



VIVOBAREFOOT

10 YEAR ANNIVERSARY EDITION

UNFINISHED BUSINESS

INTEGRATED ANNUAL REPORT 2021/2022

INTERIM REPORT
JUL-DEC 22

(AN UPDATE ON
21/22 UNFINISHED
BUSINESS)



W Haitink | Chairman
J Sung | NED
Galahad Clark | Ecosystem
Asher Clark | CDO | Biome
I Thambiah | NED
C Pumford | Regeneration
N Mercer | Co. Secretary

P Walker | Commercial
B Clark | Impact
H Robertson | Kids
L Noble | Active
S Gillam | Outdoor
J Good | Operations

REGISTERED NUMBER: 03474829



OUR THREE THINGS...



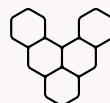
GENERATE PROFIT WHILST HAVING A
NET POSITIVE IMPACT ON SOCIETAL &
ENVIRONMENTAL HEALTH



BRING PEOPLE CLOSER TO NATURE AND
THEIR NATURAL POTENTIAL, THROUGH
HEALTHY CONNECTIONS



BE REGENERATIVE TO FEET, HUMAN
MOVEMENT & PLANETARY HEALTH



VIVOBAREFOOT

JULY - DECEMBER 22 (P1 - P6) HIGHLIGHTS



REGENERATIVE BUSINESS

WE'RE ON TRACK TO IMPROVE OUR B CORP SCORE (OF 98.8) WHEN WE RE-CERTIFY IN SEP '23. WE RAN AN EXTERNAL 'MOCK' B CORP AUDIT IN MAY, WHICH SCORED 113.2

WE KNOW ITS NOT ALL ABOUT THE POINTS, BUT WE'RE USING THEM AS A GUIDE TO MEASURE THE PROGRESS WE'RE MAKING!



REGENERATIVE PRODUCT

400 PEOPLE CAME TO OUR VIVOHEALTH WORKSHOPS

KIDS SALES
REVENUE +29%
ON 2021

LAUNCH OF MONTHLY VIVOHEALTH NEWSLETTER - FIRST TWO RESULTED IN OVER £15K REVENUE

SALES REVENUE FOR ACTIVE +40% ON 2021, AND +49% FOR OUTDOOR; BOTH MEN'S AND WOMEN'S

LAUNCHED PRIMUS ASANA, TRACKER DECON AND TRACKER DECON LOW



REGENERATIVE COMMUNITY

OUR AMBASSADOR NETWORK GENERATED OVER £3 MILLION NET REVENUE, WITH OVER 32,000 PAIRS OF VIVOS ON FEET BECAUSE OF THEIR REFERRALS

INCREASED ADOPTION OF OUR COACHING-LED 121 SOFTWARE (OPENBLEND) ACROSS THE BUSINESS - FROM 19% - 75%!

An aerial photograph of a forest clearing. In the upper left, there are several small, light-colored rectangular structures, possibly tents or small huts. In the upper right, there is a campsite with a fire pit, some cooking equipment, and a wooden crate. In the lower left, a group of people are gathered in a clearing, some sitting on the ground. The forest is dense with green trees, and the ground is a mix of dirt and moss. The text "REGENERATIVE BUSINESS" is overlaid in the center.

REGENERATIVE **BUSINESS**

FINANCIALS

The first 6 months of this financial year saw us deliver impressive top-line growth, continuing the momentum seen throughout the previous financial year. Unit sales grew by 34% whilst net revenue grew by 40%. Our growth was broad based across all geographies and channels with particularly strong performance in US e-commerce and our European distributors. As with most other businesses, we've had to contend with significant inflationary increases in the cost of warehousing and distribution which resulted in a slightly lower gross profit of 46.8% vs. 48.1% last year.

Total administrative expenses increased by 22% to £13.3m. This reflects our continued investment in marketing to grow awareness of our mission around the globe, development of our VivoBiome platform, and expansion of the Vivo team across all team circles.

Our Operating Profit has benefited from unrealised foreign exchange gains due to the strengthening of the US Dollar throughout the period. Excluding these gains, we generated operating profits of £0.3m, an increase of £0.15m verses the previous year.

Total net assets increased by £1.7m to £4.9m. This is mainly due to an £8m increase in our stock holdings. Whilst this strong stock position has resulted in much better style availability for our customers, it is higher than we'd like from a cashflow perspective and we're actively working to get this back to a more appropriate level.

Looking forward to the remainder of this financial year, we're confident that our pairs and sales will continue to grow strongly in line with our annual plan. We're working exceptionally hard to ensure our operating costs, in particular warehousing and distribution and digital marketing costs, are closely managed to deliver improved profitability and cashflow for the full year.

UNAUDITED BALANCE SHEET

	As at 31/12/2022	As at 31/12/2022	As at 25/12/2021	As at 25/12/2021
FIXED ASSETS				
Investments		101		101
Intangible assets		430,017		279,463
Tangible assets		882,238		631,440
		1,312,356		911,004
CURRENT ASSETS				
Stock	13,991,891		5,839,190	
Trade debtors	3,241,622		1,072,493	
Other debtors	1,099,241		7,379,911	
Cash & bank	1,162,344		3,378,505	
Prepayments	634,781		348,236	
Intercompany	0		0	
	20,129,879		11,376,416	
Creditors due within one year				
Trade creditors	-6,188,957		3,659,703	
Other creditors	-7,021,942		3,289,526	
Accruals	-2,819,083		3,323,355	
Salaries	-180,840		44,746	
Taxation	-305,995		137,361	
	-16,516,816		9,090,478	
NET CURRENT ASSETS		3,613,063		2,285,939
Creditors due after one year				
Creditors > 1 year	0		0	
NET ASSETS		4,925,418		3,196,943
CAPITAL AND RESERVES				
Share capital	4,595,795		4,595,795	
Share premium	0		0	
Reserves	-1,507,192		1,898,055	
Shareholder loans	753,521		754,357	
Retained (deficit)/ profit			255,154	
SHAREHOLDER FUNDS		1,083,295		3,196,943

UNAUDITED PROFIT AND LOSS

	Half year 22/23	Half year 21/22	Full year 21/22	Full year 20/21	Full year 19/20	Full year 18/19	Full year 17/18	Full year 16/17
Turnover	31,166,036	22,259,831	49,364,488	36,209,560	34,075,034	26,175,858	19,422,081	12,958,999
Cost of sales	16,566,000	11,561,508	25,991,034	19,948,114	20,246,807	14,379,722	10,773,898	7,624,475
Gross profit	14,600,036	10,698,323	23,373,454	16,261,446	13,828,227	11,796,136	8,648,183	5,334,524
Admin expenses	13,345,000	10,906,561	23,301,855	15,910,441	13,986,854	11,230,564	8,061,313	5,440,637
Other incomes			36,531	101,054	463,561	159,847	132,565	88,368
Operating profit/loss	1,255,036	-208,238	108,130	452,059	304,934	725,419	719,435	-17,745
Interest receivable			3	2	45	35	13	78
Interest payable	172,000	46,916	93,126	59,652	12,772	15,439	63,913	35,441
Profit/loss before tax	1,083,036	-255,154	15,007	392,409	292,207	710,015	655,535	-53,108
Tax on profit			370,964	542,724	443,245	80,993		126,164
Profit after tax	1,083,036	-255,154	385,971	935,133	735,452	791,008	655,535	73,056

We're evolving the way we fund projects through our Livebarefoot internal impact fund. We've broadened the scope of the internal and external projects that we'll invest in annually, to include programmes across:

1. Natural health

We've been developing a natural health course with Dr Zach Bush; physician and internationally recognised educator and thought leader on the microbiome as it relates to health, disease, and food systems. This will launch in 2023.

2. Indigenous culture preservation

LBF has supported the Global White Lion Protection Trust, uniting ancient indigenous knowledge with modern science to help save a species in one of the world's most important biodiversity hotspots.

3. Products

We continue to fund academic barefoot research projects through South East Technological University in Ireland.

OUR REWILDING PROJECTS



THE LIVEBAREFOOT FUND



The Livebarefoot Fund is how we initiate, nurture and fund social and environmental impact programs aligned with our mission.

You will find these stories throughout the report – just look out for the LBF stamp.

OPENING OF COBBLERS' WORKSHOP

The grand opening of the workshop for the Ju'/hoansi San people in Namibia will take place in October, providing a sustainable space for them to continue using their ancestral knowledge to produce the original barefoot shoes.



ONE EARTH

Our One Earth project was launched on Earth Day. Our blog to read more about supporting Ethiopian community and

**THE NEW SAN-DAL
WORKSHOP IN NHOMA
VILLAGE (KALAHARI DESERT)
WAS INAUGURATED IN
NOVEMBER '22 AND THE
NEW SAN-DAL WILL BE
AVAILABLE TO BUY IN 2023!**



THE SPARK TO FIGHT BIG OIL

The Amazon's ancestral guardians are the best protectors of its biodiversity. Here's how Amazon Frontlines help them do it.

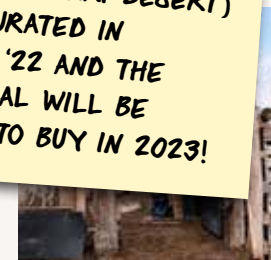
[LEARN MORE](#)



SAVING SEEDS, SOWING KNOWLEDGE

Ethiopia's MELCA project works with communities to champion the value of traditional farming knowledge.

[LEARN MORE](#)



TRADITIONAL VALUES, 21ST CENTURY VISION

Times have been tough on the Navajo Nation. The Rainbow Co-op tell us why traditional shepherding skills are vital for cultural identity and earth-connection.

[LEARN MORE](#)

Certified



®

Corporation

OUR B CORP JOURNEY

We were certified B Corp in 2020 with a score of 98.8 (out of 200) – which isn't bad (the median score for non-certified businesses is 50.9), but also isn't as good as we want it to be.

Patagonia, Dr Bronner's and Riverford are our B Corp heroes and we're working to make as many improvements as we can across our wider business, products and Vivo community, as we follow in their footsteps.

We're up for re-certification in September 2023 and shooting for a score of 120. To help us prioritise our focus, we ran an external 'mock' B Corp audit in May, which scored 113.2 and gave us key areas to focus on:

- Formalising our business processes & procedures
- Social & environmental performance training
- Environmental data collection
- Collaborating with our value chain partners beyond our code of conduct

A photograph of three people standing on a grassy hill. The person on the left is wearing light blue leggings and dark shoes. The person in the middle is wearing dark leggings and bright orange shoes. The person on the right is wearing a pink shirt, black shorts, and grey shoes. The background is a hazy, mountainous landscape. The text "REGENERATIVE COMMUNITY" is overlaid in the center.

REGENERATIVE **COMMUNITY**

MEET THE FAMILY

The Vivobarefoot ambassador and health professional network continues to go from strength to strength, helping us launch new products, share our campaigns and educate on barefoot lifestyle.

With the expansion of our category footwear offering, online education through VIVOHEALTH and a growing community team we have seen a growth of Vivo advocates across the world. We saw a huge rise in community-related revenue, which saw an annual increase of 148%.

10,980

pieces of content created by Vivo network

UP 92.8%

190,440,915

impressions

UP 85.9%

11,348,526

engagement

UP 87.62%, EVEN THOUGH ENGAGEMENT RATES HAVE DROPPED ACROSS THE INDUSTRY

WE'VE BEEN WORKING ON...

Building a regenerative network

- The influencer model is traditionally 'one and done'. Instead of this transactional relationship, we prefer to build something long-term – it's better for us, and it's better for our community.

Increasing our Outdoors community

- Our health professionals' network lacks partners who spend most of their time outdoors. Which is a shame because nature is fundamental to Vivobarefoot. We've started fixing this, and we'll continue bringing more amazing outdoors experts into our family.

Diversifying our channels

- We love Instagram, but we don't want to rely on it too heavily. We're promoting more content on YouTube and are exploring how we can grow on TikTok, as well as other channels.

Learning is a two-way street

- Vivo ex-inf-mo-ES-elite-next-and the p-devel
- Proprioc
- Building team of a pilot f June, w ambassa space) to picking up strengths improve exercise, a

JOSH HAS BEEN WITH US SINCE 2009

AMBASSADOR: @JOSHUAJHOLLAND



FAVOURITE PAIR: Primus Trail. Or Stealth. Or Tempest.

SUPERPOWER: Empathy. By helping others become more self-aware, they can heal and optimize themselves.

WHEN DID YOU START WORKING WITH VIVO? I became a certified Vivobarefoot Coach back in 2009. I learned about our feet as our foundation and the big toe as our anchor. Much of my career today stems from my education at Vivobarefoot.

ANY HIGHLIGHTS? I've helped a lot of people with their feet, and I've seen the impact of barefoot training on their health and performance.

OUR AMBASSADORS ARE INCREDIBLE AT SHARING BAREFOOT CONTENT & EDUCATION ONLINE, WITH CONTENT FROM OUR NETWORK BEING SEEN OVER 110 MILLION TIMES & BEING ENGAGED WITH OVER 7.5 MILLION TIMES.

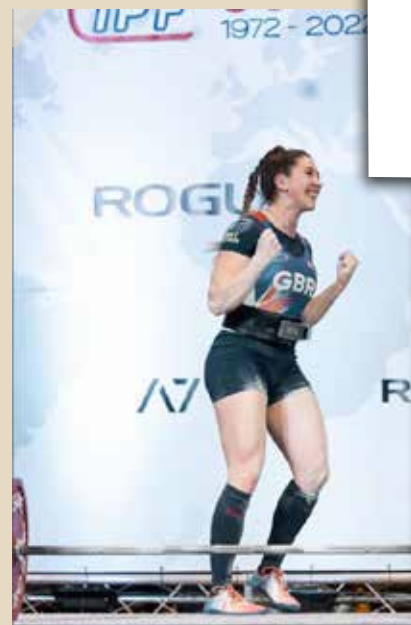
WE SAW AN AMAZING ENGAGEMENT RATE OF 5.89%

AMBASSADORS

We're proud to have a solid foundation of amazing humans in our community, so our focus has been on continuing to grow our ambassador network with partners that speak to all areas of the Vivo community through multiple areas of natural health and movement.

OUR AMBASSADOR NETWORK GENERATED OVER £3 MILLION NET REVENUE IN P1-6, WITH OVER 32,000 PAIRS OF VIVOS ON FEET BECAUSE OF THEIR REFERRALS!

THE VIVO COMMUNITY ENGAGED IN BRAND CAMPAIGNS SUCH AS SHOESPIRACY, CREATING CONTENT TO EDUCATE THEIR AUDIENCES ON THE NATURAL FOOTWEAR MESSAGE. THEY ALSO GOT STUCK INTO PRODUCT CAMPAIGNS, SUCH AS THE TRACKER DECON LAUNCH, TELLING THEIR STORIES FROM THE TRAILS.



TEAM GB POWERLIFTER AND COACH SOPHIA ELLIS HAS FULLY ADOPTED BAREFOOT TRAINING AND IS CONSISTENTLY SMASHING IT ON THE GLOBAL STAGE: HOLDING EUROPEAN CHAMPION AND 3 X BRITISH CHAMPION

OUR 2022/23 PEOPLE STRATEGY

WE ARE NOT PERFECT IN ANY OF THIS. BUT AIM FOR THE STARS AND LAND ON THE MOON, RIGHT?

THRIVING CULTURE



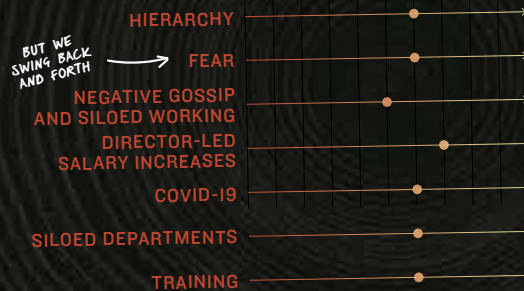
WHAT WE'VE DONE

Proprioceptor Feedback Circles: Our 'proprios' are now helping resolve issues (as well as identify them).

Onboarding PODs with Giles: New joiners get onboarding time with Giles & Ash, who help them settle into Vivo's 'livebarefoot' culture.

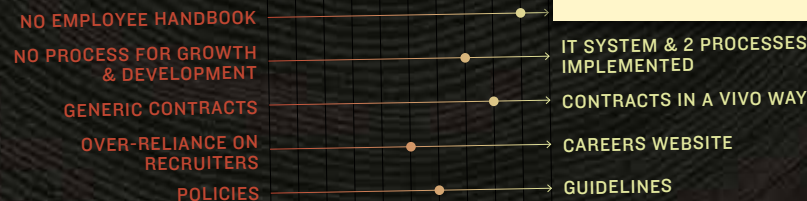
MOST OF THESE SESSIONS HAPPEN IN THE WOODS WITH BARE FEET

HIGH PERFORMING TEAMS



WE OFFICIALLY MET AS AN E-PROPRIO TEAM FOR THE FIRST TIME! OUR E-PROPRIOS ARE OUR EXTERNAL 'SENSING IN' TEAM WE USE TO GET FEEDBACK INTO HOW WE ARE DOING AS AN ORGANISATION, AND TO ALSO HELP THEM UNDERSTAND OUR REGENERATIVE JOURNEY

SYSTEM WORKFLOW



our people guidelines to better support our team - all in the Barefoot Code.

THIS LIVES IN TRELLO BUT WE'RE THINKING OF DEVELOPING OUR OWN INTRANET. LET'S SEE HOW THAT ONE GOES ;)

*WHAT IS EVOLUTION?

The growth, development, reward and recognition of our people is very close to our hearts. We call this Evolution. Our new approach is managed by a cross-functional multi-level 'Evolution Council'.

We've structured our rewards, roles and...

Our new approach to Evolution is designed to avoid restrictive, 'make or...

TEAM STRUCTURE

We shuffled our structure over the last year, reorganising teams to better support how we deliver epic product & experiences to costumers. Rather than vertical product categories for outdoor and active (this proved to be disconnected and inefficient), we've moved to a more streamlined centralised matrix. We'll continue to coordinate and report around the categories, keeping Kids/ ReVivo and VivoBiome as independent business units:

- Our new 'Footwear Circle' will lead all design, development sourcing and product line management
- Our Impact Circle has also centralised, to allow us to amplify our brand mission and storytelling
- We moved merchandising and logistics to sit within with Finance so our 'operations' sit close to 'cash'
- We created a new 'Ecosystem Circle' to support roles like People, Regeneration and Transformation, to more meaningfully align on how best to support the wider ecosystem.

Now we test and learn - we'll tell you how it's all going in Unfinished Business 2023!

THE HAPPINESS INDEX

We work with the Index to understand this transformation affecting people at

This external, anonymous platform measures employee engagement and wellbeing, helping us understand where we need to improve.

Since 2020, our loyalty and satisfaction score has risen +26, and overall employee happiness has increased 36%, from 5.3. Part of this improvement comes from us taking action on issues raised as personal development and communication.

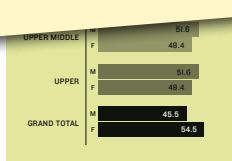
ALTHOUGH WE HAVE A FAR WAY TO GO ON INTERNAL

DIVERSITY, EQUALITY AND INCLUSION

We're working hard to create the culture, systems and frameworks to make sure everybody feels part of the team and that they get to fulfil their potential.

Our Happiness Index scores indicate these efforts aren't in vain. However, we haven't yet done enough to make sure we're getting a diverse and representative range of applicants and therefore new people coming into our business. We know we have more work to do.

WE TRAINED UP OUR SECOND COHORT OF BAREFOOT COACHES, AND WE'RE INCREASING THE BREADTH OF THE COACHES WITHIN THE SYSTEM TO HELP SUPPORT TEAMS DURING TRANSITIONS AND POINTS OF HIGH CHALLENGE AND STRESS. WE'RE ALSO NOW USING THEM AS AN ADDITIONAL PROPRIOCEPTOR GROUP FOR FEEDBACK.



"We want to build an entrepreneurial company that's resilient to a fast-changing world. To develop this entrepreneurship, we need our teams to find their own way to thrive."

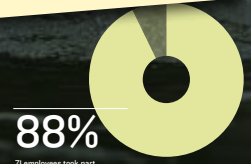
(Almost) everyone is on our new Vivo-ified employment contract

Happiness index tells a story of inspired teams, made up of people aligned & committed to Vivo's mission and values, who have great relationships at work, and enjoy working in an organisation with less bureaucracy and control.

The survey also highlights areas we still need to work on; workload, internal comms, and enablement. And we still haven't cracked hybrid working!

Increased adoption of our coaching-led I2I software (OpenBlend) - from 19% - 75%! Proof we're upping the ante on our Vivo humans' evolution and strengthening the connection between teams!

We're taking regenerative leadership online with a series of 4 films explaining the key aspects of our culture (we call this living barefoot) and evolved our regenerative leadership immersions to help our teams live our regenerative leadership principles.



AVERAGE SCORE





REGENERATIVE **PRODUCT**

ACTIVE

Humans have spent millions of years moving, and only the last few decades sitting still. Our footwear connects you with your body and the world around you, unlocking your innate potential to move as nature intended.

WELCOME TO VIVOHEALTH

MAKING EVERY BAREFOOT JOURNEY BETTER

We launched VIVOHEALTH in March 2022. So now, instead of (just) selling footwear, Vivobarefoot can better inspire, educate and support every member of our community on their natural health journey.

WHAT IS VIVOHEALTH?
The VIVOHEALTH platform is an

All this content supports and is shared by our incredible community of health professionals. Thanks to our network of ambassadors and influencers, we're helping more people than ever transform their foot health. See p23 to meet our community.

1763 signups
to our barefoot movement courses in only a few months

EXPLORE THE VIVOHEALTH HUB

The VIVOHEALTH hub is all about taking people on a journey, whether they're at the start of their barefoot transition or are already evangelising about the benefits of barefoot.

WALK, SQUAT, RUN

We want to make sure every customer transitions safely and confidently to barefoot movement. Our fine three-part video series has had over one million views on YouTube in less than a year.

OUR COACHING COMMUNITY
So far, 250 coaches have completed our barefoot coaching course. This is great, but it's just the beginning. We want to build a global community of barefoot experts who in turn can help more people reconnect with their bodies and the natural world. To achieve this, we will provide more courses and coaching to our health professional network, supporting them to share the benefits of barefoot with their communities.

WHAT'S NEXT?

This year, we want 95,000 people to use our transition tool, and 4,000 of them to complete courses through the VIVOHEALTH platform. We also want to educate 600 more coaches via our workshops and courses. To achieve this, we need to:

- Improve how we support people after they've completed the transition tool
- Make our educational pages easier to access and interact with
- Convert more visitors into customers, so they get the full benefit of barefoot
- Create more content and courses, including launch of in-person coaching workshops

AN EXAMPLE OF THE COURSE CONTENT AT [VIVOBAREFOOT.COM/VIVO-COURSES](https://vivobarefoot.com/vivo-courses)

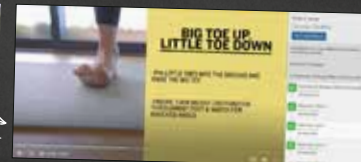
VIVOHEALTH

We launched VivoHealth in March 2022 to support our community on their natural health journey. It's an interactive hub of content, resources and courses aimed at inspiring and educating anyone interested in natural health or natural movement, no matter where they are in their barefoot journey.

Two new courses were launched on VivoHealth PI-6, and 2,354 new people signed up to the platform. The courses and workshops drove almost £30k total net revenue in PI-6 (84% and 16% respectively). The Barefoot Fundamentals course has an average rating of 4.3 stars.

We set a 22/23 goal to educate 600 more coaches via our workshops and courses. We're well above target so far, with 400 workshop attendees in PI-6.

We want to guide 95,000 people through our transition tool in 22/23. We're a little behind target here, sitting at 29,000 customers at Dec 22.



WANT TO FIND OUT?
[VIVOBAREFOOT.COM/FOOT-ASSESSMENT-TOOL](https://vivobarefoot.com/foot-assessment-tool)



VIVOBAREFOOT

LATEST

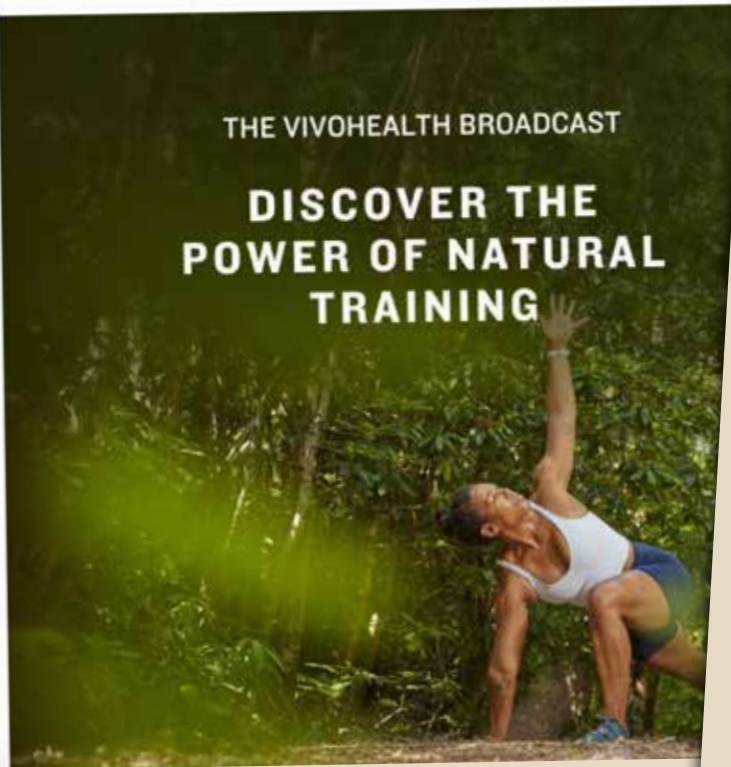
MENS

WOMENS

KID

THE VIVOHEALTH BROADCAST

DISCOVER THE POWER OF NATURAL TRAINING



THE ART OF GETTING WINTERED

Ross Edgley is a wild human. He's the only person to have swum around Great Britain - over 157 consecutive days! "You have to embrace adversity," Ross says in *Limitless*. "You have to embrace your physiology, your mentality."

With this in mind, Ross decided to write *Blueprint*, a cutting-edge sports science for adventure. In it he shares his idea of 'getting wintered': welcoming winter's powerful health benefits head on (or foot first). It's very basic, but it doesn't actually require swimming around multiple times a day or diving through an ice hole.



HOW TO HARNESS THE COLD

"Cold water triggers some extremely powerful survival mechanisms."

LAUNCH OF MONTHLY VIVOHEALTH
NEWSLETTER FOCUSED ON HEALTH
AND WELLNESS ADVICE.

FIRST TWO NEWSLETTERS RESULTED
IN OVER £15K IN REVENUE DESPITE
NOT FOCUSING ON FOOTWEAR.

REVIVO

ReVivo is an ideal way to purchase pre-loved, reconditioned Vivos at a lower price, as well as some returned footwear and unsold stock from previous seasons – we certainly don't want these gathering dust in our warehouse.

WHY OUR CUSTOMERS LOVE REVIVO

1. CHEAPER
2. BACK CATALOGUE
3. (EVEN MORE) SUSTAINABLE

**REPAIR
REFURBISH
REIMAGINE
REVIVO**



REVIVO
BY VIVOBAREFOOT

THE AWESOME GUYS AT THE BOOT REPAIR COMPANY MOVED TO A BIGGER FACILITY, WHICH ALLOWED THEM TO HIRE MORE STAFF AND INCREASE CAPACITY. THERE WAS REDUCED REVIVO INVENTORY AS THE MOVE WAS HAPPENING, BUT THE BENEFITS OF THE INCREASED REPAIR CAPACITY WILL BE REFLECTED IN THE SECOND HALF OF THE YEAR AND GOING FORWARD.

LONG LIVE THE REVIVO-LUTION!

In 2022, ReVivo doubled its sales from 19k to 38k pairs, reaching our 37k goal and contributing £2.9m to our top line – strong early growth!

It's exciting to see ReVivo reaching new audiences, helping more people discover the benefits of barefoot. As we learn to tell the ReVivo story better, we hope our new-to-barefoot numbers will keep growing.

As ReVivo grew, so did our take back scheme, which is now up and running in the UK, the EU and the US. About one in every seven 'take back' pairs can be refurbished and ReVivo'd. An acceptable ratio, but we'd like to improve it. One way we do that is supporting customers to take good care of their shoes, which we'll continue to do through education and repairs.

And what about the six-out-of-seven pairs that can't be refurbished and resold? If they can't be recycled, we're storing them in a big warehouse until we figure out the most responsible end-of-life solution. We have an inkling of a new partner to help with this... we'll keep you posted.

MAKING CIRCULARITY REALITY

Last year, we sold a lot of aged stock through ReVivo – great quality, never worn. But we didn't start ReVivo to sell shoes that have never left the warehouse. Instead, ReVivo is about circularity – building the systems and mindsets that eliminate landfill waste, keep footwear in use, and increase access to footwear.

So, as ReVivo moves from a one-off business model (the amount of aged stock we can sell) to a long-term business model (the amount of aged stock we can sell over time), we're excited to see the benefits of this evident across Vivo more joined up, distributed, and about repairs to various design to retail and

TRIALLING RENTAL

We're proud of the successful pilot we ran with Bundlee, an online platform for renting children's clothes. As the first footwear company to work with Bundlee, we're excited by the possibilities of this partnership – and others like it.

**1.5M SALES AND 18,000
UNITS SOLD (+4%
COMPARED TO THE SAME
TIME LAST YEAR!)**

AMBASSADOR: @REHMALEKUN



buy for a toddler, which is why I always wanted to introduce shoes to our rental platform. With



REPAIR VS RECYCLE???

With footwear, there's often a trade-off between reparability and recyclability. Focusing on durability can in turn make it more difficult for a product to be recycled – and vice versa.

If you were us, would you focus your innovation on REPAIR or RECYCLE?

REPAIR:

Durable and easy to repair, but (eventually) harder to recycle.

RECYCLE:

Less durable and less repairable, but can be recycled into new products.

REVIVO

The repair service is increasingly popular with our Vivo community; same amount of customer repairs were sold in PI-6 2022 as were sold in FY 21-22 (1.5k).

December 22 marked 8 months of our successful partnership with Bundlee, an online platform for renting children's clothes. They were able to share valuable feedback on the durability of PRIMUS SPORT II and PRIMUS KNIT II styles with our Sourcing and Development teams. We also worked closely with Bundlee on marketing activities, including an IG live about the benefits of barefoot footwear. The result was a positive response from Bundlee customers: the 187 units available were rented 435 times, above average performance for products on Bundlee (the most popular shoe is the PRIMUS SPORT II in obsidian).

So far, all products sent to Bundlee are still in circulation, and we'll continue to work with them to expand the product offering, as well as use affiliate marketing to bring Bundlee customers to Vivobarefoot once a customer returns the largest size offered on their platform.



OUTDOOR AND ACTIVE

Sales revenue for Active was up 40% on 2021, and 49% for Outdoor (men's and women's combined).

We brought the Tracker Decon FG2, Tracker Decon Low FG2 and the Primus Asana to the market.

The Tracker Decon broadens our offering to a younger, more design-driven outdoor audience, while the Asana is perfect to continue building foot strength even after you've left the yoga mat, and so speaks to a growing holistic health and lifestyle audience.

We'll share more about how these styles performed with our customers in Unfinished Business 2023.

MORE FOR KIDS

Before we restructured to bring dedicated focus to our kids' product range, we were making kids' footwear using the same outsole compound as our adult range. That's crazy when you think about it.

By reducing the use of shoe stiffeners and switching to a new softer outsole compound, we've significantly increased the flexibility and bare-footed-ness of our kids' footwear.

MORE REGENERATIVE

The factory move and product redesign will improve our VMatrix scores from 46% in 2022 to 60% for our 2023 product line. By using more sustainable materials and simplifying our constructions, we're scoring better on waste and complexity, end of life, durability and repair consideration.

LESS STUFF OFTEN
MEANS MORE
REGENERATIVE

NEW PRIMUS SPORT

RRP -£5 VS OLD

SOFTER MORE
FLEXIBLE
OUTSOLE

FEWER COMPONENTS,
LESS COMPLEXITY



COLLAR CHANGED
TO TONGUE VS
STRETCHY SOCK

NEW 47% VMATRIX
VS
41% VMATRIX

MORE ACCESSIBLE

We believe every child has the right to natural movement. Our kids' footwear is expensive compared to some conventional shoes, and we're working hard to make it more accessible to more families.

We're introducing a new product - the Gala. This is our most regular sneaker yet - and it'll cost £15 less than our next cheapest kids' trainer. We made it that cheap by ruthlessly reducing its complexity - it's literally made out of rubber and cotton (which also means it gets a great Vmatrix score!)

We're also partnering with Bundlee, an online platform for renting children's clothes. We're the first footwear company to partner with Bundlee and the trial has been very successful.

THANKS TO TANDI
FROM REVIVO (P34)
FOR LEADING ON
THIS!

VOLUME: +26% ON
2021

REVENUE: +29%
COMPARED TO JUL -
DEC 2021

MORE PROFITABLE

Always a tricky one to talk about. Kids footwear has never been (and will never be) about making lots of money for Vivobarefoot. Profitability is important for other reasons. Not least, it means we can invest in this category and increase the number of kids wearing and benefitting from barefoot.

For our two highest volume kids' styles, Primus Sport and Primus Trail, we've reduced product costs by -9.5%, which averages out at \$0.82 less per pair. The factory move meant we could be more efficient and less wasteful with our patterns and designs, finding new ways to reduce the layers of canvas and glue.

IN THE WORKS FOR 2023...

3
NEW
PRODUCTS

2
PRODUCT
UPGRADES



MORE RECOGNISABLE

We're really excited to be launching new designs that align with our adult styles. From 2024, we'll be selling Tracker FGs and Magna Trail FGs... for kids!

This is our first ever kid's hiking boot, and we think it's the only barefoot hiking boot for kids on the market. Both styles were chosen to help fulfil our mission to get more kids outdoors.

STOCK PROBLEMS

Due to the ongoing challenge of supply chain issues largely beyond our control, we keep having the wrong products in stock at the wrong times. It's frustrating, and it reduces our profitability and our customer experience. We're still on the backfoot a bit, but we're working hard to fix it so we can get our amazing new designs out there and on to little feet.

KIDS

Over the past 6 months we've been working hard to make all this stuff happen. The move to our first ever kids-only factory brings with it exciting opportunities, and we're working on new products and upgrades that will both improve the V-Matrix scores of our kids' shoes, and increase flexibility and bare-footed-ness.

Off the back of customer feedback and a ground-breaking research study commissioned by Vivobarefoot, we've redesigned the kids' Primus Sport with autism and neurodiversity in mind. In April 2023 - Autism Awareness Month - we'll be sharing more about this journey, so watch this space.



VIVOBAREFOOT