcing of other raw materials from mainly Belgian and local suppliers; - Papaver seeks to optimise the alignment of its interests with that of its staff by maximising the number worker-shareholders and minimising the number worker-employees; - Energy and water independence: Papaver's ambition is to create an infrastructure that will enable it to be (almost) energy and water independent.
<p>Related to subsidies:</p>	<p>Papaver does not depend on spontaneous or recurrent subsidies for its activities.</p>



Governance-related risks ::	<p>Papaver relies on</p> <ul style="list-style-type: none"> - a diverse Board of Directors and team, rich and complementary in terms of: <ul style="list-style-type: none"> - academic and professional expertise, experience and skills ; - languages spoken, nationalities and gender. - the set up and use of participative management, which represents an incredible opportunity and a fine innovation in the hotel and catering sector. <p>That type of management remains a bet that requires well thought-out and agile governance to avoid the risk of slowing down decision-making.</p>
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Part II : Information about the issuer.

A. Identity of the issuer

1.1 Head office and country of origin	Overijsesteenweg No1, 1560 Hoeilaart, Belgium
1.2 Legal form	Cooperative company (Coöperatieve Vennootschap, Société Coopérative)
1.3 Enterprise number	BE 0799.890.506
1.4 Website	www.mypapaver.be
2. Issuer's business activities	<p>Papaver's purpose is to bring together, in a single location, activities relating to:</p> <ol style="list-style-type: none"> 1. the production and sale of bakery, pastry and viennoiserie products and services; 2. Gastronomy and catering services in the broadest sense of the term; 3. the arts in the broadest sense.
3. Identity of persons holding more than 5% of the issuer's share capital as at 31 August 2023.	<p>Each founder holds one third (33.33%) of the company's shares:</p> <ul style="list-style-type: none"> - Robin Claessens - Stéphanie Schramme - Yann Verstraeten



4. Any transactions entered into between the issuer and the persons referred to in the previous point and/or related persons other than shareholders.	N/A
5.1 Identity of the members of the issuer's legal administrative body.	<ul style="list-style-type: none"> - Robin Claessens - Stéphanie Schramme - Yann Verstraeten
5.2 Identity of the members of the management committee.	<ul style="list-style-type: none"> - Robin Claessens - Stéphanie Schramme - Yann Verstraeten
5.3 Identity of the individuals responsible for daily management.	<ul style="list-style-type: none"> - Robin Claessens - Stéphanie Schramme - Yann Verstraeten
6. Total amount of remuneration paid to directors and/or delegate(s) for day-to-day management for the last financial year and total amount of sums set aside or otherwise recognised by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits.	<p>NA – directors will only get paid once the Papaver is open.</p> <p>Papaver is not an operating company yet : it's opening day is expected by the end of the summer 2024.</p>
7. With regard to the persons referred to in point 4, mention of any convictions referred to in Article 20 of the Law of 25 April 2014 on the status and supervision of credit institutions and brokerage firms.	N/A



8. Description of any conflicts of interest between the issuer and the persons referred to in points 3 and 5, or with other related parties.	Robin Claessens is the owner of the building within which Papaver's businesses will take place.
9. Identity of the statutory auditor.	As the cooperative is not legally required to do so, no auditor has yet been appointed.
10. Identity of the external accountant	BCH & Partners, located 379 Avenue Louise, 1000 Brussels Entreprise No : BE0842.476.177

B. Financial information related to the issuer

1. Last two years' financial statements	NA The company was set up in March 2023 and will start operating in 2024. The financial plan for the next years is available in the annexes..
2. Net working capital.	NA
3.1 Equity.	At 31/05/2023, shareholders' equity stood at 30,000 euros, without subsidies.
3.2 Debt.	At the date of issue of this information memorandum, the company had no debt. However, an agreement with KBC Bank will enable Papaver to finance its bakery and pastry-making equipment and machinery under a leasing arrangement worth circa 210,000 euros. This financing represents 26% of Papaver's capital requirements.
3.3 Expected timing for a positive EBITDA.	March 2025
3.4 Date by which the book value of the shares equals the nominal value.	2026
4. Significant change in the financial or trading position since the end of the last financial year to which the annual accounts appended to this note relate.	NA



Part III : Information on the offering of investment instruments

A. Description of the offering

1.1 Offering type	Sales by subscription
1.1 Minimum offering amount.	400.000 eur
1.2 Addressees of the offering and minimum subscription amount.	<ul style="list-style-type: none">- «Druivenstrekens», Hoeilaart residents, 1 share C = 50 euros- «Supporters », individuals, 1 share D = 100 euros- «Investors», companies, 1 share E = 500 euros.
1.3. Maximum subscription amount per investor.	100.000 euros
2. Maximum total price of investment instruments offered.	500.000 euros
3.1 Offering start date.	01/12/2023
3.2 Offering closing date.	31/03/2024 - However, the issuer reserves the right to terminate this offer early by simple decision of the Board of Directors.
3.3. Issue date of investment instruments.	As subscriptions are received



<p>4. Voting rights attached to the shares.</p>	<p>Shares are registered.</p> <p>Computerised certificates recording the registrations can be issued to shareholders or accessed via a secure website.</p> <p>Within the cooperative, there are 5 categories of shares.</p> <ol style="list-style-type: none">1. Class A shares, or "Guarantor Shares", reserved for the "guarantors" of the company's values, i.e. the founding members of the cooperative and individuals whose abilities, commitment, shares or aims enable the values and aims of the company to be realised, guaranteed and perpetuated, and after approval by the Guarantors' College (as defined in Article 37 of the Articles of Association).2. Class B shares, or "Papaversers" shares, reserved for staff members who have had an employment contract with the company for at least six months, and for individuals who have a direct contractual link with the company under student status, via an employment cooperative or independently.3. Class C shares or "Druivenstrekers" shares, reserved for individuals domiciled in the commune of Hoeilaart (1560), who are the subject of this offer.4. Class D or "Supporter" shares, reserved for any individual who subscribes to the philosophy and object of the company, which is the subject of this offer.5. Class E shares or "Investor" shares, reserved for corporate partners, (investment) companies and any other company wishing to support Papaver, which is the subject of this offer. <p>All members have an equal vote in all matters at General Meetings, regardless of the number of shares they hold.</p> <p>Any change to the purpose and/or object of the cooperative requires, in addition to the legal quorums, the approval of the majority of Class A cooperative members.</p>
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5. Composition of the Board of Directors.	<p>The company is managed by a minimum of three directors, who may or may not be co-operators, appointed by the General Assembly of Co-operators for a term of three (3) years and who may be dismissed at any time by the General Assembly of Co-operators for just cause.</p> <p>Insofar as nominations permit, at least two (2) members shall be appointed by the General Assembly of Co-operators from among the candidates proposed by the co-operators holding A shares (the "Class A Directors").</p> <p>Insofar as nominations permit, as soon as Class B shareholders reach 10 members, at least one (1) member shall be appointed by the General Assembly of Members from among the candidates proposed by the members holding B shares (the "Class B Director").</p> <p>If a legal entity is appointed as director, it must appoint a permanent representative to carry out this task in the name and on behalf of the legal entity.</p> <p>Under no circumstances may severance pay be paid to an outgoing director.</p> <p>Directors may be re-elected.</p> <p>In the event of vacancy of a director's position as a result of death, resignation or any other cause, the remaining directors have the right to fill the vacancy on a provisional basis in accordance with the rules of representation described above. In this case, the General Assembly of Co-operators, at its next meeting, will confirm or not confirm the mandate of the co-opted director. The director appointed and confirmed under the above conditions completes the term of office of his predecessor, unless the General Assembly decides otherwise.</p>
6. Investor fees.	There is no investor fee.
7. Allowance in the event of oversubscription:	The last subscribers will be reimbursed.

B. Rationale behind the offering

1. Use of the funds.	<p>The funds raised will be used for:</p> <ol style="list-style-type: none">1. The costs associated with the purchase and installation of the energy and water independence equipment and machinery;2. The cost of the general contracting work required to improve the building's performance;3. The cost of the purchase and installation of the furniture, equipment and flooring required for this development. All furniture and equipment will be sourced and adapted by a company specialising in recycling and upcycling: no new items will be allowed in the building (with the exception of certain machines and equipment for the kitchen and the bakery production workshop). <p>The workshop floor will be designed by a Belgian company specialising in recycling plastics and transforming them into flooring for industrial use.</p>
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<p>2. Details of the financing of the investment or project that the offer is intended to achieve.</p>	<p>The total amount of funding planned is 800,000 euros, broken down as follows:</p> <ul style="list-style-type: none"> - General contracting work: 330k euros - Energy and water independence: 40k euros - Interior fittings: 130k euros - Machinery and equipment: 250k euros - Liquidity reserve: 50k euros <p>Papaver is expecting that this public offering will contribute 400,000 euros towards this necessary financing. The remainder will be financed from other sources (see below).</p>
<p>3. Other sources of financing for the investment or project in question</p>	<ol style="list-style-type: none"> 1. Leasing of production equipment and machinery from KBC Bank; 2. Calling on a subordinated loan from a financial institution, while ensuring that the debt ratio does not exceed 50%; 3. Additional investment by the founding co-operators (category A shares); 4. Investment by Papaver employees (category B shares). <p>If these sources of financing do not materialise, Papaver plans to develop and start its business activities in stages, starting with the bakery and restaurant.</p>
<p>4. For more information, please consult the attached 3-year financial plan.</p>	

Part IV : Information about the investment instruments offered

A. Characteristics of the investment instruments on offer

<p>1. Type and category of investment instruments.</p>	<p>The investment products on offer are shares.</p> <ol style="list-style-type: none"> 1. Class C shares or "Druivenstrekers" shares, reserved for individuals domiciled in the commune of Hoeilaart (1560), who are the subject of this offer. 2. Class D or "Supporter" shares, reserved for any individual who subscribes to the philosophy and object of the company, which is the subject of this offer. 3. Class E shares or "Investor" shares, reserved for corporate partners, (investment) companies and any other company wishing to support Papaver, which is the subject of this offer.
<p>2.1 Currency of the investment instruments</p>	<p>Euro</p>



2.2 Name of the investment instruments	Co-operator shares Class C (Druivenstrekers), D (Supporters) and E (Investissors).
2.3 Nominal value of the investment instruments	Share C : 50 euros Share D : 100 euros Share E : 500 euros
2.4 Book value of the shares at 30/06/2023	As no financial year has yet been closed at Papaver, the value of the shares is their nominal value.
2.5 Risk of share price fluctuation	<p>Papaver CV undertakes to allow investors in C, D and E shares to liquidate all or part of their shares at the end of the second year following Papaver's opening and every other year thereafter.</p> <p>Papaver will create a liquidity window in two ways:</p> <ol style="list-style-type: none"> 1. by facilitating the sale of an existing co-operator's shares to a new investor or existing shareholder; 2. by buying back the co-operator's shares. <p>The outgoing shareholder is entitled only to the repayment of his shareholding, i.e. the amount actually paid up and not yet repaid for his shares, although this amount may not exceed the net asset value of these shares as shown in the latest approved annual accounts. Under no circumstances may the value of the share exceed the value of the subscription.</p>
2.6 Capital gain	Any capital gain is prohibited by Papaver CV's articles of association.
3. Repayment terms.	<p>Payment will be made during the following financial year, provided that the Company's equity following this withdrawal does not prevent it from satisfying the solvency and liquidity tests.</p> <p>If this is the case, the right to payment is automatically postponed until distributions are permitted again. These payments may, depending on the company's situation and on the decision of the Board of Directors, be made all at once or in instalments. No interest is payable on this amount.</p> <p>In the event of the death of a cooperative member, payment of the fraction of the value corresponding to inheritance tax is made in any event no later than six months after notification of the death to the cooperative.</p>
4. Ranking of investment instruments in the issuer's capital structure in the event of insolvency	Lowest rank. In the event of liquidation, the shareholder takes second place to the creditor in the distribution of the proceeds from the sale of assets; in other words, most of the time, the shareholder might not recover anything.



5. Possible restrictions on the free transfer of investment instruments.	<p>Shares may be transferred inter vivos or by reason of death to one or more members holding at least one share of the class corresponding to that which is the subject of the transfer.</p> <p>In addition, after written approval by the competent body, shares may be sold or transferred to third parties, whether individuals or companies, provided that such third parties are shareholders of one of the classes and meet the admission conditions required by the Articles of Association.</p> <p>Approval is automatically deemed to have been granted 90 days after receipt of the notice of sale by the Company. Any refusal of approval is evidenced by a decision, notified before the expiry of the aforementioned 90 days, to the address of the transferring shareholder.</p>
6. Dividend policy	<p>The law prescribes the payment of dividends by a cooperative company.</p> <p>The dividend paid to shareholders on shares in the share capital may not exceed 6% of the nominal value of the shares after deduction of withholding tax.</p> <p>Papaver CV undertakes to pay a dividend of 6% to all the company's shareholders.</p> <p>This commitment is, of course, conditional on the state of the company's finances.</p> <p>It should be noted that any distribution of dividends is subject to a vote by the cooperative shareholders at the General Meeting.</p>
7. Interest and dividend payment date	Fixed by the General Assembly.

Part V : Other key information

Tax Shelter and tax relief for individuals	<p>Papaver believes that subscriptions of shares by private individuals under this offer are eligible for the income tax reduction mechanism under the "Tax Shelter for Start-Ups" tax incentive scheme. At the date of publication of this memorandum, Papaver had not reached the maximum total amount of contributions eligible for tax relief under this scheme (€500,000).</p> <p>Within the aforementioned limits and subject to compliance with the legal conditions relating to this mechanism, investors may benefit from a tax reduction of 30% of the amount invested.</p> <p>For more information on these mechanisms, the conditions of access and the maximum investment limit per taxable period and per person, see the FAQ available on the SPF Finance website.:</p> <p>https://economie.fgov.be/fr/themes/entreprises/pme-et-independants-en/tax-shelter#:~:text=Le%20tax%20shelter%20est%20un,et%20moyennes%20entreprises%20(PME)</p>
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Relief from personal income tax	Withholding tax of 30% is deducted at source from dividend payments. However, individuals subject to income tax are exempt from withholding tax on dividend payments. For the income year 2023, valuation year 2024, the amount of exempted dividends is €800.
Complaint concerning financial proceeds	If you have a complaint, you can contact papaver@mypapaver.be . If you are not satisfied, please contact the Consumer Mediation Service, North Gate II, Boulevard du Roi Albert II 8 Bte 1, 1000 Brussels (Tel: 02 702 52 20, E-mail: contact@mediationconsommateur.be).

Annexes:

- Financial plan for years 1, 2 and 3