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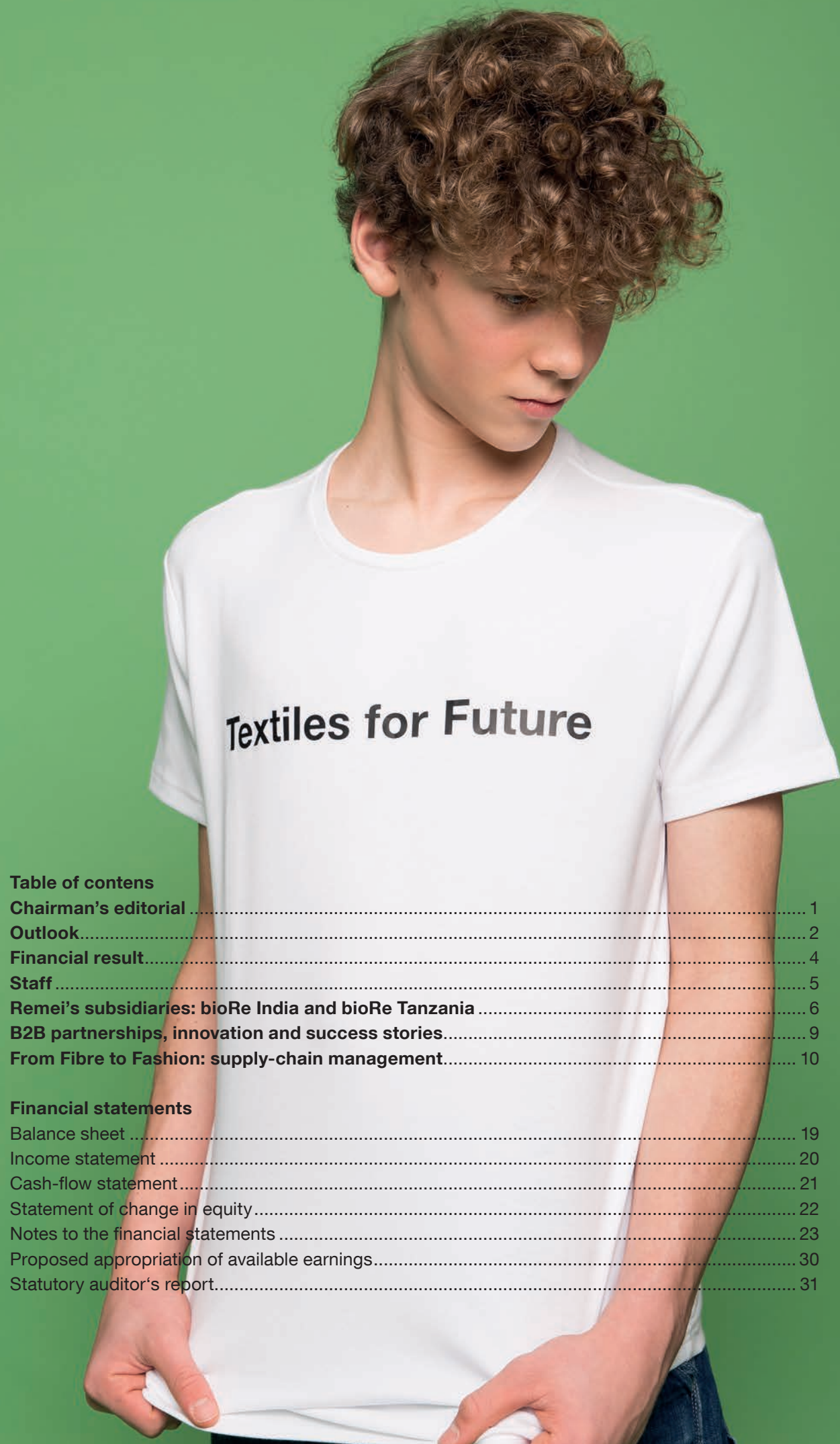
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Chairman's editorial

Dear Reader,

The covid-19 pandemic had an impact on all of us in the 2020/21 financial year. In close co-operation with its production and retail partners, Remei was quick to identify socially, ecologically and economically acceptable solutions for the challenges related to the crisis, always true to its pioneering motto, From Fibre to Fashion. Compared to the previous year, Remei managed to keep orders placed with its production partners stable despite decreased buying volumes.

Remei's viable relationships with its retail and production partners proved to be enormously valuable in the past year. Once more, let me extend a cordial thank-you to our partners for their responsible handling of the unusual situation in the 2020/21 financial year.

Integrating the organic-farming businesses bioRe India Ltd. and bioRe Tanzania Ltd. in Remei, we added to our responsibility within the scope of our business model driven by all-holder value. We now co-operate closely across three continents, from Switzerland via Tanzania to India. As a result of integrating the organic-farming businesses in India and Tanzania, we are in a position to offer our retail partners safe and trusted sources of organic cotton as well as fair trading relations, right from the start of our sustainable and fully transparent supply chain for organic-cotton textiles.

To welcome the two organic-farming businesses to the Remei Group means to bring us closer to the smallholders with whom our on-site teams entertain a lively exchange and participatory co-operation that now also includes organic farming.

The new form of co-operation at all levels among the three businesses makes the intercultural teams in the three continents aware of the variety of needs, requirements and opportunities.

This is fertile ground for tapping into new potential related to both the businesses on site and Remei's retail partners around the world.

From organic farmers to retailers and brands with their collections, all of us are getting connected more closely to each other as components of the Remei Group's global Fibre to Fashion strategy. In the years to come, we need to jointly shape and utilize the major potential of this strategy.

Dear shareholders, customers, suppliers and employees, I would like to thank you very cordially for your loyalty and support in this challenging and unusual year marked by the pandemic.

Yours truly, Beat Bernet,
Chairman of the Board of Directors



Inclusive solutions of increasing importance

We are redefining textile production. Fibre to Fashion, our holistic approach to the value chain was very demanding on us in 2020/21, a year marked by the covid-19 pandemic. Our strategy of offering retailers pioneering solutions for organic-cotton textiles, from seeds to finished pieces, met with a great variety of challenges:

Around the world, raw materials were in short supply, with a global shift from India to Africa in the field of organic cotton and unusually high volatility in the raw-cotton market. Add to this our joint efforts with our partners along the supply chain to keep production processes stable across the entire network, from fibres to finished pieces, in the face of the pandemic. Not an easy feat when you think how much planning is required in organic farming, how many things are unpredictable and how quickly cycles change in raw-materials markets. And yet, we were quite successful in developing our supply chain owing to our teams co-operating across three continents, also owing to the trust governing interaction with our supply-chain partners and primarily owing to our reliable relationships with our retail partners.

We practice and experience solidarity and a responsible way of doing business, which fills us with tremendous gratitude.

« Trustful and reliable relationships among human beings are the key to a resilient supply chain. Joint efforts are the road to a future based on long-term partnerships and a balance of forces. The only way to bring about solidarity is for all stakeholders along the textile chain to participate in joint success. »

Marion Röttges, Co-CEO of Remei AG, in an article in "Textilrevue", issue no 3, 2021.

Remei's vision of all-holder value has gained new facets. We keep learning year by year, realising in the process that, on the road to the future, there are many different answers to the questions the textile industry is faced with. Remei has a special way of doing business. Remei is innovative, which includes a high degree of complexity as much as an opportunity to work as an agile team on pioneering solutions that keep contributing towards changing the system of production of organic-cotton textiles.

The positive financial result achieved in 2020/21 is proof that we are still on the right track. Taking over bioRe India Ltd. and bioRe Tanzania Ltd., the two subsidiaries, Remei has grown its corporate structure, which enables us to continue driving ahead the precious work completed in the previous years. Integration of these businesses has brought us closer to each other. The chain has continued to shorten. It is becoming easier to experience the sustainable efforts made jointly along the value chain. Brands and retailers are showing genuine interest and making use of the benefits. Our focus on our core offer, full transparency along the supply chain, from seeds to finished pieces of textile, and participation by our B2B retail partners in this business system are the keys to a positive and viable development.

Remei offers access to an innovative business system enabling responsible trading relationships with farmers and other partners along the supply chain.

« For an increasing number of companies, safe access to organic cotton is becoming a strategic success factor. Our takeover of bioRe India and bioRe Tanzania enables us to secure safe access durably. Integration of these businesses has brought us closer to each other, and the chain has continued to shorten. It is becoming easier to experience sustainability along the value chain. Brands and retailers are showing increasing interest and making use of the benefits. »

Marion Röttges, Co-CEO of Remei AG, in Textilwirtschaft, issue no 15, 2021.

Doing business responsibly in a year marked by the pandemic

Cost discipline in the organisation was the basis of a positive financial year. Sales dropped across all of Europe due to lockdowns. Nevertheless, Remei was able to manage its business responsibly and to end the year with solid figures, not least owing to its reliable relationships with retail partners.

Premium payments for organic cotton reaching a milestone
Premiums paid directly to smallholders in India and Tanzania are an important indicator in Remei's business model. We consider the

purchase guarantee for farmers and direct premium payments to be fundamental requirements for sustainable production of organic-cotton textiles, giving the farmers planning certainty and room for personal development. Remei has made direct premium payments to organic-cotton farmers since 2007.

In the 2020/21 financial year, we reached a milestone as Remei exceeded the threshold of CHF 7m of aggregate premium payments to organic-cotton farmers since 2007.

	2016/17	2017/18	2018/19	2019/20	2020/21	Diff.to prior year (%)
Sales (CHF)	18'044'186	20'232'599	18'572'678	17'856'571	14'022'393	-21%
Profit (CHF)	426'850	298'643	23'700	25'136	434'137	1627%

Product breakdown of total sales (CHF)							
bio cotton	%	3'766'715	4'458'910	5'212'434	4'229'589	3'266'088	-23%
yarn	%	4'564'408	4'193'144	3'835'820	3'623'238	2'680'012	-26%
garments	%	9'713'063	11'580'545	9'524'424	10'003'744	8'076'293	-19%

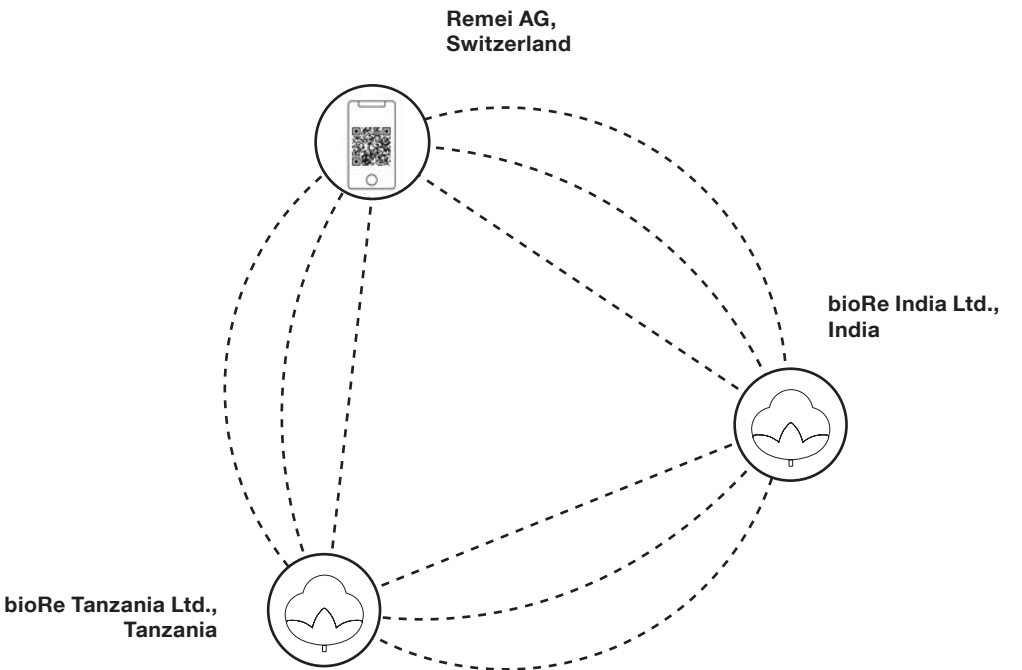
Farmer premiums	2016/17	2017/18	2018/19	2019/20	2020/21
Payments to organic farmers (CHF)	338'482	376'060	499'372	417'876	431'928

Total sales by country							
	2016/17	2017/18	2018/19	2019/20	2020/21	Diff.to prior year (%)	
Switzerland	8'973	10'721	9'482	8'974	7'203	-20%	
Germany	2'052	2'875	2'088	1'719	2'030	18%	
Portugal	341	206	517	1'928	1'186	-38%	
Japan	1'066	819	817	473	652	38%	
Various	5'612	5'612	5'669	4'763	2'951	-38%	
Total (TCHF)	18'044	20'233	18'573	17'857	14'022	-21%	

Intercultural co-operation intensified

In this past year of crisis, it was an impressive experience to observe how much the team identify with the company's values. General willingness to perform was very high. Everyone was prepared to listen and to identify a change of needs among customers, production partners and the team as early as possible. This resulted in remarkable achievements and progress in the implementation of Remei's strategy and values for the future. A cordial thank-you to the entire Remei team.

At all levels of the organisation, triangular relationships with the subsidiaries in India and Tanzania were established in order to pursue joint goals. Direct interaction within intercultural teams brought everyone closer to each other. A lively and personal dialogue among continents was installed. A dialogue that allows to identify mutual needs more quickly and effectively. This is very helpful when it comes to working out solutions jointly and constructively.



	2016/17	2017/18	2018/19	2019/20	2020/21
Number of staff	22	19	17	17	17
Full-time equivalent	19.8	16.6	14.6	14.6	14.2
Number of women	16	15	14	14	14
Number of men	6	4	3	3	3
Average age	39.5	40.2	40.6	41.8	42.3
Average years of service	5.9	6.7	8.4	9.2	10.8
Ratio between lowest and highest pay	3.5	3.4	3.2	2.6	2.5
Cost of further training CHF	21'050	11'625	14'752	10'947	11'950
Internal training courses on SA8000	2	2	2	2	1

Taking responsibility from Switzerland via India to Tanzania

Remei works in the interest of all stakeholders along the textile supply chain. Taking over the two organic-farming businesses in India and Tanzania, bioRe India Ltd. and bioRe Tanzania Ltd., the supplier of organic-cotton textile services is raising its Fibre to Fashion approach to the next level. Integrating the level of fair trading of raw materials, Remei is setting a new benchmark for sustainable production.

Tanzania, India, Switzerland: three countries in three continents, united in one company, Remei AG.

Taking over the two organic-farming businesses bioRe India Ltd. and bioRe Tanzania Ltd., the Swiss manufacturer of yarns and clothing is taking another step forward creating a trusted and safe source of cotton raw material by means of integration. In doing so, Remei is securing for itself and its retail partners a fully transparent and sustainable chain of textile production as well as fair trading relations. Remei is bringing all stakeholders closer to each other, from organic farmers to retailers and brands with their collections. All stakeholders are part of the system; all of them benefit from new developments.

A total of approximately 4,800 smallholders produce certified organic cotton for the two bioRe organic-cotton businesses in Tanzania and India. In the 2020/21 financial year, output amounted to 6,175 tonnes of raw cotton. By means of a purchase guarantee and premiums (CHF 431,928 in 2020/2021), Remei promotes the farmers’ development opportunities and intercultural co-operation around the world.

Three partners on an equal footing: integration of the two organic-farming businesses has created new and agile triangular relationships among India, Tanzania and Switzerland, providing room for new solutions. Agility and flexibility are key criteria for Remei. The past year with the outbreak of the pandemic and the restrictions introduced in its wake has clearly demonstrated how fragile the entire system of textile production really is. All stakeholders, in particular the human beings working at the origin of the production chain, were hit by retail closures and loss of revenue because of problems along the supply chain. With its approach based on all-holder value, and taking over the organic-farming businesses, Remei AG is demonstrating that it is possible to introduce new ways.

	2016/17	2017/18	2018/19	2019/20	2020/21
bioRe India Ltd.					
Number of employees	31	42	37	26	26
Farmers enrolled (incl. satellite project)	4'986	4'573	2994	3'300	3'047
Output of seed cotton (t)	974	952	967	338	838
bioRe Tanzania Ltd.					
Number of employees	84	90	85	79	79
Farmers enrolled (incl. satellite project)	2'146	2'054	1'906	1'792	1'792
Output of seed cotton (t)	4'373	5'291	6'418	5'375	5'337
Total number					
Number of employees	115	132	122	105	105
Farmers enrolled (incl. satellite project)	7'132	6'627	4'900	5'092	4'839
Output of seed cotton (t)	5'347	6'243	7'385	5'713	6'175

« We have intensified inter-cultural co-operation and made the relationships between the organic-farming businesses and the farmers more immediate and direct. As a result, mutual needs are now identified and integrated more quickly. This new kind of closeness makes itself felt as processes are becoming simpler and new personal relationships are being formed. It’s very conducive to our work. »

Simon Hohmann, Co-CEO Remei AG

« The change happening here is unique. Remei directly interacts with the farmers supporting them in producing organic cotton successfully. I feel we are greatly improving on communication, which is fundamental for any company to achieve its goals. »

Marco Paul, Co-CEO bioRe Tanzania Ltd.

Remei’s subsidiaries: bioRe India and bioRe Tanzania

« The integration produces benefits at all levels: we work more effectively, we communicate more directly, we enable innovation and give our farmers a chance to increase their income by targeted investments. Thanks to these positive changes, bioRe India Ltd. is also in a position to raise its economic output. »

Vivek Kumar Rawal, CEO of bioRe India Ltd.

What we do for the farmers in the organic-cotton growing regions

Remei supports organic farmers through economic aids, clear planning, long-term purchase guarantees and direct premium payments to them.

By means of additional contributions to the bioRe Foundation’s project work, Remei intends to enable the farming communities to develop in a holistic manner. Apart from reliable economic relationships and promotion of organic farming, Remei also conducts and co-finances social-ly and economically helpful on-site projects in

such fields as schools, sanitation, drinking-water, agricultural training and livelihood.

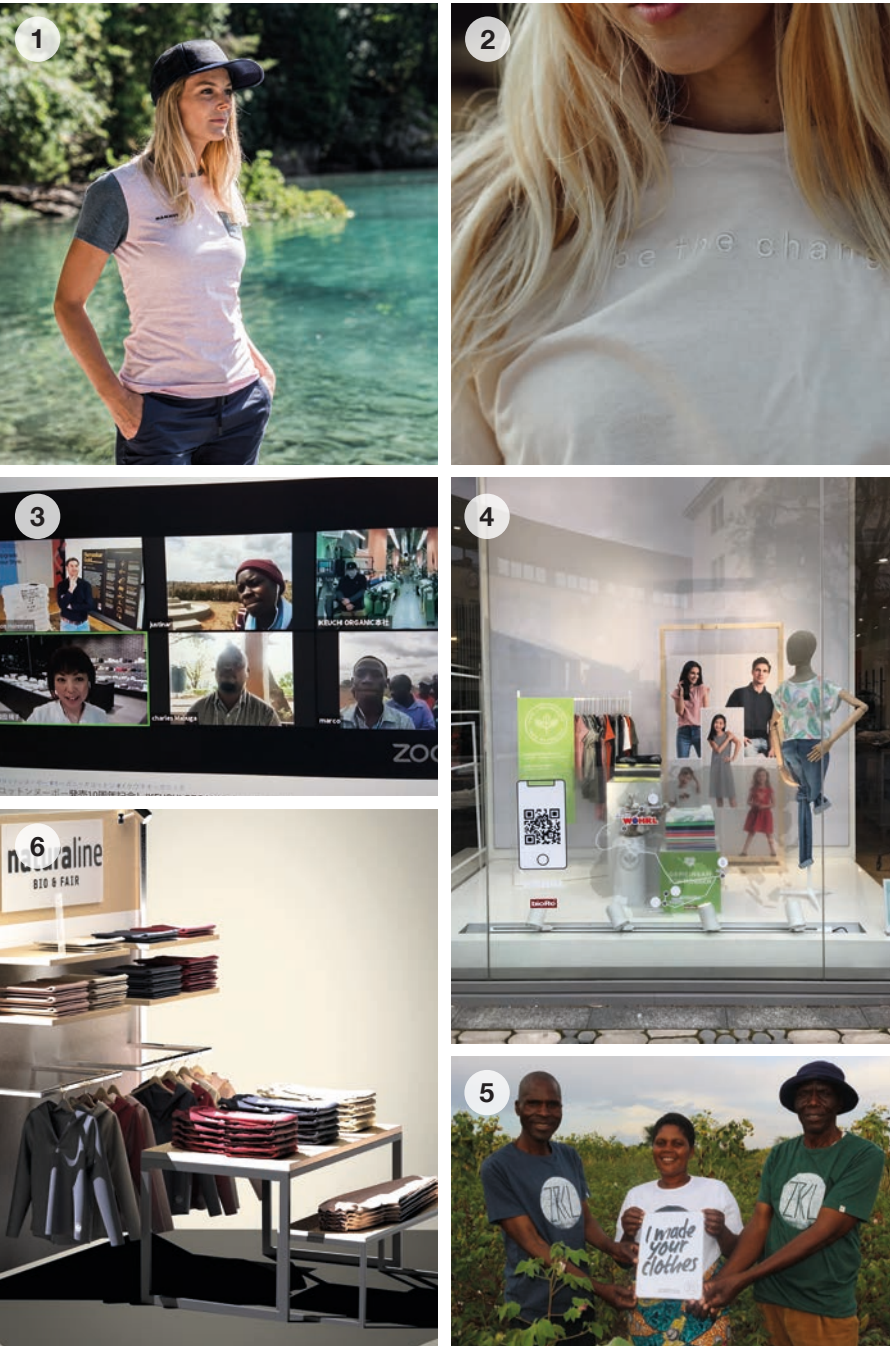
The annual CO₂-compensation contributions from Remei’s textile production are fed into the construction of efficient stoves and biogas plants, which help to improve the health of farming families. As far as the bioRe Foundation’s organic-cotton seeds research is concerned, Remei is an important expert partner for fibre qualities, industry requirements and assessment of the marketability of varieties.

Co-operation with the bioRe Foundation	2016/17	2017/18	2018/19	2019/20	2020/21
Royalty fee to the bioRe Foundation (CHF)	-	49'292	99'626	100'000	100'000
Donations to the bioRe Foundation (CHF)*	100'000	58'290	-	32'447	2'778
CO ₂ contribution to the bioRe Foundation (CHF)	52'485	42'767	47'721	46'481	36'041

* New from 2018: royalty fee to the bioRe Foundation

B2B partnerships, innovation and success stories

Solutions by Remei: the market is starting to change



1 Mammut celebrates the one-millionth CO₂-neutrally made organic-cotton T-shirt.

2 On behalf of Greenpeace Media, Remei produces “be the change”, a limited-edition shirt based on design by fair-fashion blogger Bina Nöhr.

3 Japan-Switzerland-Tanzania: a live-streaming event enables direct dialogue between organic farmers and consumers.

4 WÖHRL introduces a sustainable label for families under the heading of “GEMEINSAM FÜR MORGEN” (united for tomorrow).

5 Within the scope of a fashion-revolution campaign, ZRCL presents its T-shirts at the origin of the raw material, i.e. with our organic farmers in Tanzania.

6 State-of-the-art technologies for a sustainable product range: jointly with COOP of Switzerland, Remei uses 3D visualisation for the development of naturaline products and product ranges.

Transparency and partnership along the supply chain

In the pandemic, compliance with covid social norms in the production countries to secure safe working conditions reduces production capacities and extends production time. Joint solutions need to be found so as to strike a balance between the needs of producers and retailers. We would like to thank our partners very cordially for dealing responsibly with the challenging situation in the past year.

Contrary to bioRe Tanzania Ltd., our organic-cotton farming business in India was faced with recurrent lockdown rules related to the covid-19 emergency in the second year of the pandemic.

A network of co-operation

In the past financial year, we closely co-operated with a total of 29 production partners along a chain from farming to finished pieces of textile. Apart from the pandemic, we had to introduce changes to decades-old relationships in

the spinning supply chain in the 2020/21 financial year as Eurotex, a long-standing industrial partner of ours, discontinued certain business activities. Changes to the structure of family-run businesses are an aspect to be taken into account in the future development of the supply chain. Furthermore, we continued co-operating with Sunflag, our Tanzanian spinning-mill, so as to shorten the chain of production to the extent possible and to retain value creation at the sites of production. Remei aims to introduce social standards at all industrial levels. Unfortunately, travel restrictions within Africa due to the pandemic prevented us from carrying out the amfori/ BSCI audit as an entry-level measure in Tanzania. We will catch up on the audit with Sunflag as soon as possible. Such travel restrictions due to the pandemic as well as the reduction of production capacities because of the lockdown in India resulted in the share of turnover in SA8000-certified spinning-mills dropping from 72% to 45%. Turnover in SA8000-certified sewing works remained unchanged.



Marco Paul with Mahiya Mboje, a cotton farmer from the village of Kabondo, purchasing cotton in Tanzania in the summer of 2020.

Purchase by country (pieces)	2016/17	2017/18	2018/19	2019/20	2020/21	Diff.to prior year (%)
India	727'889	571'938	614'215	701'919	607'077	-14%
Lithuania	380'795	467'686	365'760	291'232	257'877	-11%
Tanzania	650	0	0	0	0	-
Various	0	0	600	0	0	-
Total (pieces)	1'109'334	1'039'624	980'575	993'151	864'954	-13%

Sales garments	2016/17	2017/18	2018/19	2019/20	2020/21	Diff.to prior year (%)
Total sales (TCHF)*	9'713	11'581	9'524	10'004	8'076	-19%

Sales by country (TCHF)	2016/17	2017/18	2018/19	2019/20	2020/21	Diff.to prior year (%)
Switzerland	7'831	9'340	7'978	8'783	6'337	-28%
Germany	1'000	1'554	1'011	669	1'248	87%
Austria	300	365	269	403	416	3%
Various	582	322	266	149	75	-49%

* figures prior to 2018/19 including discontinued business activities

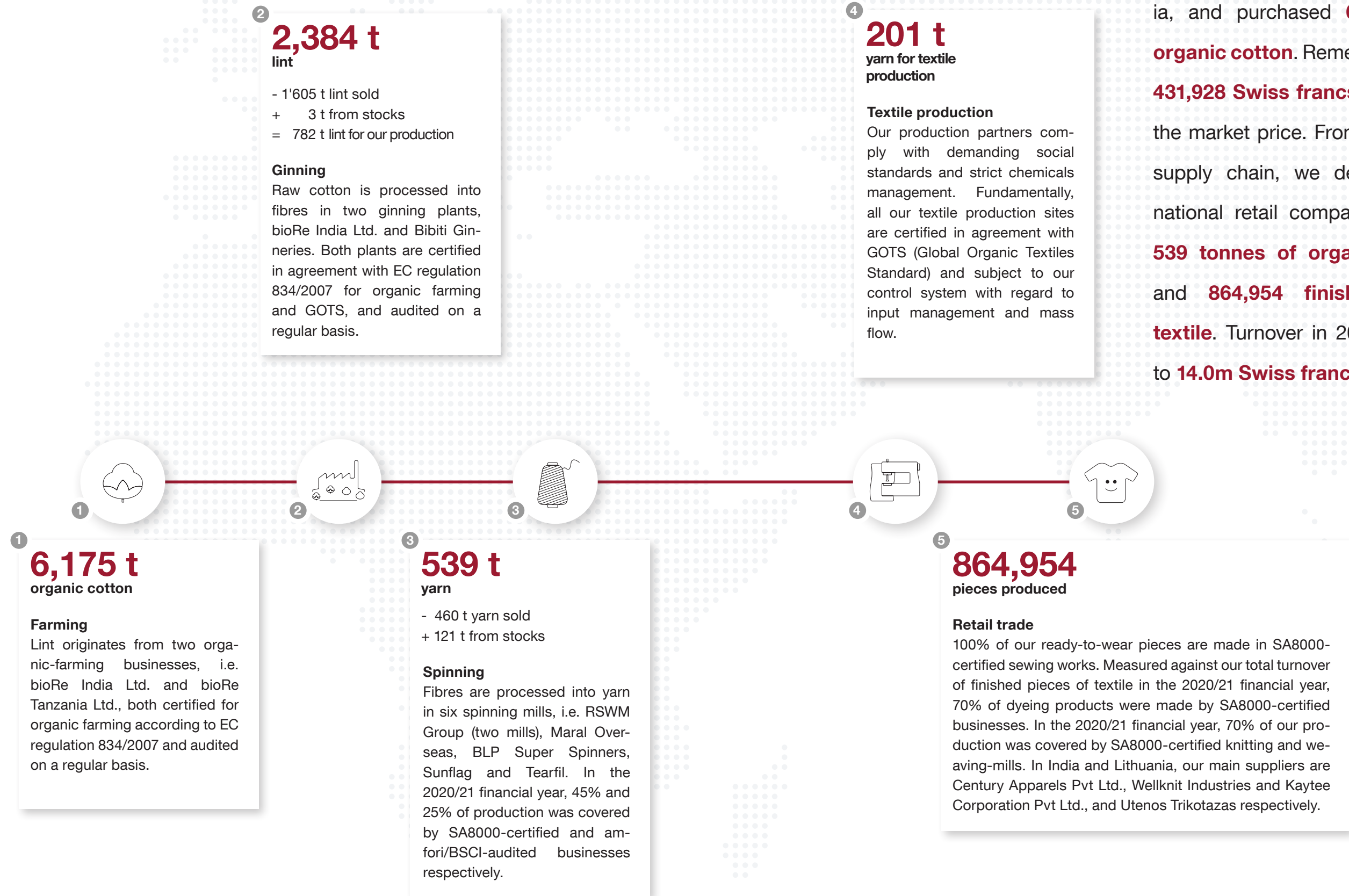
Consistent supply-chain development

All production sites, from fibres to to finished pieces of textile, are certified in agreement with GOTS (Global Organic Textiles Standard) and subject to our control system with regard to input management and mass flow.

	2016/17	2017/18	2018/19	2019/20	2020/21
Number of production sites in the control system	35	34	38	36	29
Production in SA8000-certified sewing works (% of sales)	87%	82%	100%	100%	100%
Production in BSCI-audited sewing works (% of sales)	13%	18%	0%	0%	0%
Production in SA8000-certified dyeworks (% of sales)	75%	81%	53%	56%	70%
Production in BSCI-audited dyeworks (% of sales)	25%	19%	21%	35%	30%
Production in SA8000-certified knitting/weaving mills (% of sales)	70%	76%	59%	65%	70%
Production in BSCI-audited knitting/weaving (% of sales)	30%	24%	21%	35%	30%
Spinning mills with SA8000 certificate (% of production)	87%	86%	91%	72%	45%
Spinning mills with BSCI audit (% of production)	13%	14%	9%	8%	25%
Ginning with SA8000 certificate (% of production)	17%	14%	11%	6%	12%
Quality-assurance expenditure (lab, inspection, audits, cost of local farming inspection) (CHF)	55'380	67'522	78'379	59'705	74'644
Total quality-assurance expenditure as a percentage of total sales	0.31%	0.33%	0.42%	0.33%	0.53%

From Fibre to Fashion: supply-chain management

Mass flow in the 2020/21 financial year



In the 2020/21 financial year, Remei granted purchase guarantees to **4,839 smallholders** in India and Tanzania, and purchased **6,175 tonnes of organic cotton**. Remei paid the farmers **431,928 Swiss francs of premium** on the market price. From our transparent supply chain, we delivered to international retail companies and brands **539 tonnes of organic-cotton yarn** and **864,954 finished pieces of textile**. Turnover in 2020/21 amounted to **14.0m Swiss francs**.

Taking on climate responsibility through insetting

Remei is driving ahead a change of systems by means of insetting, i.e. CO₂ compensation within a company's supply chain through integration of production partners in compensation solutions. For many years, its innovative business model has enabled Remei to offset emissions created in the regions farming its raw material. As a pioneer in the textile industry, Remei is promoting equality between human beings and nature.

Sustainable and climate-aware

Producing 864,954 pieces of clothing, Remei caused 2,123 tonnes of CO₂ equivalent in the 2020/21 financial year. All CO₂ emissions resulting from textile production are offset within Remei's own supply chain. In other words, Remei practices insetting. The concept of 'insetting' means that emissions caused in the course of production are offset at other points along the chain of production. Insetting measures can be taken only in a transparent supply chain featuring traceability of all emissions. Remei, a Swiss manufacturer of yarns and clothing, has been a pioneer in this field for many years.

«When we launched our efforts for the benefit of climate-aware production more than ten years ago, it was obvious for us to go for a solution that would generate added value directly for the organic-cotton farmers in the supply chain. This approach actually was the initial form of today's insetting. We managed to pull through by financing compensation projects and building biogas plants and efficient stoves in our farming regions in India and Tanzania respectively.»

Markus Kunz, Remei AG's head of supply-chain management

Transparency is key

Joint efforts for the benefit of the climate: this is Remei's philosophy that greatly facilitates implementation of its sustainability strategy. From Fibre to Fashion, Remei's unique approach, includes all processes, thus creating the basis for absolute transparency and full traceability of finished products. Remei's in-depth knowledge of every single production step along its supply chain not only offers advantages for the quality and interconnectedness of the supply chain but also benefits the climate. Full transparency enables Remei to record CO₂ emissions of every production step in its textile value chain. Spinning and dyeing of textiles cause particularly high emissions (534 tonnes of CO₂ equivalent and 1,013 tonnes of CO₂ equivalent respectively). All other emissions are due to ginning, manufacturing of ready-to-wear clothing and logistics. Availability of data on CO₂ emissions caused by the various production steps makes it possible to offset the entire volume of emissions at other points in the supply chain. This also is a great benefit for Remei's retail partners as the Swiss company is in a position to calculate its

partners' CO₂ footprints on the basis of its From Fibre to Fashion approach.

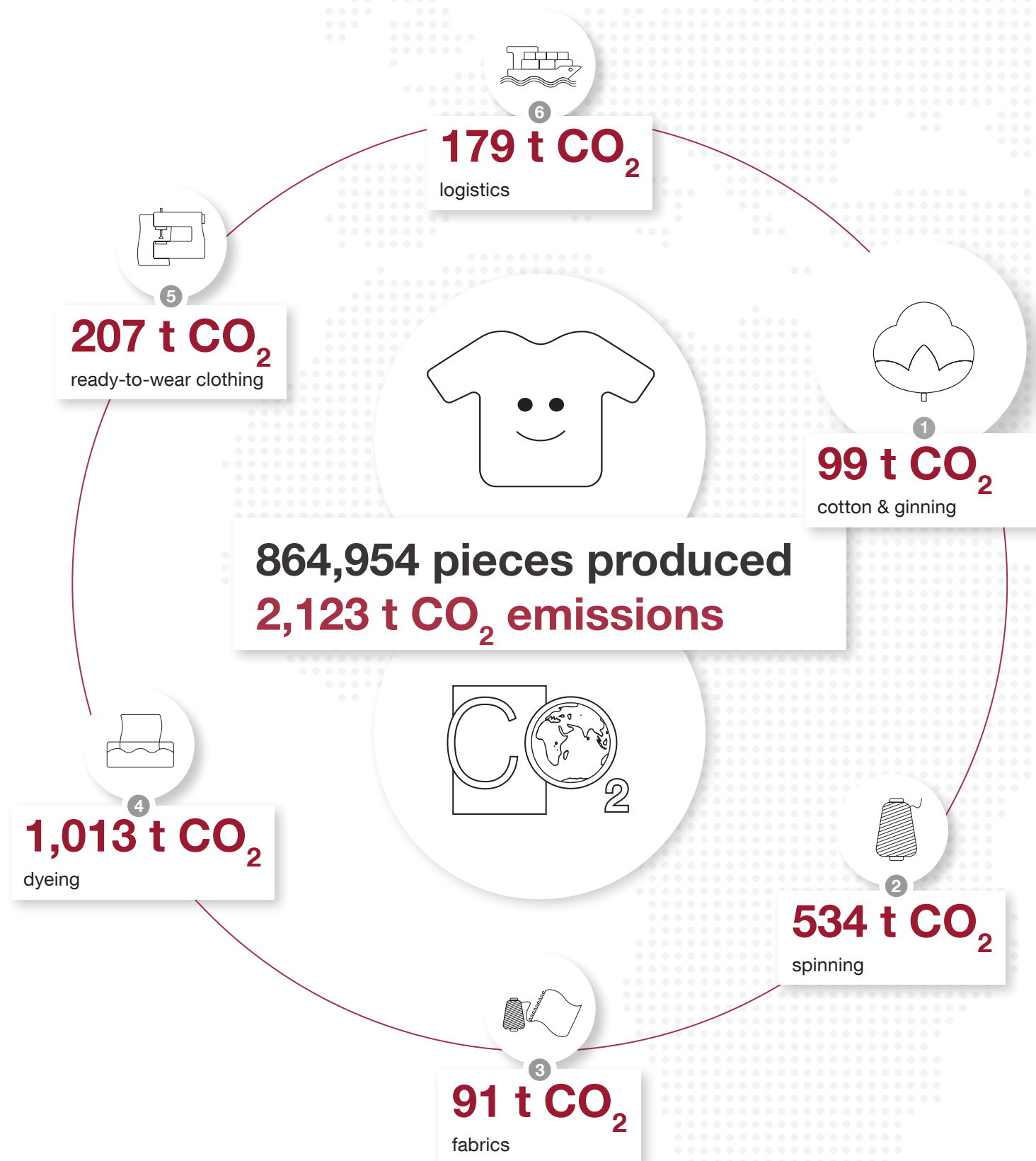
For the benefit of organic farmers and a better climate

At Remei, insetting includes economical use of resources on site. This is achieved by financing biogas plants and efficient stoves for the farmers in the regions where organic cotton is grown. Construction of low-smoke stoves both contributes to the health of families and reduces CO₂ emission at the source of the textile chain. 300 efficient stoves save approximately as much CO₂ as is caused by the production of 100,000 T-shirts. And there are more benefits to insetting: the financial resources spent for environmental protection remain within the value chain; relationships with suppliers are reinforced; and strengths and weaknesses in the supply chain are identified more effectively, which boosts excellent quality and high resilience of the flow of merchandise. This is how Remei takes on responsibility from fibres to finished pieces of textile.

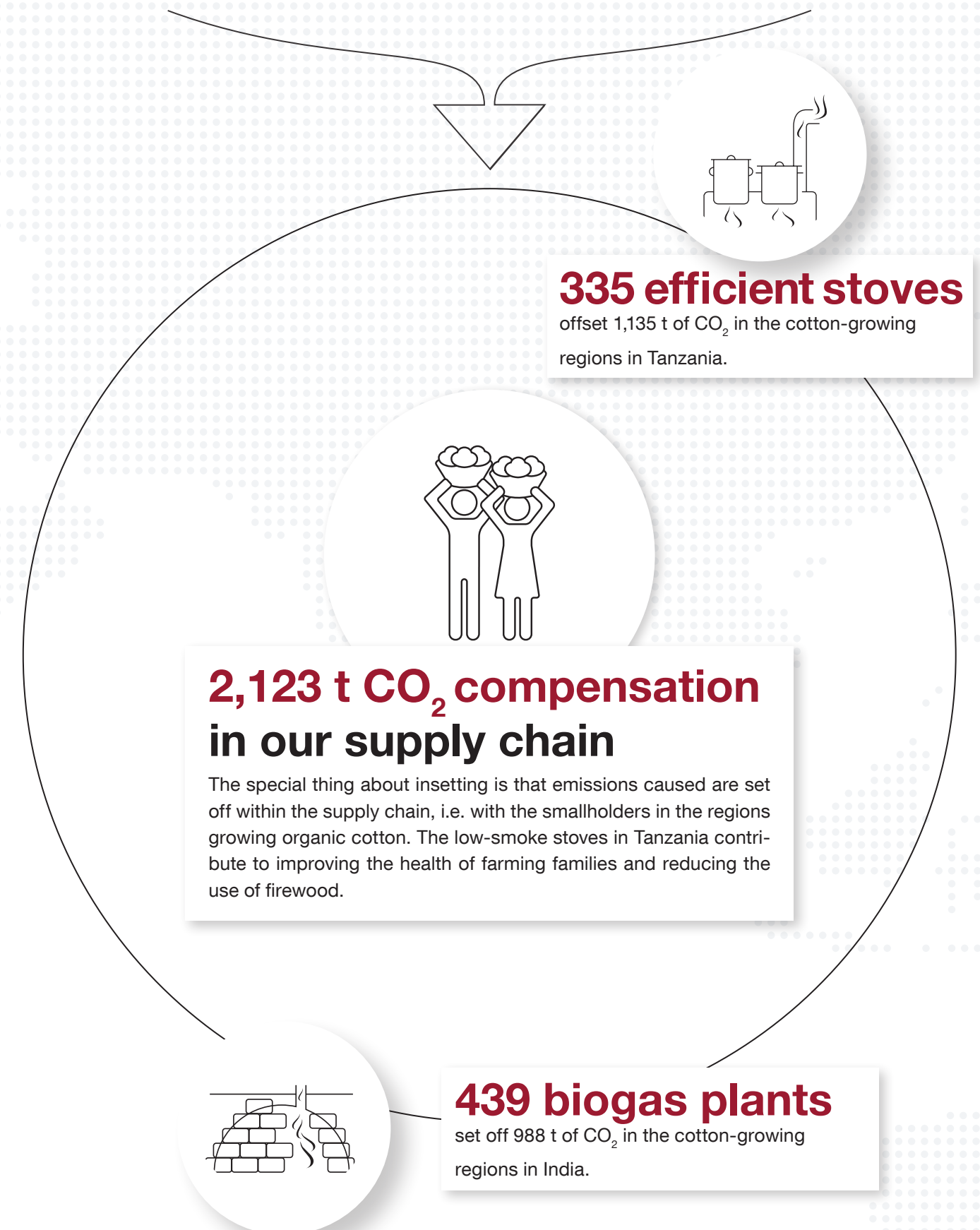


Efficient cooking stoves in Tanzania prevent smoke emission, thus improving the health of farming families.

Insetting for finished pieces of textile in the 2020/21 financial year



Insetting



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Balance sheet

in CHF	No.	reporting year	previous year
		31.03.2021	31.03.2020
Cash and cash equivalents		1'753'373.43	956'288.00
Trade accounts receivable	1	1'616'572.38	3'716'731.72
Advance payments to suppliers	2	2'247'144.56	2'573'521.89
Other short-term receivables		29'000.00	60'235.35
Inventories	3	1'881'829.34	1'435'232.82
Prepaid expenses		102'189.62	132'735.92
Current assets		7'630'109.33	8'874'745.70
Property, plant and equipment	5	1'682'514.00	1'720'165.00
Financial assets	4	436'233.56	240'056.56
Intangible assets	6	15'208.00	40'268.00
Non-Current assets		2'133'955.56	2'000'489.56
Total Assets		9'764'064.89	10'875'235.26
Short-term financial liabilities		748'250.00	2'281'790.00
Trade accounts payable		139'342.65	128'434.58
Other short-term liabilities		170'112.68	314'038.19
Short-term provisions	7	0.00	12'000.00
Accrued expenses		375'660.97	242'410.41
Short-term liabilities		1'433'366.30	2'978'673.18
Long-term financial liabilities	8	1'000'000.00	1'000'000.00
Long-term liabilities		1'000'000.00	1'000'000.00
Share capital		1'800'000.00	1'800'000.00
Retained earnings		5'530'698.59	5'096'562.08
Shareholders' equity		7'330'698.59	6'896'562.08
Total Liabilities and Shareholders' Equity		9'764'064.89	10'875'235.26

Income statement

	No.	reporting year 2020/21	previous year 2019/20
Net sales	9	13'990'956.17	17'674'707.98
Other operating income	10	11'945.51	4'921.08
Income		14'002'901.68	17'679'629.06
Cost of goods sold	11	-10'267'993.66	-14'280'989.01
CO2 contribution to the bioRe Foundation		-36'041.00	-46'481.31
Farmers' premium	12	-431'928.19	-417'876.06
Gross profit 1		3'266'938.83	2'934'282.68
Personnel expenses	13	-2'039'933.58	-2'109'909.38
Gross profit 2		1'227'005.25	824'373.30
Depreciation on property, plant and equipment	14	-159'469.58	-124'841.97
Amortisation on intangible assets	14	-47'869.91	-40'267.00
Value adjustment on investments	14	-30'000.00	0.00
Other operating expenses	15	-387'400.15	-489'087.46
Operating profit		602'265.61	170'176.87
Financial expenses		-116'178.32	-209'833.85
Financial income	16	1'583.37	109'999.35
Ordinary profit		487'670.66	70'342.37
Extraordinary profit	17	9'222.00	-44'447.00
Net profit before taxes		496'892.66	25'895.37
Taxes		-62'756.15	-759.20
Net Profit for the year		434'136.51	25'136.17

Cash-flow statement

	No.	reporting year 2020/21	previous year 2019/20
Net Profit		434'136.51	25'136.17
Depreciation and amortisation	14	207'339.49	165'108.97
Value adjustment of financial assets	4	32'020.00	3'300.00
Increase/decrease in trade accounts receivable	1	2'100'159.34	-739'193.93
Increase/decrease in advance payments to suppliers	2	326'377.33	522'469.92
Increase/decrease in other short-term receivables		31'235.35	-30'336.37
Increase/decrease in inventories	3	-446'596.52	780'908.34
Increase/decrease in prepaid expenses		30'546.30	-20'874.34
Increase/decrease in trade accounts payable		10'908.07	-516'275.40
Increase/decrease in other short-term liabilities		-143'925.51	14'093.89
Increase/decrease in accrued expenses		133'250.56	34'739.17
Increase/decrease in short-term provisions	7	-12'000.00	12'000.00
Cash flow from operating activities		2'703'450.92	251'076.42
Investment in property, plant and equipment	5	-121'818.58	-28'289.97
Investment in financial assets	4	-322'587.00	0.00
Divestment of financial assets	4	94'390.00	0.00
Investment in intangible assets	6	-22'809.91	0.00
Cash flow from investing activities		-372'825.49	-28'289.97
Dividend payments		0.00	-144'000.00
Increase/Repayment of short-term financial liabilities		-1'533'540.00	-66'760.00
Cash flow from financing activities		-1'533'540.00	-210'760.00
Change in cash and cash equivalents		797'085.43	12'026.45
Statement of cash and cash equivalents			
Cash and cash equivalents as of April 1st		956'288.00	944'261.55
Cash and cash equivalents as of March 31st		1'753'373.43	956'288.00
Change in Cash and cash equivalents		797'085.43	12'026.45

Statement of change in equity

in CHF	Share capital	Capital reserves	Treasury shares	Retained earnings	SHAREHOLDERS' TOTAL EQUITY
Equity as of April 1st 2019	1'800'000.00	0.00	0.00	5'215'425.91	7'015'425.91
Profit for the year 2019/20				25'136.17	25'136.17
Dividends for the year 2018/19				-144'000.00	-144'000.00
Equity as of March 31st 2020	1'800'000.00	0.00	0.00	5'096'562.08	6'896'562.08
Profit for the year 2020/21				434'136.51	434'136.51
Equity as of March 31st 2021	1'800'000.00	0.00	0.00	5'530'698.59	7'330'698.59

Remei AG’s share capital is composed of 180,000 registered shares with restricted transferability, each with a par value of CHF 10.00 (prior year: 180,000 registered shares with restricted transferability, each with a par value of CHF 10.00). Remei AG has neither contingent nor authorised capital. Its non-distributable statutory retained earnings amount to CHF 477'000 (previous year: CHF 477'000).

Notes to the financial statements

Accounting principles according to SWISS GAAP FER

Background

Remei AG considers it important that its financial statements provide to investors, staff and any interested party a comprehensive true and fair view of the company’s assets, finances and earnings. Accounting at Remei AG is performed in agreement with the guidelines specified by FER, the Swiss accounting and reporting recommendations (entire set of Swiss GAAP FER rules). The financial statements established in agreement with Swiss GAAP FER also constitute the statutory financial statements required by commercial law, which is why they do not include any deferred tax liabilities. Compliance with the accounting principles is checked upon by Remei AG’s external auditors. The annual accounts were approved by Remei AG’s board of directors on June 16th 2021.

Basics and principles of valuation

FOREIGN-CURRENCY TRANSLATION

Foreign currencies are converted by means of the reporting-date method. This means that current market prices on the reporting date are applied to convert assets. Translation differences are recognised in the income statement.

CASH AND CASH EQUIVALENT

Cash and cash equivalents are recognised on the basis of nominal value.

TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable are recognised on the basis of nominal value (market prices on the reporting date). Value adjustments are made on the basis of historical rates, i.e. 1%, 5%, 50% and 100% for receivables older than 60, 90, 180 and 360 days respectively.

ADVANCE PAYMENTS TO SUPPLIERS

Advance payments to suppliers are recognised on the basis of nominal value, i.e. the face value of the means of payment.

INVENTORIES

Inventories are recognised according to the principle of lower of cost or market, i.e. purchasing or manufacturing cost vs. net market value. Purchasing or manufacturing costs includes all expenditure incurred to forward inventories to their current location and achieve their current state. The net market value is established by subtracting any selling expenses from the current price in the market. Discounts are considered as reductions of the purchasing price. Single-item value adjustments are performed on inventory items of no value while the following general value adjustment applies to marketable merchandise currently in stock: 0% up to 2 years; 20% 3-5 years; and 50% in excess of 5 years. Due to their low risk, cotton inventories are not subject to value adjustment.

PROPERTY, PLANT AND EQUIPMENT

The value of property, plant and equipment is established by subtracting necessary amortisation from purchasing or manufacturing cost. Assets are subject to linear write-off over their useful life.

Co-owned property with construction rights	50 years
Office extension	15 - 25 years
Furniture and fittings	8 years
Office and IT equipment	3 years
Passenger cars	5 years

FINANCIAL ASSETS

The value of financial assets is established by subtracting any impairment from the purchasing cost. This means that securities held over the long term are recognised at purchasing cost or at current value if the latter is lower.

INTANGIBLE ASSETS

Acquired intangible assets are recognised if they produce a measurable benefit to the company for several years. Intangible assets generated inhouse are recognised to the extent to which conditions for recognition are met. Acquired intangible assets and those generate in-house are recognised at purchasing cost and at manufacturing cost respectively. Intangible assets are subject to linear write-off. Software is written off linearly over a period of three years. As a general rule, write-off over a period of five years applies in case of impossibility to clearly determine useful life.

IMPAIRMENTS

On each reporting date, all assets must be checked for the presence of any indication of impairment. In case of sustained impairment, the book value is reduced to the recoverable value. Impairments are recognised in the income statement.

LIABILITIES

Liabilities must be recognised on the basis of nominal value of the means of payment. Foreign-currency items by means of the reporting-date method. This means that prices on the reporting date are applied to convert differences are recognised in the income statement.

PROVISIONS FOR WARRANTY CLAIMS AND RISKS

Any probable liabilities from past events whose amounts, probability of occurrence and due dates cannot be determined with certainty, are recognised as provisions, irrespective of whether those liabilities may be legal or factual in nature. On each reporting date, the value of such provisions is established on the basis probable outflow of and cash equivalent.

CONTINGENT LIABILITIES

Guarantees, warranty liabilities and any pledging for the benefit of third parties are reported in the notes as contingent liabilities recognised at net market value.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are categorised according to their purpose: hedging transactions are recognised on the same basis as the underlying business; trading transactions are recognised on the basis of market prices on the reporting date; transactions for other purposes are recognised on the basis of market prices on the reporting date or according to the principle of lower of cost or market. Uniform valuation criteria apply.

PENSION SCHEME

Remei AG staffs are insured with CoOpera Sammelstiftung PUK, a group pension scheme subject to Swiss law. Pension liabilities covering retirement, death and disability are funded by contributions from Remei AG and its staff.

TAXES

Given that the financial statements established in agreement with Swiss GAAP FER also constitute the statutory financial statements required by commercial law, there are no deferred tax liabilities resulting from valuation differences.

Notes

	reporting year	previous year
in CHF	2020/21	2019/20
No.		
1 Trade accounts receivable		
from third parties	1'379'742.70	3'761'823.20
from subsidiaries	281'312.40	0.00
Provision for contingent losses	-44'482.72	-45'091.48
Total	1'616'572.38	3'716'731.72
2 Advance payments to suppliers		
<u>Subsidiaries:</u>		
Advance payment to bioRe India Ltd.	443'498.71	311'065.90
Advance payment to bioRe Tanzania Ltd.	425'529.80	823'907.14
Valuation adjustment for impending losses from advance payments	-245'000.00	-245'000.00
<u>Third Parties:</u>		
Advance payment to Eurotex / PBM India	1'604'630.00	1'379'595.26
Advance payment to RSWM India	18'486.05	166'087.29
Advance payment to Sunflag (Tanzania) Ltd.	0.00	137'866.30
Total	2'247'144.56	2'573'521.89
3 Inventories		
Cotton	746'929.83	416'466.93
Yarns	1'089'171.52	697'812.01
Garments	142'123.77	386'633.26
Value adjustment	-96'395.78	-65'679.38
Total	1'881'829.34	1'435'232.82
4 Financial assets		
<u>Securities:</u>		
CoOpera AG	77'900.00	77'900.00
Value adjustment on CoOpera AG	-30'000.00	0.00
Various certificates / shares	746.56	746.56
<u>Loan:</u>		
BIBITI Ginneries Ltd.	0.00	96'410.00
<u>Investment</u>		
bioRe India Limited, Kasrawad / Indien		
Purpose: organic farming of cotton		
Bookvalue:	387'586.00	65'000.00
Share of capital and votes:	98.26%	24.53%
Share capital:	INR 43'026'047	INR 32'093'130
bioRe Tanzania Limited, Shinyanga / Tanzania		
Purpose: organic farming of cotton		
Bookvalue:	1.00	0.00
Share of capital and votes:	99.38%	0.00%
Share capital:	TZS 160'000'000	-
Total CHF	436'233.56	240'056.56

in CHF					
No.					
5 Property, plant and equipment	Furniture and fittings	Office and IT equipment, communications	Vehicles	Office and administrative buildings	Total CHF
Net book value as of April 1st 2019	15'228.00	1'526.00	15'345.00	1'784'618.00	1'816'717.00
Purchasing cost					
Status on April 1st 2019	257'885.21	315'176.66	38'361.11	3'281'876.15	3'893'299.13
Additions	5'920.24	22'369.73	-	-	28'289.97
Disposals	-	-	-	-	0.00
Status on March 31st 2020	263'805.45	337'546.39	38'361.11	3'281'876.15	3'921'589.10
Total impairment					
Status on April 1st 2019	-242'657.21	-313'650.66	-23'016.11	-1'497'258.15	-2'076'582.13
Ordinary depreciation	-4'730.24	-8'982.73	-7'672.00	-103'457.00	-124'841.97
Disposals	-	-	-	-	0.00
Status on March 31st 2020	-247'387.45	-322'633.39	-30'688.11	-1'600'715.15	-2'201'424.10
Net book value as of March 31st 2020	16'418.00	14'913.00	7'673.00	1'681'161.00	1'720'165.00
Property, plant and equipment	Furniture and fittings	Office and IT equipment, communications	Vehicles	Office and administrative buildings	Total CHF
Net book value as of April 1st 2020	16'418.00	14'913.00	7'673.00	1'681'161.00	1'720'165.00
Purchasing cost					
Status on April 1st 2020	263'805.45	337'546.39	38'361.11	3'281'876.15	3'921'589.10
Additions	12'470.01	102'400.35	-	6'948.22	121'818.58
Disposals	-	-	-	-	0.00
Status on March 31st 2021	276'275.46	439'946.74	38'361.11	3'288'824.37	4'043'407.68
Total impairment					
Status on April 1st 2020	-247'387.45	-322'633.39	-30'688.11	-1'600'715.15	-2'201'424.10
Ordinary depreciation	-6'288.01	-41'590.35	-7'672.00	-103'919.22	-159'469.58
Disposals	-	-	-	-	0.00
Status on March 31st 2021	-253'675.46	-364'223.74	-38'360.11	-1'704'634.37	-2'360'893.68
Net book value as of March 31st 2021	22'600.00	75'723.00	1.00	1'584'190.00	1'682'514.00

in CHF

No.		Brands / Licences	Development costs	Other intangible assets	Software	Total CHF
6	Intangible assets					
	Net book value as of April 1st 2019	1.00	80'533.00	0.00	1.00	80'535.00
	Purchasing cost					
	Status on April 1st 2019	22'437.00	238'560.00	24'763.10	123'800.21	409'560.31
	Additions	-	-	-	-	0.00
	Disposals	-	-	-24'763.10	-	-24'763.10
	Status on March 31st 2020	22'437.00	238'560.00	0.00	123'800.21	384'797.21
	Total impairment					
	Status on April 1st 2019	-22'436.00	-158'027.00	-24'763.10	-123'799.21	-329'025.31
	Ordinary depreciation	-	-40'267.00	-	-	-40'267.00
	Disposals	-	-	24'763.10	-	24'763.10
	Status on March 31st 2020	-22'436.00	-198'294.00	0.00	-123'799.21	-344'529.21
	Net book value as of March 31st 2020	1.00	40'266.00	0.00	1.00	40'268.00

Intangible assets	Brands / Licences	Development costs	Other intangible assets	Software	Total CHF
Net book value as of April 1st 2020	1.00	40'266.00	0.00	1.00	40'268.00
Purchasing cost					
Status on April 1st 2020	22'437.00	238'560.00	0.00	123'800.21	384'797.21
Additions	-	-	-	22'809.91	22'809.91
Disposals	-	-	0.00	-	0.00
Status on March 31st 2021	22'437.00	238'560.00	0.00	146'610.12	407'607.12
Total impairment					
Status on April 1st 2020	-22'436.00	-198'294.00	0.00	-123'799.21	-344'529.21
Ordinary depreciation	-	-40'266.00	-	-7'603.91	-47'869.91
Disposals	-	-	0.00	-	0.00
Status on March 31st 2021	-22'436.00	-238'560.00	0.00	-131'403.12	-392'399.12
Net book value as of March 31st 2021	1.00	0.00	0.00	15'207.00	15'208.00

in CHF

No.		restructuring provisions	Total CHF
7	Short-term provisions		
	Status on March 31st 2020	-12'000.00	-12'000.00
	relaese of provisions	12'000.00	12'000.00
	Status on March 31st 2021	0.00	0.00

On 31 January 2020, the World Health Organisation (WHO) identified the spread of COVID-19 (the so-called "coronavirus") as an international health emergency. The Board of Directors and the Executive Board of Remei AG followed the events and took the necessary measures to secure liquidity and reduce personnel and fixed costs. At the time of approval of these financial statements, the financial consequences of the direct and indirect effects of this disease cannot yet be reliably assessed. The extent of the impact on the company may change depending on the course of the pandemic.

As the coronavirus reached epidemic or pandemic proportions before the balance sheet date, the event will be reflected in the 2019/20 financial statements in accordance with statutory accounting principles. Under short-term provisions, the amount of CHF 12,000 was recorded as extraordinary expense, corresponding to 50% of the annual profit for 2019/20, in accordance with the tax law of the Canton of Zug.

8 Long-term liabilities

Long-term liabilities are in the form of an unsecured support loan from Alternative Bank Schweiz AG in the amount of CHF 1,000,000.00. This loan is perpetual and may be terminated subject to six weeks' notice.

	reporting year	previous year
	2020/21	2019/20
9 Net sales		
Gross sales	14'022'392.68	17'856'570.68
Client complaints	-11'639.23	-42'373.13
Commissions	-338.09	-49.04
Sales deductions	-19'459.19	-139'440.53
Total	13'990'956.17	17'674'707.98
Remei AG reports sales based on Incoterms agreed upon with its customers. Remei AG generates its sales by trading bioRe® cotton, bioRe® yarn and bioRe® garments. The five segments account for the following shares of gross sales:		
cotton	3'266'087.58	4'229'589.27
yarn	2'680'012.23	3'623'238.18
garments	8'076'292.87	10'003'743.23
Total	14'022'392.68	17'856'570.68

10 Other operating income

	Wage and administration income from bioRe® Foundation	11'945.51	4'921.08
	Total	11'945.51	4'921.08

11 Cost of goods sold and farmers' premium

	Cost of goods sold	9'591'415.69	13'433'466.84
	Third-party services	158'613.92	158'788.20
	Direct purchasing expenses	582'747.64	785'782.40
	Cost of complaints charged to suppliers	-11'203.64	-33'519.80
	Reduction of purchase price	-53'579.95	-63'528.63
	Total	10'267'993.66	14'280'989.01

in CHF

No.

12 Farmers' premium

We pay a 15% premium to farmers for their efforts in organic production. The premium is based on the average market price for cotton over the past five years. Remei's premium payment provides the farmers with room for development.

	reporting year	previous year
in CHF	2020/21	2019/20

13 Personnel expenses

Salaries	1'607'852.83	1'726'144.48
Employee profit sharing	121'823.80	0.00
Social-security contributions	282'301.45	257'587.08
Other personnel expenses	27'955.50	126'177.82
Total	2'039'933.58	2'109'909.38

14 Depreciation and amortisation

Ordinary depreciation on property, plant and equipment	159'469.58	124'841.97
Ordinary amortisation on intangible assets	47'869.91	40'267.00
Value adjustment on investments	30'000.00	0.00
Total	237'339.49	165'108.97

15 Other operating expenses

Rent	36'380.70	38'560.60
Maintenance, repair	22'327.62	18'856.54
Vehicles	5'187.29	6'518.57
Property insurance	9'337.70	9'380.72
Charges, levies, permits	16'472.40	6'290.59
Licencing fees to the bioRe Foundation	100'000.00	100'000.00
Energy and disposal	6'800.51	11'054.33
Administration	121'341.84	115'480.42
IT	29'745.44	25'643.11
Advertisement	39'556.65	155'241.58
Donations and contributions	250.00	2'061.00
Total	387'400.15	489'087.46

16 Extraordinary profit

Income from financial investments	1'583.37	109'999.35
Total	1'583.37	109'999.35

17 Extraordinary profit

Donations to the bioRe Foundation	2'778.00	32'447.00
Release / formation of provision for COVID-19	-12'000.00	12'000.00
Total	-9'222.00	44'447.00

in CHF

No.

18 Pension Benefit Obligations

	Surplus cover according to FER 26		Economic part of the corporation		Contributions accrued for the period	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Surplus and pension benefit expenses						
Pension scheme with surplus	21'604'405	14'534'000	0.00	0.00	106'642.10	107'418.55
Total	21'604'405	14'534'000	0.00	0.00	106'642.10	107'418.55

19 Derivative financial instruments

No ongoing forward transactions on reporting date (prior year: 0).

20 Declaration of employees

In the 2020/21 business year, a total of 14.2 full-time equivalents were occupied at Remei AG, compared to 14.5 full-time equivalents in 2019/20.

21 Transactions with related parties and organisations

The term 'related parties' applies to all members of the board of directors and the executive management.

In the 2020/21 financial year, the chairman of the board granted a loan subject to 3% interest and repaid on 31st March 2021. In the 2019/20 financial year, the chairman of the board granted a loan subject to 3% interest and repaid on 31st March 2020. There are no credit balances or debts in relation to related parties.

	reporting year	previous year
in CHF	2020/21	2019/20

22 Assets pledged as collateral for own liabilities

Cash and cash equivalents	1'753'373.43	956'288.00
Total CHF	1'753'373.43	956'288.00

Of the book value of the jointly-owned property in the amount of CHF 1'584'190 (prior year: CHF 1'681'161), only CHF 51,155 is subject to a first-rank mortgage note for the benefit of the building-lease creditor.

23 Contingent receivables and liabilities

On the balance-sheet date, material contingent liabilities with regard to open letters of credit amounted to CHF 1'132'680 (prior year CHF 1'060'510) and no warranties vis-à-vis third parties (prior year CHF 0).

24 Events after the balance-sheet date

No such events were known when the annual accounts were closed.

Proposed appropriation of available earnings

in CHF	reporting year 2020/21	previous year 2019/20
Available earnings before distribution at the disposal of the Annual General Meeting:		
Profit carried forward from prior year	257'514.76	232'378.59
Profit for the year	434'136.51	25'136.17
Total	691'651.27	257'514.76
The board of directors proposes for the Annual General Meeting to appropriate available earnings as follows:		
Allocation to statutory retained earnings	-9'000.00	0.00
Allocation to voluntary retained earnings	-100'000.00	0.00
Dividend paid out 10% (PY 0%) of the eligible capital of CHF 1'800'000.00	-180'000.00	0.00
Amount carried forward	402'651.27	257'514.76
Statement of retained earnings		
Statutory retained earnings	477'000.00	477'000.00
Voluntary retained earnings	4'220'000.00	4'220'000.00
Revaluation reserves	142'047.32	142'047.32
Available earnings	691'651.27	257'514.76
Retained earnings	5'530'698.59	5'096'562.08

Statutory auditor's report

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Report of the statutory auditor
to the general meeting of
Remei AG
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**Mattig-Suter und Treuhand- und
Partner Schwyz Revisionsgesellschaft**

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of Remei AG, which comprise the balance sheet as at March 31, 2021, the income statement, the cash-flow statement, the statement of changes in equity and the notes to the financial statements (pages 19 to 29) for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these financial statements in accordance with Swiss GAAP FER, the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended March 31, 2021 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO)) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

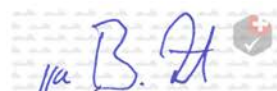
We further confirm that the proposed appropriation of available earnings (page 30) complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Schwyz, June 22, 2021 ukr/adu

Treuhand- und Revisionsgesellschaft
Mattig-Suter und Partner



Aldo Dubacher
Licensed audit expert
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Claudia Keller
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