



VIVOBAREFOOT

UNFINISHED BUSINESS

INTEGRATED ANNUAL REPORT 2024/2025



Certified



Corporation



WELCOME TO THIS YEAR'S UNFINISHED BUSINESS — OUR ANNUAL COMPANY REPORT.

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DIRECTORS

G J D Clark | Executive Director
A M Clark | Executive Director
J C Sung | Investor Director
I Thambiah | Independent Director
J Collins | Executive Director
Y Wang | Investor Director
D Wakeford | Company Secretary

REGISTERED NUMBER:

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REGISTERED OFFICE:

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INDEPENDENT AUDITOR:

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INTEGRATED REPORT CREATIVE TEAM:

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OUR VISION

RECONNECT PEOPLE INTO NATURE AND THEIR NATURAL POTENTIAL.

STARTING WITH FEET



We have three pillars to help us become a regenerative business:

REGENERATIVE BUSINESS

You have to be in business to prove it can be done better.

So we want to build a healthy, profitable, fiercely independent business that delivers a net positive impact on people and planet.

REGENERATIVE PRODUCT

Our products need to give back more than they take away.

So we will develop products that are regenerative to feet, human movement and planetary health.

REGENERATIVE COMMUNITY

Change starts with a shift in collective consciousness.

So we must bring people closer to nature and their natural potential, through education, engagement and healthy connections.

LETTER FROM THE FOUNDERS



Galahad Clark
Co-Founder & CEO



Asher Clark
Co-Founder &
Chief Design Officer

When we first launched Unfinished Business, our goal was to set a positive example of triple bottom line reporting (natural, social and economic capital).

We wanted to share – transparently – the good, the bad, and the ugly of Vivobarefoot’s never-ending journey to create a truly regenerative footwear business – and in doing so, raise the bar for our industry.

But the feedback was clear: while transparency matters, 100+ pages of detail can obscure rather than illuminate. Very few people (you know who you are!) read it end-to-end, making it paradoxically less transparent.

So we’re evolving. We’re not reducing the depth of our reporting, but spreading it out into more digestible instalments. This report marks the transition: shorter, sharper, more focused. From early 2026, we’ll launch seasonal Unfinished Business impact magazines to keep our community up to speed. Then, each year, we’ll publish an annual summary – a full cycle, in rhythm with the seasons.

“Profit is the oxygen that allows purpose to breathe. Without it, we can’t invest in regenerative materials or customer health journeys.”

THIS YEAR’S THEME: BALANCE

The red thread through this year is balance – when to compromise, and when to hold firm.

This year, we lost balance. On one side, we dared to dream big – investing in projects that could shape the next decade. On the other, our day-to-day business faltered. While hybrid working has made efficient execution harder, unpredictable political, economic and supply chain issues have created strong headwinds.

Meanwhile, the barefoot market has exploded: more than 50 barefoot brands now exist, with new launches every week. This is wonderful for the movement – our fight is not with other barefoot brands but with Big Shoe, still churning out more petro-chemical foam than ever. Our shared mission is to inspire more people to reconnect with the earth, starting with their own two feet.

We believe Vivobarefoot can prove that commercial success and regenerative impact are not in conflict – they are co-dependent. Profit is the oxygen that allows purpose to breathe. Without it, we can’t invest in regenerative materials or customer health journeys. Without purpose, profit is hollow.

CONT>



LESSONS ALONG THE WAY

It has been disheartening to see so many purpose-led companies sell out. Too often, impatient capital strips out purpose, leaving only branding behind. In our view, it should be illegal for B Corps to market themselves as such once their mission has been gutted.

We're not claiming perfection. Far from it – we fail daily. But we keep choosing the harder way, the path less trodden. For us, success is not about flawless execution, but about trying, failing, and trying again with enthusiasm.

To succeed in the long run, our people must also find balance. This isn't about removing discomfort; with purpose comes pressure. Over a year ago we defined nine principles of natural health – from hot/cold therapy to “social fitness”. We haven't brought them to life as fully as we'd hoped (our internal happiness scores on page I7 tell the story). This year, we will double down.

BARLEY WOOD AND BEYOND

We believe our HQ at Barley Wood, near Bristol, is part of the solution. A workplace in nature, with orchards, gardens and firesides, sparks creativity and connection. More cross-pollination, more chance encounters, more conversations under the stars – these will make us stronger.

Bristol itself is brimming with potential as a hub for regenerative business. Its creativity, entrepreneurial energy and closeness to nature should make it a world leader. Right now, it's punching below its weight – and we'd like to help change that.

PACING OURSELVES

Yet one thing has become clear: change cannot be forced. Whether it's asking someone to leave cushioned shoes behind, encouraging colleagues to spend more time at Barley Wood, or attracting talent burnt out by high-paying jobs, lasting change happens step by step.

With this comes acceptance: Vivobarefoot's mission will outlive us. We may never see it fully realised – and that's fine. Our job is to keep planting seeds. And now and again, we glimpse the future: a world that is local, circular, regenerative – where every community can make and remake its own footwear, aligned with ecosystems and needs.

FINAL WORD

That's enough from us. We hope you enjoy this year's Unfinished Business. And we leave you with one question:

If you've sown the seed, why wouldn't you watch it grow?

— Asher & Galahad
Founders, Vivobarefoot



INDEPENDENT DIRECTOR'S STATEMENT

Vivo's product goal remains clear and simple. We don't make shoes - we make footwear that regenerates feet and natural movement, and one day might help regenerate nature too.

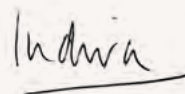
2025 has been a testing year for manufacturing and retail alike, across our key markets. It has made our mission tougher, but has made us more determined to hold fast to our values. We are extremely grateful to our loyal customers who bought from us again this year and our new customers who started their barefoot journey with us this year. 2025 also saw us welcome a new investor, Sofina, who have provided us with patient capital to further our barefoot journey, which has started with building our own team in the US for the first time. We are delighted to welcome Yanhuan Wang to our board, as Sofina's representative.

Whilst we grew our business, this year, the uncertainty around tariffs and the resulting impact on consumer confidence resulted in decreased demand. We also ran into issues as we upgraded various elements of our supply chain. The combination has left our growth and our profitability short of where we expected it to be.

FY 25/26 has seen the stabilisation of our supply chain and logistics operations as well as more clarity with respect to tariffs. While the market remains challenging and uncertain, we are excited about stabilising our business and delivering a more profitable year through our core business, while we expand into new markets through our owned stores and with our partners.

I would like to take this opportunity to thank our teams across the UK, Vietnam, US and across the world, as well as our suppliers and partners across the globe for their hard work, dedication and commitment to Vivo and everything we stand for. I would also like to thank Willem Haitink, who served as our Chair until February this year, for his leadership and guidance. I also thank Joseph Sung, who represents Stella for his continued service and support.

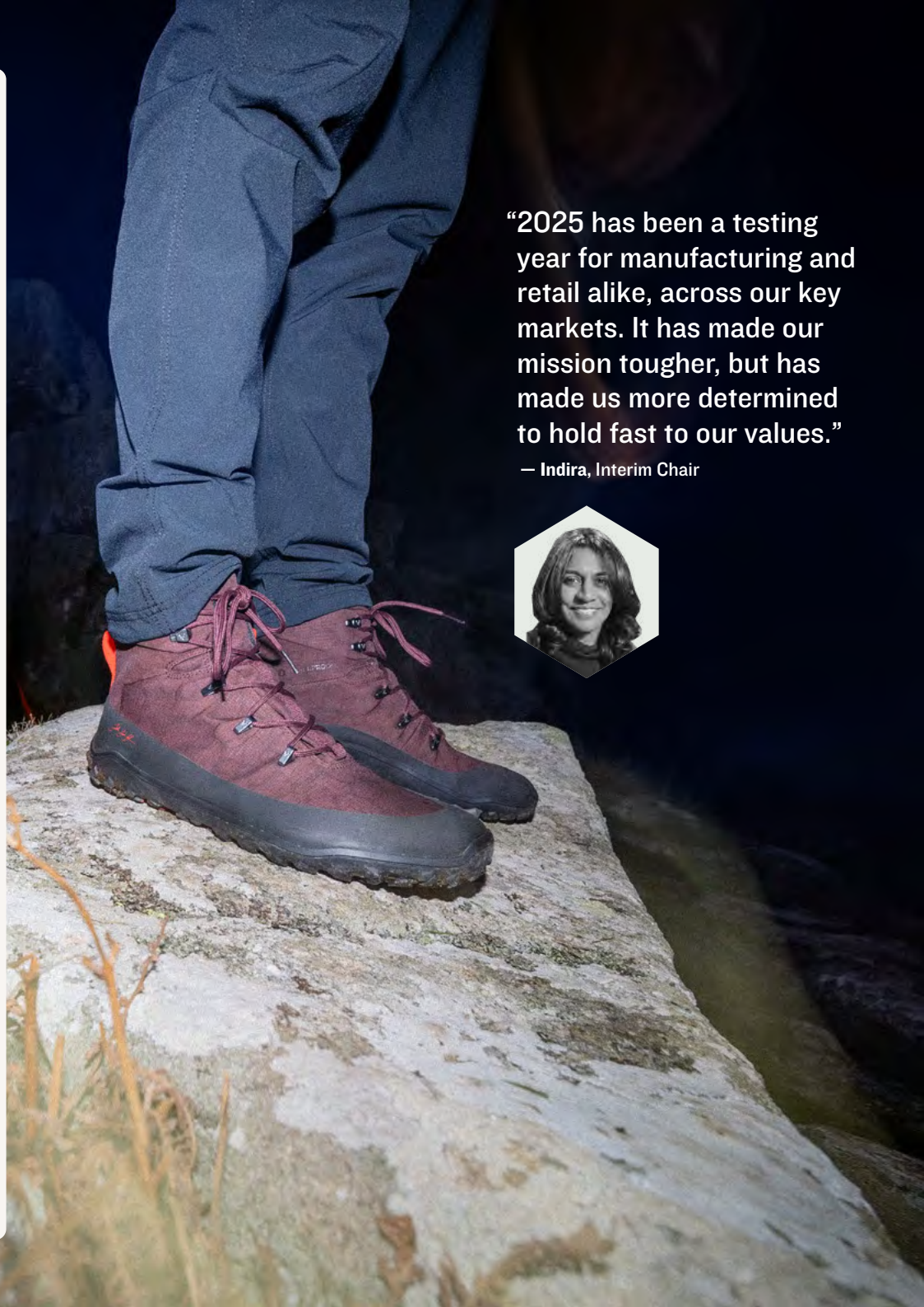
We look forward to seeing you all on the barefoot trail,



Indira Thambiah
Senior Independent Director and Audit Chair

"2025 has been a testing year for manufacturing and retail alike, across our key markets. It has made our mission tougher, but has made us more determined to hold fast to our values."

— Indira, Interim Chair





FINANCIAL UPDATE

As Galahad & Asher said in their introduction, at Vivo we passionately believe that commercial success and regenerative impact are both vital and co-dependent.

—

So it hits especially hard when we fall short of our commercial goals and tip out of that delicate balance as we have done this financial year. But as ever, there is much to celebrate this year alongside lessons hard learned. Fittingly, I am writing this report during the Autumn equinox, a time of balance in Nature when darkness and light, yin and yang, are in harmony, the perfect time to take stock of your harvest and make space for what is to come.

At the start of the year we successfully completed our Series A fundraise and welcomed the Sofina Group to Vivo as minority investors. Not only did this significantly fortify our balance sheet, it brought on board a long-term, patient partner who shares our belief in business as a force for good. This process saw hundreds of our original Crowdcube investors from 2016 realise an almost 10X return on their original investment in Vivo. It was deeply satisfying to be able to repay the trust that these early investors showed in us when we were just a £10m Turnover business. And many of these supporters have remained fully invested, something we are humbled by and grateful for. We also rolled out our first company-wide employee share option scheme this year, giving all our employees a tangible stake in Vivo's mission.

Our financial resilience was tested in the months that followed as we navigated continued Supply Chain disruption, the spectre of punitive US Tariffs and their impact on consumer confidence, and a challenging warehouse move in Europe which you can read more about in this report. We failed to effectively serve our Marketplace channel and struggled with new customer growth in our most important market, the US. These headwinds curtailed our topline growth but also stifled profitability resulting in a second year of operating losses. In sharp contrast to these challenges, we celebrated the high points of successfully upgrading our flagship London Store to a new location and opening our second UK Store in Bristol. We returned our Distribution & Wholesale business back to double digit growth, and we moved into our inspiring new Nature Home in Bristol.

“This year we sold 1.2m pairs of barefoot footwear around the world, up 12% from last year. Turnover was £91.4m, up 5% from last year.”

SUMMARY FINANCIAL PERFORMANCE

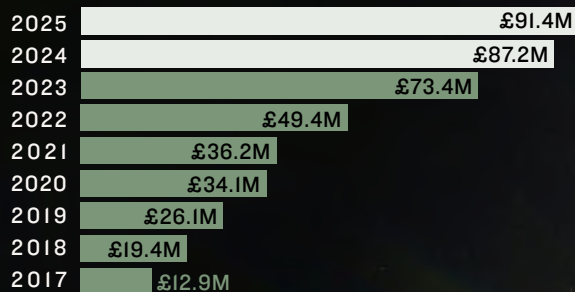
This year we sold 1.2m pairs of barefoot shoes around the world, up 12% from last year. DTC pairs grew by a modest 4% whilst B2B pairs grew by 14%, returning to double digit growth following last year's strategic reset.

Turnover was £91.4m, up 5% from last year. Earnings before interest, tax, depreciation, share option expense and movement on Revivo inventory provision were -£0.5m (FY23/24 £0.4m), reducing to an Operating Loss of (-£2.9m) after depreciation (-£0.8m), fair value share options expenses (-£0.4m), and an increase in Revivo inventory provision of (-£1.6m). The change in the Revivo provision relates to the carrying value of refurbished shoes whereby we now fully write off the original cost of returned shoes subsequently sold on Revivo.com. In our opinion this change gives a more accurate and fair view of Revivo profitability and the regenerative value it serves in advancing our mission.

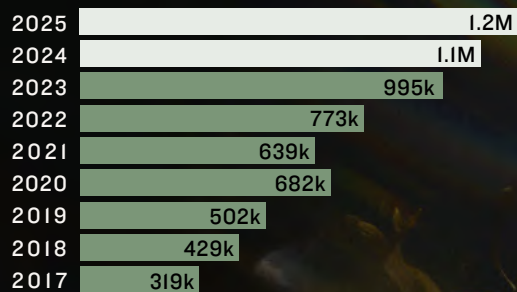
Regionally, our performance was mixed. Europe (including the UK) grew by 6% to £42.6m. Rest of World, which includes the majority of our B2B business, grew by an impressive 53% to 15.8m. But our US region, which has historically been the main contributor of growth, declined by -10% to £33.1m driven by a combination of the wrong stock profile, increasing price-led competition, a weakened dollar, and tariff-related customer uncertainty. Returning the US to consistent growth is a strategic and financial imperative for us going forward and our recent appointment of a dedicated US General Manager for the first time reflects this.



SALES VALUE



SALES UNITS



PROFIT BEFORE TAX

SHARE OPTION EXPENSE

YEAR	£'000
2025	(3,197)
2024	(810)
2023	722
2022	20
2021	456
2020	895
2019	823

PROFIT AFTER TAX

EXCLUDING SHARE OPTION EXPENSE

YEAR	£'000
2025	(2,890)
2024	(810)
2023	1,100
2022	391
2021	999
2020	920
2019	958

Revivo, our re-commerce platform saved 63k pairs of shoes from landfill whilst generating £3.9m (-10% yoy) in turnover. The year-on-year decline was driven by US returned shoes being held at our US Distribution Centre in preparation for the launch of Revivo services in the US. Previously this stock would have been shipped back to our repair centre in the UK for resale.

Owned Retail continued to perform strongly, growing by 7% and benefitting from the move of our London store to a new and bigger Neal St location and the opening of our Bristol Park St store in the second half of the year.

PROFITABILITY

Administrative expenses increased in absolute terms by £4m to £46.7m. Administrative expenses include Warehousing & Distribution, Ecommerce Transactional costs, Digital & Brand Marketing investment, R&D, People, and General Overheads. Average headcount increased by 17 to 139 as we brought our second store online and increased investment in Marketing and Commercial talent. Warehousing and Distribution costs decreased year on year despite the increase in volume as we benefitted from a full year of savings from our US Warehouse and reduced air freight spend.

Losses before Interest & Tax were (-£2.9m). This included a fair valuation charge of (-£0.4m) with respect to share options granted in July 2023 and the launch of our company-wide employee stock ownership scheme in March 2025. This expense has no impact on the net assets of the company with a corresponding credit to Share Option Reserve on the Balance Sheet. As previously referenced we have also increased our Revivo stock provision by (-£1.6m) as a result of the change in methodology described above. Losses before Tax were (-£3.6m) following net interest charges of (-£0.8m). Interest expenses primarily relate to Convertible Loan Notes issued in November 2023.

CASH

Our profit delivery and Supply Chain issues put strain on our cashflow throughout the year but our strengthened balance sheet allowed us to navigate these challenges successfully. Cashflow from operating activities was £-2.7m driven by the company's loss for the period of -£3.3m adjusted for depreciation +£0.8, non-cash share-based payment expense +£0.4m, net interest paid +£0.8m, Tax and R&D credit -£0.8m, and net movement in Working Capital -£0.5m.

We invested £2m in R&D (mainly the Biome Project) and £1.4m in capital projects during the year including our two new offices in London and Bristol, our 2 new retail premises, and Business Systems enhancements.

LOOKING TO THE FUTURE

Coming out of this Financial year, the theme of balance rings true. We've invested behind Vivo's mission in our products, our people, and our business but at the same time our near-term, day to day execution faltered in the face of some mighty macro (and micro) headwinds. We are working hard to rebalance in the face of a volatile world where strong, consistent profitability and an inspiring regenerative mission are a vital combination, and we have made many important changes to address the challenges of this past year. I'm excited and confident that these will pay dividends for all our stakeholders in the future. .

— John Collins, Finance Lead



CHAMPAGNE MOMENTS



VALUE CHAIN UPGRADE
New robust compliance and transparency programme, led by a new hire in Vietnam.



REPAIR BOOM
2,000+ repairs purchased online in a campaign week (vs ~150 normally), plus 300 in-store with queues out the door. Overall customer repairs rose from 3.8k to 8.3k!



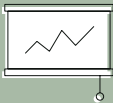
SUSTAINABILITY SHARED
We opened up the VMatrix to other footwear brands. Positive feedback shows strong appetite for an industry-wide tool.



UNBOUND ENERGY
Our women's campaign helped us beat our women's mix target by 3%, leading to an extra 57,649 pairs of Vivos on women's feet this year.



COBBLERATION
Our partnership with Future Footwear Foundation brought Indigenous cobblers and innovators together at !Khwa ttu in South Africa to blend ancestral skills with the future of footwear.



NEW BAREFOOT BRANDS
Although it means more competition, it's exciting to see the barefoot movement is growing!



FROM BRISTOL TO KYOTO
New stores are opening around the world.

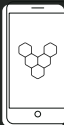


ALMOST 10X RETURNS FOR OUR OG SHAREHOLDERS
Thanks to the successful raise of patient capital with our investors at Sofina Group.

FANTASTIC FAILURES



EU WAREHOUSE & COMMS
The new EU warehouse onboarding caused shipping chaos - delayed orders, missed comms and many, many frustrated customers.



ASSESSMENT DELAYS
The VivoHealth assessment tool launched far later than planned, costing us momentum and learnings we'd hoped to gain this year.



CUSTOMER HAPPINESS
Scores took a hit because of delivery and exchange pain points, and poor communication. A clear signal to get the basics right.



REPAIR ECONOMICS
Demand is clear, but repair pricing still doesn't stack up commercially - we need new models to make it sustainable.



MISSING THE MEN
Our focus on a successful women's campaign drove 11%+ growth but left men's sales down 1% year-on-year.



VIVOBIOME VOLUMES
Despite record earned media and multiple awards, scanning and printing bottlenecks limited Tabi production and sales versus plan.



TRACKER ISSUES
We had some waterproofing and bonding fails in our Tracker Low (and High), but we've fixed them now.



CUSTOMERS COULDN'T GET HOLD OF THE STYLES THEY WANTED
General stock availability was poor across the year. We'll keep working on improving stock accuracy.

REGENERATIVE BUSINESS

You have to be in business to
prove it can be done better.
So we want to build a healthy,
profitable, fiercely independent
business that delivers a net positive
impact on people and planet.

B CORP

Certification assessed through 200+ questions, with a minimum score of 80.

FY24	119.3	FY23	119.3	FY22	120
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In our most recent official B Corp certification - conducted in January 2024 - we scored 119.3*. We ran our own assessment more recently and scored 119.8. Not as much improvement as we'd hoped for.

Earlier this year, B Corp published its new standards. These will raise the bar for responsible business and ensure B Corp certification is a true indication of a company's commitment to systemic change.

Businesses must now meet minimum performance standards across a set of Foundations and seven Impact Topics.

Each topic has a set of specific requirements that a company must fulfil, depending on its size, sector and industry. Because there will no longer be an overall score, we will measure progress through a new metric - the number of these requirements we have evidenced.

We welcome this step change in B Corp's approach, although we did have a few questions... Read Galahad's conversation with Chris Turner, Executive Director of B Lab UK, on page 18.

OUR B CORP SCORE BREAKDOWN



Connor Tracy from Vivo's Regeneration Team, speaking on a panel at the 'Are B Corps (really) Redefining Business' event

* You can see the scoring methodology [here](#).

REVENUE

Total income from ecommerce, distributors, wholesale, marketplace, ReVivo, Neal and Park Street store customers.

FY25	£91M	FY24	£87M	FY23	£73M
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EBITDA

Earnings Before Interest, Taxes, Depreciation and Amortization, and Share Option Fair Value Charges. Our operating profit as a % of revenue.

FY25	-2.4%	FY24	-0.7%	FY23	2.0%
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ECOMMERCE CONTRIBUTION MARGIN

Measures what we make from Vivobarefoot.com after covering all our direct costs.

FY25	26.0%	FY24	25.8%	FY23	28%
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FREE CASH FLOW

Cash generated from normal operations before any funds received or paid to investors.

FY25	-£2.7m	FY24	-£1.6m	FY23	£3m
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REGENERATIVE PRODUCT

Our products need to give back more than they take away. So we will develop products that are regenerative to feet, human movement and planetary health.

REVIVO REPAIRS

Number of Vivos repaired or refurbished.

FY25	63k	FY24	62.3k	FY23	41.3k
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In '24/25, we sold 62k pairs of refurbished Vivos on ReVivo, and repaired 63k pairs (up from 62.3k in '23/24). This isn't a huge increase, and that's because we spent more time doing more complex repairs.

The cost of customer repairs remains a barrier: a discount campaign during Repair Week saw a 500% increase in demand. We're exploring how to make repairs make better financial sense - for us, and our customers.

62K PAIRS OF REFURBISHED VIVOS SOLD ON REVIVO IN '24/25

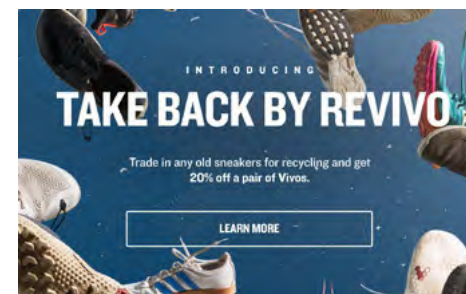


ReVivo repairs at The Boot Repair Company



Old footwear from Take Back scheme

We also relaunched Take Back – offering a discount code and covering postage for customers to send in old footwear (including non-Vivos), and then paying to have them recycled. The small number of Take Back Vivos we can refurbish and sell helps offset these costs.



We have a renewed focus on designing for repair, ensuring every new product comes into being with a responsible end-of-life in mind. With this comes new questions around what it means to repair, and customer attitudes toward wearing visibly repaired footwear.

Looking ahead, we're trialling automated cleaning technology in the US - it's faster, cheaper, more consistent. We hope this allows a fast expansion of ReVivo for US customers.

PRODUCT VMATRIX

YOY average aggregated VMatrix score as a percentage across product range.

FY25	51%	FY24	55%	FY23	50%
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We use our in-house scoring tool, the VMatrix, to measure the sustainability impact of our footwear. This year, we scored an average of 51% for our AW25/SS26 collection, down from 55% for AW24/SS25.

We expected a drop in scores because we used a new, more robust, material-weighted methodology. However, this score still represents a plateau, and we want the VMatrix to drive progress, not just mark our homework.

To jumpstart this progress, we're pausing VMatrix scoring until AW27, freeing up resource to focus on key actions, including improving data accuracy in our Product Line Management system and updating our material toolbox. We'll use a light interim scoring system to ensure we keep scrutinising products and identifying opportunities for improvement.

In other VMatrix news, we partnered with the British Footwear Association to trial sharing the tool with a few other brands last year, including Jacobson Group, Startrite and Axel Arigato. During the trial we also arranged a group call with our partners The Boot Repair Company to share their wisdom on repairability, cleanability and durability. Insights from the trial will inform how we re-engage partners when full scoring resumes.



The Vivo team at The Boot Repair Company



51%
AVERAGE SCORE FOR OUR
AW25/SS26 COLLECTION

VALUE CHAIN TRANSPARENCY

The number of mapped value chain partners across Tiers 1-3 on an annual basis (as a % of total partners by tier).

FY25	FY24	FY23
Tier 1 & 2 100%	Tier 1 & 2 100%	Tier 1 & 2 100%
Tier 3 8%	Tier 3 8%	Tier 3 0%

Coverage of our Tier 1 and Tier 2 partners remains at 100%, with revisits underway. Tier 3 mapping remained the same at 8%, still well shy of our 70% target.



Our team with value chain partners in Vietnam

In May, we welcomed a new in-country hire in Vietnam, who brings decades of experience to the team. Since then, progress has been remarkable.

We re-aligned our Code of Conduct with International Labour Organisation conventions, the Ethical Trading Initiative and other leading standards. We've overhauled our site visit process, replacing high-level checks with full compliance assessments. We're rolling these out across Tier 1 and Tier 2 partners and will use third-party support in future for high-risk sites.

We also updated our value chain map, adding data on workforce size, gender split, energy mix, water use and last visit dates. We'll continue to update this annually.

[VIEW VALUE CHAIN MAP](#)



100%
COVERAGE OF OUR TIER 1
AND TIER 2 PARTNERS

VIVOHEALTH SUBSCRIBERS

Total number of users who have: Registered for a course, completed the transition tool, attended a workshop.

FY25	177k	FY24	107k	FY23	63k
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VivoHealth reached 177,000 subscribers this year - up from 107,000 in 2023/24.

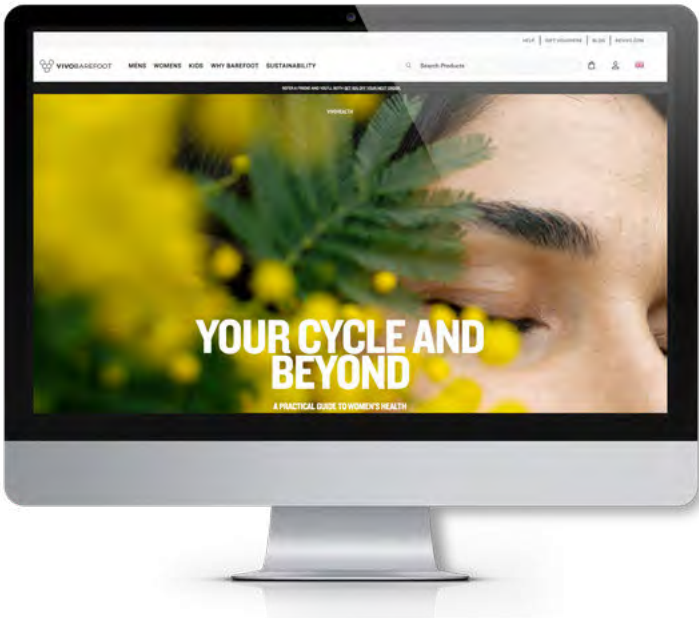
We tested new ways to bring people in through natural health education. Exchanging free content for email sign-up worked well, as did offering free ‘add-to-bag’ courses to match specific footwear purchases, such as barefoot running education with any purchase of the Primus Flow. Between 30-60% of customers opted in, depending on the offer, showing the value of accessible education.

We created a Women’s Health course led by Dr Federica Amati (from Zoe) alongside nutrition, sleep and mindfulness experts. This was offered free and is a brilliant course, but we missed an opportunity with the accompanying social campaign. However, another course – this time with Chase Mountains – led to some of our best-ever-performing social content.

We educated thousands worldwide – in-person and online – through masterclasses, accredited workshops, conferences, community events and new partnerships that build the Vivo Pro Community.

We’re exploring what customers want from their health journey with us, from AI coaching to wearables integration. This will shape the development of the MyVivo ecosystem.

[VIEW VIVOHEALTH COURSES](#)



VIVOBIOIME PAIRS MADE

The number of pairs of 3D printed footwear made (but not necessarily sold).

FY25	1.7k	FY24	2.9k	FY23	400
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Our scan-to-print VivoBiome footwear represents a radical shift from mass-produced shoes towards fully circular, custom-made footwear. In '24/25, we continued testing our vision in the market, printing 1,700 pairs of the Tabi Gen 01 (including sales, testing and R&D).

Over 7,800 people scanned their feet in our London and Bristol stores, and 1,000 customers paid to join the virtual queue for future drops.

7,800
PAIRS OF FEET SCANNED
IN OUR STORES



In spring 2025, we paused Gen 01 Tabi sales, shifting focus to develop the Gen 02. We’re scaling a new material to deliver a lighter, softer product, while improving the scanning experience and customer journey. We also began extending scanning beyond the UK, with preparations for “always-on” points in Tokyo and the US.

Community interest continues to grow, with more than 40,000 people now signed up for updates. It is still early days for VivoBiome, but the direction is clear.





REGENERATIVE COMMUNITY

Change starts with a shift
in collective consciousness.
So we must bring people closer to
nature and their natural potential,
through education, engagement
and healthy connections.

ACQUISITION EFFICIENCY

Customer Lifetime Value to Customer
Acquisition Cost ratio.

FY25	4.4:1	FY24	4.3:1	FY23	N/A
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Acquisition efficiency measures the balance between what it costs to bring someone new to Vivo and the value they create over time. It's our way of knowing if we're attracting the right kind of customers - and keeping them.

This year, we held steady: 4.3:1 in FY 23/24, 4.4:1 in FY 24/25, with a forecast of 4.5:1 for FY26. Stability here matters more than growth. Too low, and we're attracting customers who don't stay. Too high, and we're not investing enough in awareness.

That balance has been tested. More than 50 new barefoot brands entered the market last year, many at extremely competitive price points. But Vivo's value goes far beyond cheaper alternatives. We're not just selling shoes - we're working to mend a broken system: moving away from extractive economics, tackling the health crisis, helping kids grow strong and resilient, and giving our community the education and tools to live closer to nature.



Actor, filmmaker, author and activist Bonnie Wright in our 2025 Back To School campaign

CUSTOMER HAPPINESS

Weighted average of NPS scores across multiple customer touchpoints.

FY25	42.5	FY24	46*	FY23	53
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This year our Customer Happiness score (which is actually a weighted average of NPS (a loyalty measure) across touchpoints) landed at 42.5, below our target of 62*. While product love and brand loyalty remained strong, operational challenges pulled scores down.

We had a couple of high points, with NPS peaking at 50 in March. Customer Services also continued to perform well, reaching highs of 64 thanks to faster response times, new language support and improved automation.

We also redesigned our surveys, gathering more feedback across post-purchase relationship moments and reducing over-reliance on service scores.

However, fulfilment setbacks in spring 2025 - particularly the EU warehouse transition (see page 20) - created long delays. Combined with slow refunds and the absence of exchanges, our customers were understandably frustrated and we saw sharp drops in post-purchase and customer effort scores.

Looking ahead, we are working hard to rebuild this trust by fixing fulfilment, offering exchanges, improving transparency around pricing and delivery, and tailoring experiences through powerful customer segmentation.



* Our Customer Happiness score for FY 23/24 was calculated incorrectly. We reported a score of 58 last year, when it should have been 46. This was because of a partner error. We're changing systems this year.

COMMUNITY SIZE

The combined total number of email subscribers plus number of followers across all social channels.

FY25	2.6M	FY24	2.3M	FY23	1.8M
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Our community grew to 2.66 million people this year (1.74m on social and 920k email subscribers), up from 2.3m in 2023/24. Email continues to be a powerful commercial driver, while our social channels are where we build a strong emotional connection with our audience.

51M PEOPLE REACHED THROUGH OUR SOCIAL MEDIA CONTENT

After a slower start to '24/25, we switched up our strategy and saw our content reach 51 million people - well above our 20 million target. TikTok (+74%) and YouTube (+56%) were the fastest-growing platforms, with YouTube in particular evolving into a space for series-based content - perfect for TV viewing. Instagram (+11%) remains our largest and most established channel, though growth there is naturally harder to achieve.

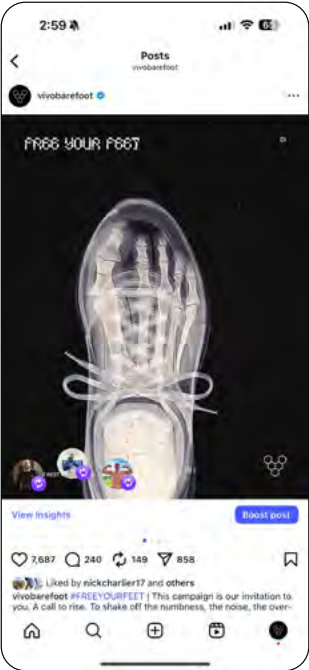
Looking ahead, we'll continue to refine how we measure success, while keeping the focus on building, inspiring and connecting with our barefoot community.



Highest ranking TikTok



Highest ranking collab



Highest ranking by interactions

WOMEN'S MIX

Women's net footwear sales as a percentage of total adults business.

FY25	35%	FY24	34%	FY23	29%
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In 2024/25, women's share of adult sales grew to 35% (up from 34% last year).

We achieved this by putting more focus on women's needs across design, merchandising and marketing. On the product side, we invested in women-specific styles and colourways. Some, like the Sensus sandals, sold out; others underperformed, often because volumes were spread too thin. A key learning is to back fewer, stronger women's products at scale, rather than diluting our impact.

We also ran our largest ever women's campaign, styled through a fashion lens to help women imagine barefoot shoes in everyday life, not just sport or outdoors. This was supported by our Unbound film, reframing barefoot as freedom in a world where conventional women's footwear has historically harmed feet and restricted movement.

Looking ahead, we're refining how we measure women's mix to reflect genuine growth, not just ratios, and further embedding women's needs into design from the outset.



INTERNAL HAPPINESS

Average score by Vivo employees to The Happiness Index questionnaire.

FY25	7.5	FY24	7.7	FY23	7.6
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Our Internal Happiness score came in at 7.5 in August 2024, a slight dip from 7.7 the previous year.

This wasn't unexpected. Last summer's restructure brought big change across the business, and the result reflects the natural impact felt in teams. But behind the headline score, the survey revealed valuable insights. Three clear themes stood out:

First, our culture remains a real strength. Employees spoke about the positive atmosphere, strong sense of belonging, and alignment with Vivo's mission and values.

Second, while work flexibility continues to be appreciated, many shared concerns about workload pressures and work-life balance.

Finally, communication was highlighted as an ongoing challenge. Despite some progress, issues around clarity and transparency - especially during change - continued to cause frustration.

Our highest-scoring question was "How committed are you to helping your organisation succeed?" at an encouraging 8.8. The biggest drop came in response to "How much do you trust your organisation?", which fell to 6.4.

Looking ahead, we will prioritise strengthening communication and trust, supporting workload management, and creating more opportunities for growth. At the same time, we'll continue fostering existing strengths - meaning and purpose, freedom, and strong relationships - to keep these core to our culture.



IN CONVERSATION WITH B LAB UK

Galahad met with Chris Turner, Executive Director of B Lab UK to explore the challenges and opportunities facing the B Corp movement.



ILLUSTRATION: B Lab Global

SETTING THE SCENE

GALAHAD: Chris, let's start with the big picture. Outside the UK, the B Corp movement seems to be stagnating, with backlash in the U.S. around 'woke capitalism' and certification withdrawals from respected players. What's going on?

CHRIS: It's true there's more pushback now than a few years ago - around 'woke capitalism', DEI, Net Zero. What once felt like growing consensus is now more contested, and that creates challenges. Within that context though, the global B Corp story is still one of growth - there are now over 10,000 B Corps employing over a million people. This is so important because the system we're trying to change is global, so the solutions have to be too.

10K B CORPS GLOBALLY

"The system we're trying to change is global, so the solutions have to be too."

— Chris Turner, B Lab UK



WHAT DOES SUCCESS LOOK LIKE?

GALAHAD: When you started in 2019, what were your hopes and dreams for five years on?

CHRIS: Back then there were three of us, and about 150 B Corps in the UK. Today we're 40 people and over 2,500 B Corps. The growth has exceeded what we imagined. But we also talked about cultural relevance: would people be talking about B Corp in the pub? Would they recognise the logo on TV? Would it show up in Westminster? The answer to all of that - now - is yes. The cultural currency is just as important as the numbers.

THE NEW STANDARDS

GALAHAD: Let's talk about the new standards coming in 2026. Will this restore trust, is it bold enough to revive momentum, and what are you least happy about?

CHRIS: The challenge with standards is calibration - set the bar too low and it's meaningless, too high and no one can reach it. After years of consultation we think we've got the balance right: mandatory minimums across set foundations and key impact areas, with third-party verification.

My only disappointment is timing. These standards are a huge piece of work and they took a long time to develop. However, we know that standards need to keep pace with 'what good looks like', so that pace must accelerate with future revisions.

GALAHAD: From our perspective, the new standards feel light on product and materiality, and maybe overemphasise social issues. And without the points system, how do we show improvement?

CHRIS: We hear that. The B Impact Score was a simple way to celebrate progress. We're redesigning Impact Business Models so companies can still highlight and communicate where they excel. As for weighting - no set of standards will ever please everyone. The important thing is every B Corp meets a baseline across the board, while still having ways to showcase strengths.

BUILDING SOMETHING GOOD IN A BROKEN SYSTEM

GALAHAD: One of my pet peeves is seeing brilliant B Corps built with purpose, only to sell out to impatient capital and lose their soul.

CHRIS: Yeah. I share that frustration. In some ways those buyouts are like the system's antibodies - pushing back against what doesn't fit. We're trying to create good within a system that doesn't work, so of course those forces react. But there are alternatives emerging. Positive acquisitions, including B Corps buying B Corps. And there's loads of innovation, particularly in governance and ownership, like employee ownership, stewardship, even giving nature a seat on the board. That's where resilience will come from, those innovations that build protection against systemic forces.

THEORY OF CHANGE

GALAHAD: Some say you need 4% of a population to create a tipping point. In the UK, that would mean 200,000 businesses need to become B Corps. Is that going to happen?

CHRIS: I see it differently. B Corps will always be the leaders - we're never going to certify every business. I think the more interesting question is how many people are touched by the movement. Over half of UK citizens now recognise the B Corp logo. If buying from, working for, or engaging with a B Corp changes how millions of people think about business, that's transformative.

“Over half of UK citizens now recognise the B Corp logo.”

— Chris Turner, B Lab UK



VERIFICATION AND CREDIBILITY

GALAHAD: With the EU cracking down on greenwashing, how will B Corp stay credible?

CHRIS: Assurance is being completely upgraded. We're moving from second-party to fully independent third-party verification. Every certification decision will be made externally, which strengthens rigour and keeps us aligned with EU green claims rules. I'm excited about this.

THE BETTER BUSINESS ACT

GALAHAD: Tell us about the Better Business Act. What is it, why is it, and how are you involved?

CHRIS: The Act would change UK company law so every business has to align profit with people and planet. The point isn't that every company becomes a B Corp, but that every company behaves more like one. When I explain it down the pub, people usually say something like 'isn't that the law already?'. It feels like common sense. And then, just as important, the Act helps us get on the political and news agenda and means we can spark a wider conversation about the role we actually want business to play in society.

BEST PRACTICE INSIDE COMPANIES

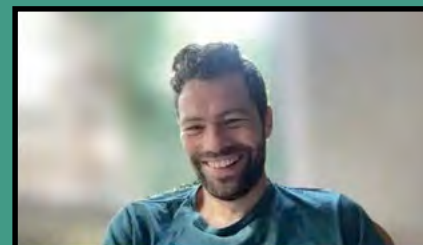
GALAHAD: Within companies, what does good look like? We have the B Keepers across all the circles in our business.

CHRIS: I actually love seeing how businesses do it differently. Some businesses make it one person's full-time job. Others, like you guys, have representatives across functions. And some make it part of everyone's job. The magic happens when every employee can see how their role contributes to being a force for good. That's when certification becomes culture, not compliance.

LOOKING AHEAD

GALAHAD: And the future?

CHRIS: The goal isn't growth for its own sake. It's making sure B Corps continue to raise the bar and show what leadership looks like. Certification is a tool, not the end point. The bigger goal is a system where every business is expected to serve people and planet as well as profit.



Galahad and Chris discussing the challenges and opportunities facing B Lab UK

“The goal isn't growth for its own sake. It's making sure B Corps continue to raise the bar and show what leadership looks like. Certification is a tool, not the end point.”

— Chris Turner, B Lab UK

WHAT WENT WRONG IN OUR EU SUPPLY CHAIN

And what it taught us about resilience, responsibility
- and radical transparency.

NEW WAREHOUSE. BIG PLANS. TOTAL CHAOS.

When our EU warehouse came online in early 2025, we expected the same smooth onboarding as the year before in the US. But it wasn't to be. Instead, we faced months of turmoil: delayed orders, lost revenue, a burned-out team and a lot of very annoyed customers.

This is the story of what and how everything went wrong - from operational oversights to supplier missteps to communication breakdowns. It's not a tidy case study. At best, it's a work in progress. But we're sharing it in case it helps other businesses navigate the messy compromises of growth, sustainability and logistics in a world with no more 'normal'.

THE OPPOSITE OF BEST PRACTICE

Picture a warehouse with 90,000 shoeboxes. About 10% of these are on ground level (i.e. easy to get to) and the rest are stored above head height, requiring a forklift to access. Your job - as a 'picker' - is to locate and collect customer orders. In a best-practice warehouse, pickers move quickly, retrieving orders from clearly grouped locations, locating 70+ orders an hour.

But - for reasons we're about to share - in our new EU warehouse, those tens of thousands of shoeboxes were all jumbled up. And as a result, chaos reigned.

PLAIN OLD HUMAN ERROR

We partnered with Maersk - a global logistics provider - back in spring 2024. We were impressed by their ability to manage a supply chain end-to-end, from factory to warehouse to customer, as well as their commitment to sustainability. Plot spoiler: we are still very committed to this partnership, despite everything that went wrong.

In hindsight, the chaos that followed wasn't down to one single thing. It was a chain reaction of missed timings, miscommunications and human error - on all sides.

The trouble started with the handover from our previous logistics partner. Due to staff shortages in December, the phased stock transfer we'd planned was pushed into the new year and delivered in bulk just before go-live - putting Maersk under huge pressure from day one.

At the same time, some incoming stock from our factories arrived in mixed cartons, which made it harder to sort. Then, during the initial put-away process, Maersk's team shelved it wherever there was space - rather than grouped by style and size. Trackers cosying up to Sensus; JJF Ultras tucked up next to Gobi Sneakers. One style ended up scattered across 50 locations.

Picking times tanked, orders backed up, and thousands of customers were left wondering where their Vivos were.

To their credit, Maersk has been open and proactive in helping us understand what went wrong. We held a two-day debrief together and have since put new processes in place to prevent anything similar happening again (more on this below).

But Maersk isn't the only one who made mistakes. We did too.



HOW WE MADE A BAD SITUATION WORSE

We failed to communicate. We were so focused on fixing the problem that we forgot to tell people there was one. And by the time we did speak up, trust (and patience) had already taken a hit. This was one of the biggest lessons for us: silence is not neutral.

Customer Services were doing everything they could, but they simply didn't have any up-to-date information to share. As ticket volumes soared and wait times grew, customers were left feeling ignored and many were rightly furious.

"They trust us with their money. They expect a premium experience"

— Lucy S, Head of Customer



Even our goodwill gestures didn't always land. We issued discount codes and offered free items, but orders still couldn't be delivered. What people really wanted was clarity. A simple, timely update would've gone a long way. Next time, we'll build in messaging from the start: website banners, social media, automated updates and Customer Service briefings.

NO MORE NORMAL

The truth is, supply chain fragility isn't new for us - or for many growing businesses. Matching supply to demand, across geographies and sales channels, without overproducing or overspending, is a constant balancing act. That's why, even before the EU chaos, we brought in a supply chain expert, Dave, to help us think differently about our global logistics.

His first lesson? Stop planning for stability - it's not coming back. Global supply chains are being reshaped by climate disruption, geopolitical risk, tariffs, strikes - and that's before we get to all the crises we can't predict. Businesses that survive - let alone thrive - will need systems designed for disruption.

WHAT WE'RE DOING NOW

Some of the fixes we've put in place are already live:

- Improved factory planning and capacity visibility
- Extended lead times, based on the 90th percentile (not the average)
- Route optimisation and diversified freight options
- Regular cross-functional workshops to break down silos
- A renewed commitment to transparency and shared accountability

And then longer-term, we're laying the groundwork for a new system of onshore, made-to-order, zero-waste manufacturing. It's ambitious, it's early, but it's where we're headed - check out [VivoBiome](#).

FIVE THINGS WE LEARNED THE HARD WAY

1

SILENCE IS NOT NEUTRAL

Delays happen but leaving customers in the dark makes everything worse. Communicate early, clearly and often. Even a simple "we're working on it" can go a long way.

2

STRESS TEST YOUR PROCESSES

A basic error in how stock was shelved turned our brand new warehouse into a bottleneck. Stress-testing processes - even when things seem simple - is non-negotiable.

3

OPERATIONAL FAILURES ARE BRAND RISKS

What starts in the warehouse doesn't stay in the warehouse. Logistics problems become everyone's problem eventually.

4

YOU CAN'T PLAN FOR STABILITY

Disruption is the norm, not the exception. Resilient systems are flexible by design, with buffers, redundancies and human relationships that hold under pressure.

5

SUSTAINABILITY MEANS BUILDING FOR THE LONG TERM

Sustainability isn't just about emissions or materials. It's about transparency, responsibility and designing businesses that can weather what's coming.

THE ONGOING CHALLENGE OF HYBRID WORKING

We built it, and they didn't come!

—

More companies are asking their people to come back to the office. Amazon, Disney, Apple - even Zoom (oh the irony!) - have introduced return-to-office policies, citing the risks of remote-only working as fractured teams, lost learning and a fraying of culture.


At Vivobarefoot, we've called ourselves hybrid for years. We love the idea of it, but the reality isn't really working. Part of the problem is semantics. What do we actually mean by hybrid? How much hybrid is too much hybrid? And with that lack of clarity comes a lack of people: despite everyone loving our two new homes - the office/retail/event space in Neal Street, London, and our Nature HQ, Barley Wood in Somerset, most people are still choosing to work from home most of the time.

This year, we're exploring what it would really take to bring people in, of their own volition - to create a working norm that balances people's autonomy with something a lot less remote than what we have now. After a difficult year of organisational change, and internal unhappiness about how those changes were communicated, this is not an easy conversation to have - but we think it's mission critical.

We're sharing all this not because we've figured it out, but because we haven't - and we reckon we're not alone.

FINDING THE WHY

This McKinsey study says that getting people back to the office works best if you're clear on your why. We asked around at Vivo and here's what we heard. Being together helps us reduce silos - which is so important to delivering our mission. It helps us share knowledge more organically. It helps us collaborate, innovate and solve problems a lot more quickly. And finally, it's key to personal and professional development.



“When Covid came, remote was brilliant. But I think in some ways, we’ve gone too far the other way – and there’s a shadow that’s emerged from that, which is loss of connection.”

— Kiran, Chief People Officer

DELIVERING THE HOW

We know *why* we want people back together in person. Here's our plan for how we make it happen.

1. We will be much clearer in our guidance.

We believe in adult-to-adult relationships, and we want to lead with trust. So we'll be clear about what we expect, and give people the autonomy to meet those expectations in their own way.

2. We're putting better support in place.

That includes a Travel & Expenses policy, and clearer guidance around how to get the most out of Neal Street and Barley Wood. This is all due this autumn.

3. We're making our spaces irresistible.

Neal Street, our London Hub, is a huge upgrade: bright, beautiful and multifunctional, it blends retail, events and office space with all the energy our incredible team deserves. And then, there's Barley Wood...

Our Nature HQ is a regenerative workplace tucked into the Somerset hills, surrounded by orchards, kitchen gardens and a handful of amazing local businesses – which we love supporting. You might start your day with a pond dip and end it around a firepit. The food is often straight out the garden, and incredible meals are prepared by our on-site catering team – India and Finn. It's Vivo, walking the talk.

Which isn't to say it's perfect in every way: the glasshouses are cold in winter, hot in summer, and our listed buildings come with real constraints. There aren't enough spaces for the whole team to stay, and we've only just got some quiet desks up and running. And yes, the logistics of getting here are difficult for quite a lot of our team.

The reality is, we're still figuring out how to make hybrid work – practically, financially, physically, emotionally. But we believe the magic of togetherness is worth the effort. What do you think?

“You walk in and it smells like real food... Big meetings feel like mini-events... figs from the garden turn up on the breakfast table”

— Tash, Nature HQ



LIVEBAREFOOT FUND

The Livebarefoot Fund (LBF) is our in-house impact fund, designed to channel our profits, skills and energy into projects that advance natural health, regenerate ecosystems and empower communities.

In FY 24/25, we invested £398,216.

This year, we've also introduced clear outcome KPIs across our funding pillars, so we can better measure and communicate the real-world impact of the projects we support - from peer-reviewed research outputs to hectares rewilded and community benefits delivered.

HEALTH, EDUCATION & RESEARCH



SOUTH EAST TECHNICAL UNIVERSITY & LIVERPOOL UNIVERSITY – we provided PhD funding towards barefoot and biomechanical research programmes:

- **PhD:** Hiking habits, injury and footwear choice
- **PhD:** Footwear in the lives of autistic children and their parents
- **PhD:** The importance of play for kid's movement and health
- **PhD:** Measurement of developing feet in shod and barefoot paediatric populations
- **PhD:** Walking on ageing feet: heel impact and forefoot deformation throughout the life course



KINDA STUDIOS – we conducted an EEG pilot study, to explore if there were any observable changes in the human brain when participants were wearing our grounding footwear. This study has accelerated our work in trying to quantify the impacts of grounding on the human body.

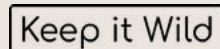
REGENERATION & REWILDING



DEVON ENVIRONMENT FOUNDATION (DEF) – as a founding member & Steering Committee member, we provide time and funding to support DEF's nature restoration work. In the five years DEF has been running, they have awarded more than £1.3 million grants to 98 local nature restoration projects.



EARTHED – as a founding partner, we financially support Earthed's nature restoration education, skills-building and network growth. In partnership with Earthed and Cara Delevingne, we launched the Earthed x Vivobarefoot Magna Lite this year, generating over 1,000 sign ups to Earthed's online education and skills platform.



KEEP IT WILD (KIW) – we support KIW's species recovery programme with a financial donation. The programme is focused on breeding and release of 10 threatened native UK species, with releases of storks, turtle doves, beavers and glow worms planned across 2025.

COMMUNITY, EMPOWERMENT & ACTION



FUTURE FOOTWEAR FOUNDATION (FFF) – We continued to support FFF through donations to the San Community in Namibia, makers of the San-Dal traditional Namibian hunting sandal, and to launch the inaugural *Cobbleration* event in South Africa, uniting artisans and researchers to discuss how modern technology can keep indigenous craft and culture alive.



MADE IN MONGOLIA (MIM) – Our donation helped MIM purchase new machinery and hire a management lead to scale their operations.



OPENING UP THE OUTDOORS (OUTO) – As a founding partner, we supported OUTO's growth with a donation and co-hosted a London pop-up to promote inclusivity in outdoor spaces.



LEVEL WATER – We backed Level Water's Bantham Swoosh & Boomerang open-water swimming event by donating bell tents and funds. The event raised £245,000, funding 16,000+ swimming lessons for children with disabilities across the UK.



'WE ARE NATURE' SERIES – Our donation supported this three-part Al Jazeera series showcasing how ancient wisdom, faith and modern movements are converging to restore balance with the natural world.



WEST COUNTRY WOMEN AWARDS – We sponsored the Small Business of the Year Award, recognising outstanding women leading successful small businesses in the region.



APPENDIX



STRATEGIC REPORT

INTRODUCTION

The directors present their strategic report for the 52 weeks ended 28 June 2025.

BUSINESS REVIEW

The full details of this year's performance can be found on pages 4 to 24. Detailed notes to the accounts are available from page 34.

BUSINESS ENVIRONMENT

We run our barefoot footwear business from the United Kingdom, source our footwear from Portugal, Namibia, Mongolia and Vietnam and sell internationally via ecommerce platforms and through a network of distributors. Details of our value chain and of our product manufacturing are publicly available on the value chain map on our website.

STRATEGIC MANAGEMENT AND FUTURE DEVELOPMENTS

Details of our vision and mission, strategic management, and future developments and opportunities are found throughout this report.

PRINCIPAL RISKS AND UNCERTAINTIES

Vivobarefoot's risk register integrates financial and non-financial risks drafted from ESG reporting guidance, desk-based research across industry, and input from Vivobarefoot's Roundtable (RT) and Senior Leadership Team (SLT). Risk owners rate each risk for its likelihood, impact on the business, and level of controls currently in place to manage or mitigate that risk. This results in an overall net risk score for each one, which informs the Top 10 principal risks presented here. These are reviewed by the Vivo board on a biannual basis.

RISK	DEFINITION
Climate change + biodiversity loss	Globally and locally: Droughts, floods, storms, heatwaves, freezing, freshwater availability, air pollution etc. Supply chain disruption; manufacturing vulnerabilities; logistics challenges; threats to physical assets (e.g stores, warehouses, and offices exposed to climate-related operational interruptions); reduced availability and quality of natural materials; employee wellbeing and productivity affected by personal climate-related circumstances.
Water scarcity and inefficiency	Constraints on raw material production; critical disruption to water-intensive operations including dyeing, tanning, washing and finishing processes; potential facility shutdowns or reduced capacity across all manufacturing tiers; reduced sanitation and drinking water availability affecting manufacturing workforce; reputational and operational risks from operating in water-stressed communities.
Geopolitical instability	Manufacturing disruption from civil unrest strikes, and facility shutdowns; trade barriers and/or trade restrictions; risk of needing to relocate production facilities (and associated potential quality variations when switching under pressure); cost volatility; longer procurement and production cycles.
Governance: product testing, manufacturing & quality assurance	Regulatory non-compliance; potential production shutdowns or supplier disqualification due to quality control failures or non-compliance with manufacturing standards; legal and financial exposure from defective products reaching market due to insufficient testing protocols; risk to brand reputation; loss of retail partnerships or geographic market access due to regulatory non-compliance; increased costs from remediation, recalls, enhanced testing, and supplier auditing requirements.
Supply chain volatility	Price fluctuations; inconsistent lead times and potential stockouts due to supplier capacity changes, logistics delays, or material shortages; risk of partner business failures, capacity constraints, or quality inconsistencies disrupting production schedules; challenges in demand planning and stock optimisation due to unpredictable supply availability; potential inability to fulfil orders or maintain product availability affecting customer satisfaction; working capital strain from emergency sourcing, expedited shipping, or inventory buffers required to manage volatility.
Cyber threats	Loss or theft of customer data, financial information, and proprietary business intelligence leading to regulatory penalties and legal liability, operational disruption affecting ecommerce, inventory management, manufacturing coordination, and business continuity, direct financial losses from payment system compromises, fraudulent transactions, or ransomware attacks, brand reputation, potential violations of data protection regulations resulting in significant fines, extended business disruption if cyber-attacks affect critical suppliers or logistics partners.
New market entry	Market penetration failure, regulatory/compliance barriers, underestimation of established local competitors or market dynamics leading to pricing pressure and reduced market share potential, diversion of capital, management attention, and operational resources from core markets affecting overall business performance, risk of brand dilution or misalignment with local market preferences impacting long-term market viability, additional logistics, distribution, and inventory management challenges increasing operational costs and complexity.
Internal bandwidth, capacity and lack of process	Inability to deliver on strategic initiatives, customer commitments, or operational targets due to resource constraints and unclear processes, reduced output quality and increased error rates from overextended teams and inadequate standardized procedures, slow response to market opportunities, customer issues, or operational problems due to capacity limitations and unclear decision frameworks, employee burnout, limited ability to grow business or enter new markets without proportional increases in operational chaos and inefficiencies, slower time-to-market, reduced innovation capacity, and inability to capitalize on opportunities due to internal bottlenecks.
Cashflow and working capital disruption due to inaccurate seasonal stock purchasing	Cash flow strain: tied-up capital in excess inventory reducing available working capital for operations, supplier payments, and strategic investments; financial losses from obsolete, seasonal, or slow-moving stock requiring markdowns, clearance sales, or disposal; potential late payments to manufacturing partners due to cash tied up in unsold inventory, risking supplier relationships and credit terms.
Failure to improve profitability to sustainable levels	Inability to achieve positive cash generation and sustainable profit margins threatening long-term business continuity and independence; investment capacity constraints; competitive position erosion; talent retention; forced focus on short-term survival rather than long-term strategic positioning and market development.

FINANCIAL AND NON-FINANCIAL KPIS

Our integrated KPIs (metrics) can be found on pages 10 to 17.

SECTION 172 STATEMENT

Section 172 (1)(a) to (f) requires the directors to act in the way they consider would be most likely to promote the success of the company for the benefit of its members, as a whole, with regard to the following matters:

- **Likely consequence of any decision in the long term**

When making decisions, the Board takes into account and is guided by the expertise and varied backgrounds of the Board members and the Executive Team, meaning that a variety of perspectives and opinions are brought to the risk assessment process. The views of wider stakeholders are also considered, as well as the impact of decisions on our community and the environment.

- **Interests of employees:**

See page 17 (Internal Happiness metric).

- **Fostering business relationships with suppliers and customers:**

See page 13 for the value chain transparency update, and page 16 for an update against our customer happiness metric.

- **The impact of the company's operations on the community and environment:**

This is considered within our integrated strategic metrics, and throughout this report in the articles on pages 20 (EU warehouse), 18 (B Corp) and 22 (hybrid working) as well as our review of the Livebarefoot Fund on page 24.

- **The desirability of the company maintaining a reputation for high standards of business conduct:**

As demonstrated throughout this integrated annual report.

- **The need to act fairly as between members of the company:**

In this regard we continue to be guided by the B Corp framework and our regenerative leadership and management principles. As demonstrated throughout this integrated annual report.

This report was approved by the Board and signed on its behalf.

G J D CLARK
DIRECTOR

Date: 11th November 2025





DIRECTORS' REPORT

The directors present their report and the financial statements for the 52 weeks ending 28 June 2025.

PRINCIPAL ACTIVITY

We make barefoot footwear. This report details why, and our value chain map on vivobarefoot.com details where.

RESULTS AND DIVIDENDS

The loss for the 52 weeks, after taxation, amounted to £3,329,648 (2024 - loss £1,823,878).

The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the 52 weeks were:

- G J D Clark
- A M Clark
- W H Haitink (resigned 29 January 2025)
- J C Sung
- I Thambiah
- J Collins
- Y Wang (appointed 1 October 2024)

Our Company Secretary, D Wakeford, was appointed 3 February 2025

SECR REPORT

The company's total gross CO₂ equivalent emissions for the 52 weeks are:

- Scope 1 = 0.16 tCO₂e
- Scope 2 (location-based) = 19.2 tCO₂e
- Scope 2 (market-based) = 13.3 tCO₂e

We have reported on all sources of greenhouse gas (GHG) emissions and energy usage as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended. This analysis was conducted and compiled by external ESG impact analysis experts, Made2Flow. We have used their third-party analysis and integrated all required compliance data into this report, see page 41.

MATTERS COVERED IN THE STRATEGIC REPORT

As permitted by s414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the directors' report by Schedule 7 of 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008', in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this directors' report is approved has confirmed that: so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board and signed on its behalf.

G J D CLARK
DIRECTOR

Date: 11th November 2025

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Vivobarefoot Limited (the 'company') for the 52 weeks ended 28 June 2025, which comprise the profit and loss account on page 32, the balance sheet on page 32, the statement of cash flows on page 33, the statement of changes in equity on page 33 and the related notes on pages 34 to 40, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 June 2025 and of its loss for the 52 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial 52 weeks for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 29, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 on page 36 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Blick Rothenberg Audit LLP

Thomas Dickinson (senior statutory auditor)
for and on behalf of

Blick Rothenberg Audit LLP
Chartered Accountants
Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 11th November 2025

FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 JUNE 2025

PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 28 JUNE 2025

		52 weeks ended 28 June 2025	52 weeks ended 29 June 2024
	Note	£	£
Turnover	4	91,364,051	87,191,061
Cost of sales		<u>(48,069,326)</u>	<u>(45,585,512)</u>
Gross Profit		43,294,725	41,605,549
Administrative expenses		(46,695,357)	(42,728,291)
Other operating income	5	<u>519,576</u>	<u>3,367</u>
Operating loss	6	(2,881,056)	(1,119,375)
Interest receivable and similar income	9	142,709	4,320
Interest payable and similar expenses	10	<u>(898,066)</u>	<u>(708,823)</u>
Loss before tax		(3,636,413)	(1,823,878)
Tax on loss	11	<u>306,765</u>	<u>-</u>
Loss for the financial 52 weeks		<u>(3,329,648)</u>	<u>(1,823,878)</u>

There are no items of other comprehensive income for 2025 or 2024 other than the loss for the 52 weeks. As a result, no separate Statement of comprehensive income has been presented.

The notes on pages 34 to 40 form part of these financial statements.

BALANCE SHEET AS AT 28 JUNE 2025

		28 June 2025	29 June 2024
	Note	£	£
Fixed assets			
Intangible assets	12	3,705,689	2,094,395
Tangible assets	13	1,879,294	834,782
Investments	14	<u>101</u>	<u>101</u>
		5,585,084	2,929,278
Current assets			
Stocks	15	17,087,352	10,594,151
Debtors: amounts falling due within one year	16	8,891,315	7,026,482
Cash at bank and in hand	17	<u>11,721,408</u>	<u>7,072,666</u>
		37,700,075	24,693,299
Total assets		<u>43,285,159</u>	<u>27,622,577</u>
Capital and reserves			
Called up share capital	21	17,005	4,721,238
Share premium account	22	11,932,891	177,292
Other reserves	22	759,294	1,194,231
Profit and loss account	22	<u>(130,830)</u>	<u>(2,433,695)</u>
Shareholders' funds		12,578,360	3,659,066
Creditors			
Amounts falling due within one year	18	27,070,120	19,831,387
Amounts falling due after more than one year	19	<u>3,636,679</u>	<u>4,132,124</u>
Total equity and liabilities		<u>43,285,159</u>	<u>27,622,577</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

G J D Clark, Director
Date: 11th November 2025
The notes on pages 34 to 40 form part of these financial statements.



FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 JUNE 2025

STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 28 JUNE 2025

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 July 2023	4,679,423	128,788	270,853	(700,101)	4,378,963
Loss for the 52 weeks	-	-	-	(1,823,878)	(1,823,878)
Shares issued during the 52 weeks	41,815	48,504	-	-	90,319
Transfer to/from profit and loss account	-	-	(90,284)	90,284	-
Share-based payment expense	-	-	1,013,662	-	1,013,662
At 30 June 2024	4,721,238	177,292	1,194,231	(2,433,695)	3,659,066
Loss for the 52 weeks	-	-	-	(3,329,648)	(3,329,648)
Shares issued during the 52 weeks	53,509	11,755,599	-	-	11,809,108
Capital reduction	(4,757,742)	-	-	4,757,742	-
Transfer to/from profit and loss account	-	-	(874,771)	874,771	-
Share-based payment expense	-	-	439,834	-	439,834
At 28 June 2025	17,005	11,932,891	759,294	(130,830)	12,578,360

The notes on pages 34 to 40 form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE 52 WEEKS ENDED 28 JUNE 2025

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Cash flows from operating activities		
Loss for the financial 52 weeks	(3,329,648)	(1,823,878)
Adjustments for:		
Amortisation of intangible assets	360,297	226,667
Depreciation of tangible assets	391,245	275,289
Interest paid	898,066	708,823
Interest received	(142,709)	(4,320)
Taxation charge	(306,765)	-
Research and development expenditure credit	(501,745)	-
(Increase)/decrease in stocks	(6,493,201)	962,278
(Increase) in debtors	(1,056,353)	(931,529)
Increase/(decrease) in creditors	7,069,777	(21,946)
Share based payment expense	439,834	1,013,662
Net cash generated from operating activities	(2,671,202)	405,046
Cash flows from investing activities		
Purchase of intangible fixed assets	(1,971,591)	(1,400,537)
Purchase of tangible fixed assets	(1,435,757)	(603,064)
Interest received	142,709	4,320
Net cash from investing activities	(3,264,639)	(1,999,281)
Cash flows from financing activities		
Issue of ordinary shares	11,809,108	90,319
Repayment of debenture loans	-	3,791,394
Purchase of debenture loans	(154,715)	-
Repayment of other loans	(340,730)	(230,884)
Movements on trade finance facility	168,986	2,881,855
Interest paid	(898,066)	(708,823)
Net cash used in financing activities	10,584,583	5,823,861
Net increase in cash and cash equivalents	4,648,742	4,229,626
Cash and cash equivalents at beginning of 52 weeks	7,072,666	2,843,040
Cash and cash equivalents at the end of 52 weeks	11,721,408	7,072,666
Cash and cash equivalents at the end of 52 weeks comprise:		
Cash at bank and in hand	11,721,408	7,072,666

The notes on pages 34 to 40 form part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 JUNE 2025

I. GENERAL INFORMATION

Vivobarefoot Limited is a private company limited by shares and registered in England and Wales. The company's registered office is 57-59 Neal Street, London, WC2H 9PP. These financial statements have been prepared for a 52 week period from 30 June 2024 to 28 June 2025. The comparative figures reflect a 52 week period from 2 July 2023 to 29 June 2024. The financial statements are presented in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3). The company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are excluded from consolidation by section 402 of the Companies Act 2006. The following principal accounting policies have been applied:

2.2 GOING CONCERN

Having considered post year-end trading, financial results, cash flow forecasts, cash reserves and committed borrowing facilities, and after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and will continue to be supported by its bankers and shareholders to meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements are approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using a prevailing standard rate throughout the period. Prevailing standard rates used for translation are reviewed periodically. At each period end foreign currency monetary items are translated using the closing rate. Both nonmonetary items measured at historical cost and non-monetary items measured at fair value are translated using the periodically reviewed prevailing standard rate. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges. All foreign exchange gains and losses are presented in the profit and loss account within administrative expenses.

2.4 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from online sales is recognised on delivery of the goods to the customer. Revenue from the sale of goods through the company's retail store is recognised at the point of sale to the customer which is considered the point of delivery. Retail sales are usually by cash, credit or payment card. It is the company's policy to sell goods to customers with a right of return. Accumulated experience is used to estimate and provide for returns at the time of sale.

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years. If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income. Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

2.8 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.9 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the 52 weeks in which they are incurred.

2.11 PENSIONS

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.12 SHARE-BASED PAYMENTS

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition. The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme). Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period. Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.13 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years. Amortisation is provided on the following bases:

Intellectual property	—	10 years straight line
VivoBiome asset	—	Not currently amortised as not yet launched
Computer software	—	5 years straight line

2.14 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use.

An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis:

Short-term leasehold property	—	Straight line over the lease term
Fixtures and fittings	—	3 years straight line
Computer equipment	—	3 years straight line
Moulds and tooling	—	5 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment. Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.16 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads. At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 FINANCIAL INSTRUMENTS

The company has elected to apply Sections II and I2 of FRS IQ2 in respect of financial instruments. Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date. For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.18 CASH

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.19 HOLIDAY PAY ACCRUAL

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.20 CURRENT AND DEFERRED TAXATION

The tax expense for the 52 weeks comprises current tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. Current tax is the amount of income tax payable in respect of taxable profit for the period or prior periods. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income. Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.21 SHARE CAPITAL

Ordinary shares are classified as equity.

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. In the application of the company's accounting policies, which are described in note 2, the following judgements and key estimates have been made by the directors:

Stock provisioning

The carrying value of stock, at the lower of cost and net realisable value, is dependent on key judgements and estimates that are made by management. The judgements relating to stock include an estimation of future expected average sales prices and volume of sales based on the ageing of stock. A provision is made to stock based on historical data and future expectations. Actual outcomes could be different to the assumptions used in determining the estimates.

Sales with right of return

It is the company's policy to sell goods to customers with a right of return. Accumulated experience is used to estimate and provide for returns at the time of sale.

Deferred tax asset

The company recognises a deferred tax asset in respect of brought forward tax losses. The asset is recognised to the extent that the directors believe that it is probable that the brought forward losses will be recovered and offset against future taxable profits. The value of the asset is calculated by reference to the applicable corporation tax rate at the date the losses are expected to be utilised.

Share option valuations

The company operates an Enterprise Management Incentive share option scheme in which equity-settled options are issued to certain employees of the company in respect of B Ordinary £0.001 shares. The options vest over periods ranging from 2 to 4 years. The fair value of options granted is determined at the grant date using the Black Scholes model. The key assumptions of this model are the market value of the shares at grant date, which takes into consideration multiples of turnover over the previous twelve-month period, an annual volatility of 5 - 16% and an annual risk-free rate of 4 - 5%.

4. TURNOVER

An analysis of turnover by class of business is as follows:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Sale of footwear	91,364,051	87,191,061

Analysis of turnover by country of destination:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
United Kingdom	20,427,259	19,309,960
Rest of Europe	22,079,864	20,910,775
North America	33,085,552	36,675,318
Rest of the World	15,771,376	10,295,008
	91,364,051	87,191,061

5. OTHER OPERATING INCOME

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Research and development expenditure credit	501,745	-
Sundry income	17,831	3,367
	519,576	3,367

6. OPERATING LOSS

The operating loss is stated after charging:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Research & development charged as an expense	118,430	185,929
Exchange differences	(983,928)	(15,104)
Other operating lease rentals	532,657	246,227
Share-based payment	439,834	1,013,662
Depreciation of tangible fixed assets	391,245	275,289
Amortisation of intangible fixed assets	360,297	226,667
Defined contribution pension costs	408,953	371,917
Audit fees payable to the company's auditor	56,750	47,500
Non-audit fees payable to the company's auditor	22,750	12,400

7. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Wages and salaries	9,110,038	8,665,272
Social security costs	1,288,371	1,075,180
Cost of defined contribution scheme	408,953	371,917
	10,807,362	10,112,369

The average monthly number of employees, including the directors, during the 52 weeks was as follows:

	52 weeks ended 28 June 2025 No.	52 weeks ended 29 June 2024 No.
Brand & commercial	59	42
Product	15	11
Innovation	4	3
Retail	20	13
Admin & operations	41	53
	<u>139</u>	<u>122</u>

8. DIRECTORS' REMUNERATION

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Directors' emoluments	707,229	884,720
Company contributions to defined contribution pension schemes	31,512	27,011
	<u>738,741</u>	<u>911,731</u>

During the 52 weeks retirement benefits were accruing to 4 directors (2024 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £228,000 (2024 - £299,985).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,400 (2024 - £7,980).

Other than the directors, there were no other key management personnel of the business during the current or preceding period.

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Other interest receivable	142,709	4,320

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Other loan interest payable	898,066	708,823

II. TAXATION

Corporation tax

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Current tax on profits for the year	95,332	-
Adjustments in respect of previous periods	(402,097)	-
Total current tax	<u>(306,765)</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
	<u>(306,765)</u>	<u>-</u>

Factors affecting tax charge for the 52 week period

The tax assessed for the 52 week period is higher than (2024 - higher than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Loss on ordinary activities before tax	(3,636,413)	(1,823,878)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	(909,103)	(455,970)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	6,557	5,153
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	223,772	327,447
Capital allowances for 52 weeks in excess of depreciation	(120,652)	(38,663)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(306,765)	-
Tax deduction arising from exercise of employee options	(553,292)	(403,926)
Unrelieved tax losses carried forward	1,352,718	565,959
Total tax charge for the 52 weeks	<u>(306,765)</u>	<u>-</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Deferred tax

The company has carried forward tax losses of approximately £13,755,985 (2024: £9,904,443) resulting in a potential deferred tax asset at the corporation tax rate of 25% of £3,438,996 (2024: £2,476,111). The directors have considered the relief of these losses against future profits. Due to inherent uncertainties regarding future performance, the directors consider it prudent for the amounts to be only partially recognised in the current period. At 28 June 2025, a deferred tax asset of £314,491 (2024: £314,491) has been recognised.

12. INTANGIBLE ASSETS

	Intellectual property £	"VivoBiome asset" £	Computer software £	Total £
Cost				
At 30 June 2024	642,919	788,404	1,542,330	2,973,653
Additions	104,866	505,757	1,360,968	1,971,591
Disposals	(9,375)	-	-	(9,375)
At 28 June 2025	<u>738,410</u>	<u>1,294,161</u>	<u>2,903,298</u>	<u>4,935,869</u>
Amortisation				
At 30 June 2024	203,721	-	675,537	879,258
Charge for the 52 weeks	69,087	-	291,210	360,297
On disposals	(9,375)	-	-	(9,375)
At 28 June 2025	<u>263,433</u>	<u>-</u>	<u>966,747</u>	<u>1,230,180</u>
Net book value				
At 28 June 2025	<u>474,977</u>	<u>1,294,161</u>	<u>1,936,551</u>	<u>3,705,689</u>
At 29 June 2024	<u>439,198</u>	<u>788,404</u>	<u>866,793</u>	<u>2,094,395</u>

Amounts capitalised under the VivoBiome intangible asset class shown above totalling £1,294,161 relate to the development of scan-to-print footwear technology. No amortisation has been recognised in respect of this asset as at 28 June 2025 as the asset had not yet been fully commercially launched.

13. TANGIBLE FIXED ASSETS

	Short-term leasehold property £	Fixtures and fittings £	Computer equip- ment £	Moulds and tooling £	Total £
Cost					
At 30 June 2024	201,574	511,980	490,799	707,490	1,911,843
Additions	933,879	235,241	147,999	118,638	1,435,757
Disposals	(23,900)	(233,362)	(272,798)	(254,412)	(784,472)
At 28 June 2025	1,111,553	513,859	366,000	571,716	2,563,128
Depreciation					
At 30 June 2024	23,900	291,895	319,936	441,330	1,077,061
Charge for the 52 weeks	47,951	127,477	111,671	104,146	391,245
Disposals	(23,900)	(233,362)	(272,798)	(254,412)	(784,472)
At 28 June 2025	47,951	186,010	158,809	291,064	683,834
Net book value					
At 28 June 2025	1,063,602	327,849	207,191	280,652	1,879,294
At 29 June 2024	177,674	220,085	170,863	266,160	834,782

14. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 30 June 2024	1	100	101
At 28 June 2025	1	100	101

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Terra Plana International Limited	28 Britton Street, London, EC1M 5UE	Ordinary	100%
UN Terra Plana Inc	28 Britton Street, London, EC1M 5UE	Ordinary	100%

The carrying value of the investments and the aggregate of the share capital and reserves as at 28 June 2025 and the profit or loss for the 52 weeks ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Terra Plana International Limited	(1,393,234)	-
UN Terra Plana Inc	837	-

The above subsidiaries were dormant in the current and prior periods. The aggregate of share capital and reserves relate to intercompany loan payables and share capital, the equivalent debtor and investment to which have been fully provided in these financial statements. As such these subsidiaries are excluded from consolidation in accordance with section 402 of the Companies Act 2006.

15. STOCKS

	28 June 2025 £	29 June 2024 £
Finished goods and goods for resale	17,087,352	10,594,151

There is no difference between the replacement cost of the stock and its carrying amount.

16. DEBTORS

	28 June 2025 £	29 June 2024 £
Trade debtors	5,042,089	3,497,090
Other debtors	1,705,461	1,126,323
Prepayments and accrued income	1,829,317	2,088,621
Deferred taxation	314,448	314,448
	8,891,315	7,026,482

17. CASH AND CASH EQUIVALENTS

	28 June 2025 £	29 June 2024 £
Cash at bank and in hand	11,721,408	7,072,666

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28 June 2025 £	29 June 2024 £
Trade creditors	11,344,249	7,050,672
Trade finance facility	6,439,795	6,270,809
Other taxation and social security	1,076,915	617,260
Other creditors	1,850,371	1,767,405
Accruals and deferred income	6,358,790	4,125,241
	27,070,120	19,831,387

The following liabilities were secured:

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
HSBC trade finance facility	6,439,795	6,270,809

Details of security provided:

Interest of 3.00% above the base rate is charged on the facility. A fixed and floating charge has been raised against the facility. The facility is secured over all assets of the company.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	28 June 2025 £	29 June 2024 £
Debentures	3,636,679	3,791,394
Other loans	-	340,730
	3,636,679	4,132,124

Debentures shown above comprise unsecured convertible loan notes totalling £3,636,679 (2024: £3,791,394). The loan notes were issued during the prior 52 week period in amounts totalling £1,500,000 and \$3,000,000. Both loan notes bear interest at 11% and have a maturity date of November 2028. The loan notes will convert to equity upon a conversion event. The company has the option of early repayment of the loan notes at a premium. The loan notes are presented above net of issue costs.

Other loans shown above comprise shareholder loans. Of the shareholder loans £nil (2024: £120,302) are interest-free. The remaining balance of shareholder loans incur interest at a rate of SONIA +2% per annum.

20. DEFERRED TAXATION

	28 June 2025 £
At beginning of year	314,448
At end of year	314,448

The deferred tax asset is made up as follows:

	28 June 2025 £	29 June 2024 £
Fixed asset timing differences	(452,045)	(163,915)
Tax losses carried forward	557,277	206,700
Short term timing differences	209,216	271,663
	314,448	314,448

21. SHARE CAPITAL

	28 June 2025 £	29 June 2024 £
2,421,423 (2024: 2,421,423) Ordinary shares of £0.001 (2024: £1.000) each	2,421	2,421,423
8,136,274 (2024: 9,183,458) B Ordinary shares of £0.001 (2024: £0.250) each	8,136	2,295,865
3,950,000 (2024: 3,950,000) C Ordinary shares of £0.001 (2024: £0.001) each	3,950	3,950
2,498,118 (2024: nil) Series A shares of £0.001 each	2,498	-
	<u>17,005</u>	<u>4,721,238</u>

The holders of the Ordinary shares, the B Ordinary shares and the Series A shares have the right to vote and to participate in the distribution of dividends and capital.

The holders of the C Ordinary shares have the right to vote and to participate in the distribution of dividends and capital only after the company has recorded profit before tax equal to or exceeding £500,000, and turnover for the same period is equal to or exceeds £20,000,000. These hurdles were achieved in the Financial Period 2019.

On 17 July 2024 the company issued 41,814 B Ordinary shares of £0.25 each for total consideration of £104,117.

On 21 August 2024 the company issued 167,257 B Ordinary shares of £0.25 each for total consideration of £90,319.

Also on 21 August 2024 the company undertook a capital reduction, thereby reducing the nominal value of its A Ordinary and B Ordinary shares and transferring the value reduced to the profit and loss account. The nominal value of each A Ordinary share was reduced from £1.000 to £0.001, creating distributable reserves of £2,419,002. The nominal value of each B Ordinary share was reduced from £0.25 to £0.001, creating distributable reserves of £2,338,740.

On 23 August 2024 the company issued 1,209,409 Series A shares of £0.001 each for total consideration of £12,340,809.

On 25 September 2024 the company redesignated 516,262 B Ordinary shares of £0.001 each as Series A shares of £0.001 each.

On 13 January 2025 the company redesignated 717,787 B Ordinary shares of £0.001 each as Series A shares of £0.001 each.

On 6 February 2025 the company redesignated 54,660 B Ordinary shares of £0.001 each as Series A shares of £0.001 each.

On 23 April 2025 the company issued 22,000 B Ordinary shares of £0.001 each for total consideration of £29,920, and 10,454 B Ordinary shares of £0.001 each for total consideration of £26,030.

22. RESERVES

Share premium account

The share premium reserve includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves

The other reserve comprises the equity recognised in respect of the company's share-based payments. Please see note 24 for details.

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

23. ANALYSIS OF NET DEBT

	At 30 June 2024 £	Cash flows £	At 28 June 2025 £
Cash at bank and in hand	7,072,666	4,648,742	11,721,408
Debt due after 1 year	(4,132,124)	495,445	(3,636,679)
Debt due within 1 year	<u>(6,270,809)</u>	<u>(168,986)</u>	<u>(6,439,795)</u>
	<u>(3,330,267)</u>	<u>4,975,201</u>	<u>1,644,934</u>

24. SHARE-BASED PAYMENTS

Vivobarefoot Limited has a share option scheme for employees. The vesting period ranges from 2 to 4 years. Options are exercisable at prices ranging from £0.54 for options vesting over 2 years, £7.32 for options vesting over 3 years, and £1.36 to £7.32 for options vesting over 4 years. Vesting of the options is subject to continued employment by the company. If the options remain unexercised after a period of 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the company before the options vest.

The fair value of the options at the grant date was calculated using the Black-Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value.

Details of the number of share options and the weighted average exercise price (WAP) outstanding during the year are as follows:

	Weighted average exercise price (pence)	Number 2025	Weighted average exercise price (pence) 2024	Number 2024
Outstanding at the beginning of the year	144	643,939	54	501,771
Granted during the year	732	268,550	176	476,682
Forfeited during the year	203	(193,343)	54	(167,257)
Exercised during the year	104	(241,525)	54	(167,257)
Outstanding at the end of the year	<u>471</u>	<u>477,621</u>	<u>144</u>	<u>643,939</u>

During the 52 week period 241,525 (2024: 167,257) share options were exercised and 193,343 (2024: 167,257) were forfeited. There were 41,814 (2024: 234,160) share options exercisable at the end of the 52 week period.

	52 weeks ended 28 June 2025 £	52 weeks ended 29 June 2024 £
Share-based payment expense	<u>439,834</u>	<u>1,013,662</u>

25. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £408,953 (2024: £371,917). Contributions totalling £77,570 (2024: £72,992) were payable to the fund at the balance sheet date and are included in creditors.

26. COMMITMENTS UNDER OPERATING LEASES

At 28 June 2025 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	28 June 2025 £	29 June 2024 £
Not later than 1 year	519,789	403,869
Later than 1 year and not later than 5 years	1,901,280	2,075,295
Later than 5 years	-	367,788
	<u>2,421,069</u>	<u>2,846,952</u>



27. RELATED PARTY TRANSACTIONS

At the balance sheet date, directors and shareholders of the company were owed £nil (2024: £340,730) by Vivobarefoot Limited in respect of unsecured loans. During the period the company made repayments of the loans totalling £340,730 (2024: £230,884). Of the loans outstanding at the balance sheet date, £nil (2024: £120,302) are interest free. The remainder incurred interest at a rate of SONIA +2% per annum. Interest totalling £nil (2024: £17,280) was charged during the period.

During the period the company made purchases totalling £28,101,717 (2024: £20,342,363) from Stella International Trading (Macao Commercial Offshore) Limited, a company owned by the Stella Group who are shareholders of Vivobarefoot Limited. At the balance sheet date the company owed Stella International Trading (Macao Commercial Offshore) Limited £6,259,943 (2024: £3,422,647) in respect of trading activity in the company's ordinary course of business.

During the prior period the company issued unsecured convertible loan notes to Vivo S Creditlink Co., Limited, a company owned by the Stella Group, in the sum of \$3,000,000. The loan notes bear interest at 11% and have a maturity date of November 2028. The loan notes will convert to equity upon a conversion event. The company has the option of early repayment of the loan notes at a premium. The loan notes are held at 28 June 2025 at carrying value of £2,171,189 (2024: £2,340,711).

During the period the company made travel and subsistence purchases totalling £11,909 (2024: £28,750) provided by White Horses Trust. G Clark and A Clark are among the beneficiaries of this Trust. At the balance sheet date the company owed the Trust £nil (2024: £nil).

28. CONTROLLING PARTY

In the opinion of the directors there is no ultimate controlling party.



UK SECR ENERGY AND CARBON REPORTING

REPORTING PERIOD: 30 JUNE 2024 TO 28 JUNE 2025

REVENUE: £91,364,051

I. INTRODUCTION & CONTEXT

We (Vivobarefoot) have reported on all sources of greenhouse gas (GHG) emissions and energy usage as required under The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended. This analysis was conducted and compiled by external ESG impact analysis experts, Made2Flow. We have utilised their third-party analysis and integrated all required compliance data into this appendix of our annual integrated report 2024/25.

2. EMISSIONS OVERVIEW & METHODOLOGY

2.1 METHODOLOGY

This report and assessment follows the Greenhouse Gas (GHG) Protocol guidelines. Emissions are reported for sites under Vivobarefoot’s operational control, including offices and retail stores in both London and Bristol. Vivobarefoot’s Scope 1 and Scope 2 emissions presented in this report were calculated and prepared by Made2flow using data provided by Vivobarefoot, including equipment models and operational information. Made2flow applied standardised methodologies aligned with the Greenhouse Gas (GHG) Protocol to ensure consistency, transparency, and accuracy. For this report, emission factors for location-based electricity, purchased heat and the fugitives were taken from the DEFRA (Department for Environment Food and Rural Affairs) database. For market-based emissions, data and contextual information from Vivobarefoot’s utility supplier invoices and websites were used.

2.2 SCOPE DEFINITIONS

- Scope 1: Direct GHG emissions from owned or controlled sources, including fugitive emissions from fridges. No cars or generators are used by Vivobarefoot. At the New Vivobarefoot Office HQ – Bristol (Barley Wood), wood is burned on-site; these emissions are assumed to be non-significant. Plans are in place to collect actual data for this in the next reporting period.
- Scope 2: Indirect GHG emissions from purchased electricity and heat. Reported both as:
 - Location-based: Using UK grid-average emission factors for 2024/25 from CaDI (2024) Greenhouse Gas Emissions Factors for International Grid Electricity (www.carbondi.com).
 - Market-based: Using utility supplier-specific contracts (as per Vivobarefoot utility supplier invoices/websites).

2.3 ASSUMPTIONS & ESTIMATION

- Data for some sites and periods has been estimated based on daily average consumption at that site. The periods below have been estimated:
 - Old Vivobarefoot Store – London: July and August 2024
 - New Vivobarefoot Flagship Store – London: July 2024, August 2024, March–June 2025
 - New Vivobarefoot Office (situated above flagship store - London): 1–10 June 2024
 - New Vivobarefoot Office HQ – Bristol (Barley Wood): December 2024 and June 2025
 - New Vivobarefoot Store – Bristol: March 2025 and 23 days of April 2025
- Fugitive emissions were estimated using the fridge model and quantity data provided by Vivobarefoot, with assumptions on refrigerant type and leakage rates based on global averages for that model.
- Missing or incomplete data was estimated using historical consumption patterns.
- Verification: Data has been internally reviewed but not yet third-party assured.
- Accuracy and confidence: Data quality is high for electricity consumption; minor uncertainty exists in Scope 1 estimates due to low volumes.

3. RESULTS & ANALYSIS

3.1 SITE-LEVEL BREAKDOWN - ACTIVITY DATA

	Purchased electricity kwh	Purchased heat (NG) m³	Fugitive - R-600a kg	Fugitive - R-410A kg
Old Vivobarefoot Office - London	4,457	0	0.00	0.00
Old Vivobarefoot Store – London	13,489	0	0.00	0.00
New Vivobarefoot Flagship Store – London	13,290	0	0.05	0.00
New Vivobarefoot Office (situated above flagship store) - London	14,613	0	0.20	0.00
New Vivobarefoot Office HQ – Bristol (Barley Wood)	11,511	3,541	0.15	0.05
New Vivobarefoot Store – Bristol	554	0	0.01	0.00
Total	57,914	3,541	0.41	0.05

3.2 SITE-LEVEL BREAKDOWN - EMISSIONS DATA

	Scope 1 (tCO ₂ e)*	Scope 2 (Location - tCO ₂ e)	Scope 2 (Market - tCO ₂ e)*
Old Vivobarefoot Office - London	0	0.9	0
Old Vivobarefoot Store – London	0	2.8	0
New Vivobarefoot Flagship Store – London	0	2.8	1.8
New Vivobarefoot Office (situated above flagship store) - London	0	3	4.3
New Vivobarefoot Office HQ – Bristol (Barley Wood)	0.16	9.6	7.2
New Vivobarefoot Store – Bristol	0	0.1	0
Total	0.16	19.2	13.3
Emissions intensity ratio (per £1000 revenue) - grams CO ₂ e *	0.002	0.210	0.145

* Revenue-based intensity (grams CO₂e per £1000 revenue) has been selected as it best reflects Vivobarefoot’s emissions efficiency as the business grows. It also enables meaningful comparison across reporting periods regardless of changes in store/office count or workforce. Some sites have minimal fugitive emissions from small refrigeration units (see activity data in Table 3.1). Where Scope 1 emissions are below 0.01 tCO₂e, they are displayed as 0 due to rounding.

3.3 OVERALL SCOPES 1&2 EMISSIONS SOURCES BREAKDOWN

	Scope	Location based (tCO ₂ e)		Market based (tCO ₂ e)	
Fugitive	1	0.16	0.8%	0.16	1.2%
Purchased electricity	2	11.99	61.8%	6.07	45.1%
Purchased heat	2	7.24	37.3%	7.24	53.7%
Total		19.40		13.48	

4. ENERGY EFFICIENCY MEASURES EMPLOYED ACROSS 2024/2025

- During the reporting period, we (Vivobarefoot) relocated our London Flagship store and Office HQ to new locations in both London and Bristol respectively. We also opened our first store in Bristol, increasing the total number of Vivobarefoot operational sites in the UK, from 2 to 4.
- We have employed LED lighting across all viable areas in each of our 4 sites over the reporting period and as renovation works continue, will look to increase our use of energy efficiency measures as far possible.

5. GHG EMISSIONS REPORTED FOR 2023 CALENDAR YEAR

- The emissions data below was reported in our 2023/2024 annual integrated report but is not included in the main reporting table in Section 3. This is because previous data covered the 2023 calendar year, while we have now transitioned to financial year reporting to align with our annual reporting scope for greater accuracy. To ensure meaningful comparison, we have excluded this calendar year data from Section 3's main reporting table. However, this financial year's data will be included as comparative figures in our next reporting period, establishing a consistent basis for future year-on-year analysis.

GHG EMISSIONS AND ENERGY USAGE

	2023
Emissions from combustion of gas (Scope 1 – tonnes of CO ₂ e)	0.43
Emissions from combustion of fuel for transport purposes (Scope 1 – tonnes of CO ₂ e)	0
Emissions from electricity purchased for own use, including for the purposes of transport (Scope 2 – tonnes of CO ₂ e)	13.22
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3 – tonnes of CO ₂ e)	96.97
Total gross CO₂e based on above	110.62
Energy consumption used to calculate emissions - kWh	25,944.64
Intensity measurement-tonnes of CO ₂ e per GBP of revenue	1.83524E-06
(Revenue: £60,277,151.89)	

FIG 1. SUMMARY OF SECR UK DATA – 2023

Fuel	2023	Unit
Scope 1		
Natural gas	0.43	tCO ₂ e
Scope 2		
Electricity	13.22	tCO ₂ e
Scope 3		
Business Travel	96.97	tCO ₂ e
Energy		
Natural gas	2,026.94	kWh
Electricity	23,917.70	kWh
Revenue		
CY2023 Revenue	60,277,151.89	GBP

Fuel	2023	Unit
Scope 1: combustion of gas	0.43	tCO ₂ e
Scope 1: combustion of fuel for transport	-	tCO ₂ e
Scope 2: electricity	13.22	tCO ₂ e
Scope 3: business travel	96.97	tCO ₂ e
Total Emissions	110.62	tCO₂e
Total Energy Consumption	25,944.64	tCO₂e
Intensity Measurement	1.83524E-06	tCO₂e/GBP





VIVOBAREFOOT

