



## **PUMA delivers strong sales growth in a volatile year 2023**

Herzogenaurach, 27 February 2024

### **Key developments FY 2023 & Outlook 2024**

- Currency-adjusted (ca) sales growth of 6.6% to € 8,602 million despite volatile environment
- Excluding the extraordinary devaluation of the Argentine peso, sales would have grown by more than 8%
- Adverse currencies lead to a negative impact on sales of more than € 400 million
- Gross profit margin improves by 20 basis points to 46.3% due to favourable pricing, geographical and channel mix effects, despite significant currency headwinds
- Operating result (EBIT) of € 622 million fully in line with outlook (€ 590 to 670 million) due to gross profit margin improvement and strict cost discipline
- Excluding the extraordinary devaluation of the Argentine peso, EBIT would have been above last year (€ 641 million)
- Free cash flow more than doubles to € 369 million
- Management and Supervisory Board propose dividend of € 0.82 per share for 2023
- Outlook 2024: currency-adjusted sales growth at mid-single-digit percentage rate and EBIT in a range between € 620 million and € 700 million

### **Arne Freundt, Chief Executive Officer of PUMA SE:**

“In a volatile environment that impacted the whole industry, PUMA delivered strong growth and profitability fully in line with the outlook. Without the extraordinary devaluation of the Argentine peso, which had a significant one-off accounting impact, our results would have

been even stronger. This outcome reflects the strong underlying performance of PUMA and we were only able to achieve this because of our amazing PUMA Family and all of its fantastic partners.

2023 was also an important milestone year for PUMA as we started to lay the foundation for future growth based on strengthening our brand and improving our distribution quality. We are today in a better position than we were at the start of 2023: We established a new marketing organization and started to execute our new marketing strategy to elevate the brand. We also built new management teams in the US and China to execute our local must-win strategies and cleared our inventories to healthy levels.

Going into 2024, we see that the market environment remains challenging. As we are working through this ongoing challenging trade environment together with our retail partners with a clear focus on sell-through and prudent sell-in especially in the US and Europe, we expect a softer first half of the year. The persistent adverse currencies will also continue to be a pressure on the profitability in the first half 2024. On the back of great product newness and ongoing brand momentum, we expect an improvement quarter-over-quarter leading to a currency adjusted mid-single digit growth and improved operating result in the range of 620 – 700m EUR for the full year.

2024 - the Year of Sports - will be another important year for PUMA in which we will launch great product innovations, such as our fastest football boot Ultra and our fastest running shoes Fast-R2 and Deviate NITRO Elite 3. In Sportstyle, we will continue to deliver exciting newness with the Palermo catering for the current terrace trend and the Suede XL for the skate trend. We believe that “low profile”, which is undeniably PUMA’s hometurf, will be the next big thing and we are fully prepared with the relaunch of PUMA’s famous Mostro and Speedcat. Furthermore, we will launch our first brand campaign in 10 years to underline our positioning as the Fastest Sports Brand in the world and deepen our emotional connection with our consumers. 2024 will be another year where we will demonstrate that PUMA is the Challenger in the market.”

## PUMA's strong underlying operating performance diluted by Argentine peso devaluation

Following the extraordinary devaluation of the Argentine peso by 54% in December 2023 and the application of hyperinflationary accounting under IAS 29 - which requires an adjustment for inflation and currency translation at the period-end exchange rate rather than at the average rate for the full year - the full impact of the devaluation was recognised in the fourth quarter. This had a negative impact on the reported financial performance for the fourth quarter and the financial year 2023.

Before the extraordinary devaluation of the Argentine peso, **PUMA's underlying operating performance** in the financial year 2023 was strong, with **currency adjusted sales growth above 8%** and **operating result (EBIT) above last year's level** (2022: € 641 million).

In the fourth quarter, despite a challenging market environment and before the significant devaluation of the Argentine peso, PUMA delivered an **underlying operating sales growth** and a significant improvement in profitability, demonstrating the strength of PUMA's operating business model.

The following chapters only refer to PUMA's reported financial performance after the devaluation of the Argentine peso.

### Sales Development:

Sales by regions and product divisions	Q4		growth rates		1-12		growth rates	
€ million	2023	2022	Euro	currency adjusted	2023	2022	Euro	currency adjusted
<b>Breakdown by regions</b>								
EMEA	667.9	727.1	-8.1%	-5.2%	3,418.4	3,113.8	9.8%	13.4%
Americas	846.0	997.6	-15.2%	-6.4%	3,389.9	3,685.9	-8.0%	-2.4%
Asia/Pacific	468.3	471.9	-0.8%	2.8%	1,793.4	1,665.3	7.7%	13.6%
<b>Total</b>	<b>1,982.2</b>	<b>2,196.6</b>	<b>-9.8%</b>	<b>-4.0%</b>	<b>8,601.7</b>	<b>8,465.1</b>	<b>1.6%</b>	<b>6.6%</b>
<b>Breakdown by product divisions</b>								
Footwear	1,031.9	1,176.8	-12.3%	-5.5%	4,583.4	4,317.9	6.1%	12.4%
Apparel	657.4	736.8	-10.8%	-5.9%	2,763.0	2,896.3	-4.6%	-0.3%
Accessories	292.9	283.0	3.5%	7.3%	1,255.3	1,251.0	0.3%	3.1%
<b>Total</b>	<b>1,982.2</b>	<b>2,196.6</b>	<b>-9.8%</b>	<b>-4.0%</b>	<b>8,601.7</b>	<b>8,465.1</b>	<b>1.6%</b>	<b>6.6%</b>

## Fourth Quarter 2023

Recorded PUMA Group sales decreased by 4.0% (ca) to € 1,982.2 million (-9.8% reported). Sales in the **Americas** region were significantly impacted by the devaluation of the Argentine peso, resulting in a decline of 6.4% (ca) to € 846.0 million. In the **EMEA** region, sales decreased by 5.2% (ca) to € 667.9 million, mainly due to generally higher inventory levels in the trade, resulting in lower sell-in while the sell-through remained strong. **Asia/Pacific** sales increased by 2.8% (ca) to € 468.3 million, supported by strong growth in Greater China and India. The rest of Asia was softer, impacted by consumer sentiment and warm weather conditions.

PUMA's **wholesale** business declined by 8.7% (ca) to € 1,355.0 million. While reported sales growth was negative due to the devaluation of the Argentine peso, the underlying sales performance was flattish, reflecting higher inventory levels in the trade, resulting in lower sell-in while sell-through remained strong. The **Direct-to-Consumer (DTC)** business grew by 8.0% (ca) to € 627.2 million, with underlying sales growth similar to the previous quarter (Q3 2023: 17.4% (ca)).

Sales growth by **product division** was diluted by the devaluation of the Argentine peso. On an underlying operating basis, PUMA continued to see strong demand, especially for its performance categories Football, Basketball, Golf and Performance Running.

The **gross profit margin** improved by 290 basis points to 47.0% (Q4 2022: 44.0%). Currencies continued to be a strong headwind, which was more than offset by tailwinds from fewer promotional activities, price adjustments as well as favourable sourcing and freight costs.

**Operating expenses (OPEX)** decreased by 9.7% to € 848.0 million (Q4 2022: € 938.7 million) due to strict cost discipline in non-demand generating cost areas and despite continued growth in the DTC channel and regional inflationary pressures. The OPEX ratio remained flat at 42.8% (Q4 2022: 42.7%).

The **operating result (EBIT)** was up 133.0% to € 94.4 million (Q4 2022: € 40.5 million), despite the Argentine peso devaluation, which reflects the underlying operational strength of the

PUMA Group. The improvement was achieved through the gross profit margin and strict cost discipline. As a result, the EBIT margin improved to 4.8% (Q4 2022: 1.8%).

The **financial result** decreased to € -67.1 million (Q4 2022: € -26.0 million), mainly due to negative currency conversion effects, including the valuation losses from the devaluation of the Argentine peso.

Consequently, **net income** decreased by 42.3% to € 0.8 million (Q4 2022: € 1.4 million) and **earnings per share** amounted to € 0.01 (Q4 2022: € 0.01).

### Full Year 2023

PUMA Group **sales** increased by 6.6% (ca) to € 8,601.7 million (+1.6% reported). This was driven by the brand's continued momentum and robust demand for its products. The **Asia/Pacific** region led the growth with a 13.6% (ca) increase in sales, closely followed by the **EMEA** region with a 13.4% (ca) increase in sales. Sales in the **Americas** region decreased by 2.4% (ca) due to the devaluation of the Argentine peso. The PUMA Group had a negative currency translation impact of more than € 400 million.

The **Wholesale** business was up by 3.5% (ca) to € 6,468.7 million and the **Direct-to-Consumer (DTC)** business increased by 17.5% (ca) to € 2,133.0 million. Sales in owned & operated retail stores increased 18.8% (ca) and e-commerce increased 15.0% (ca). This resulted in an increased DTC share of 24.8% (FY 2022: 23.1%), which is back in line with the pre-Covid level.

**Footwear** continued to lead the growth with 12.4% (ca) followed by **Accessories** with growth of 3.1% (ca), while **Apparel** remained flat (-0.3% (ca)).

The **gross profit margin** increased by 20 basis points to 46.3% (FY 2022: 46.1%). Currencies and industry-wide promotional activities were headwinds to the gross profit margin. These headwinds were more than offset by price adjustments and favourable geographical and distribution channel mix effects.

**Operating expenses (OPEX)** increased by 3.3% to € 3,403.5 million (FY 2022: € 3,295.9 million). The increase was driven by sales-related distribution and other variable costs, the growth of our DTC channel and continued investment in marketing. This was partially offset by operating leverage in other cost areas due to strict cost discipline. The OPEX ratio increased by 60 basis points to 39.6% (FY 2022: 38.9%).

The **operating result (EBIT)** decreased by 3.0% to € 621.6 million (FY 2022: € 640.6 million) due to slightly higher operating expenses, partially offset by a favourable gross profit margin. As a result, the EBIT margin amounted to 7.2% (FY 2022: 7.6%).

The **financial result** decreased to € -143.3 million (FY 2022: € -88.9 million), mainly due to negative currency conversion effects, including the valuation losses from the devaluation of the Argentine peso. **Tax expenses** were at € 117.8 million (FY 2022: € 127.4 million) and the tax rate was at a normalised level of 24.6% (FY 2022: 23.1%).

Consequently, **net income** decreased by 13.7% to € 304.9 million (FY 2022: € 353.5 million) and the **earnings per share** amounted to € 2.03 (FY 2022: € 2.36).

### **Working Capital**

The **working capital** increased by 8.3% to € 1,177.3 million (31 December 2022: € 1,086.8 million). **Inventories** were down by 19.6% to € 1,804.4 million (31 December 2022: € 2,245.1 million). This development is the result of previously taken measures to rightsize inventories and is also supported by last year's high comparative base. **Trade receivables** increased by 5.0% to € 1,118.4 million (31 December 2022: € 1,064.9 million). On the liabilities side, **trade payables** decreased by 13.6% to € 1,499.8 million (31 December 2022: € 1,734.9 million).

## Cash Flow and Liquidity Situation

The **free cash flow** increased significantly by 107.9% to € 369.0 million in 2023 (FY 2022: € 177.5 million). On 31 December 2023, PUMA had **cash and cash equivalents** of € 552.9 million, an increase of 19.4% compared to 2022 (31 December 2022: € 463.1 million). In addition, the PUMA Group had **credit lines** totalling € 1,552.8 million as of 31 December 2023 (31 December 2022: € 1,271.0 million). **Unutilised credit lines** were at € 986.1 million on the balance sheet date compared to € 943.7 million at the end of 2022.

## Proposal of a Dividend of € 0.82 per share

The positive net income enables the Management Board and the Supervisory Board of PUMA SE to propose to the Annual General Meeting on 22 May 2024 the distribution of a dividend of € 0.82 per share for the financial year 2023. This corresponds to a payout ratio of 40.3% of consolidated net income. The higher payout ratio is a result of the strong improvement in free cash flow and reflects the underlying positive operating business development. The payment of the dividend is scheduled to take place in the days following the Annual General Meeting at which the dividend is approved. In the previous year, a dividend of € 0.82 per share was paid out (payout ratio for the previous year: 34.7%).

## Outlook 2024

We expect geopolitical and macroeconomic headwinds as well as currency volatility to persist in 2024. These conditions already led to muted consumer sentiment and volatile demand in 2023 and we expect these effects to continue in 2024, particularly in the first half of the year.

In this continued challenging environment, we are fully focused on executing our strategic priorities: elevating the brand, increasing product excellence and improving our distribution quality - especially in the key markets U.S. and China. For us, 2024 is not only the year of sport with major events such as the Olympic Games, UEFA Euro 2024 and the Copa America providing the perfect platform to showcase our strong product innovation and credibility as a

performance brand. It is also the year in which PUMA will invest into its first global brand campaign in 10 years to sharpen its positioning as the fastest sports brand in the world.

Supported by the continued brand momentum and despite ongoing global geopolitical and macroeconomic challenges, PUMA expects to achieve **mid-single-digit currency-adjusted sales growth** and an **operating result (EBIT) in the range of € 620 million to € 700 million** for the financial year 2024 (2023: € 621.6 million). The outlook assumes that the future devaluation of the Argentine peso will be fully compensated by corresponding price increases in Argentina. We expect net income (2023: € 304.9 million) to change in 2024 in line with the operating result.

As in previous years, PUMA will continue to focus on managing short-term challenges without compromising the brand's medium- and long-term momentum. Our sales growth and market share gains will take priority over short-term profitability. The exciting product range for 2024 and the very good feedback from retail partners as well as consumers give us confidence for the medium- and long-term success and continued growth of PUMA.

## **Brand & Strategy Update**

### **2023 Highlights**

#### **Foundation for PUMA's brand elevation established**

- Reorganization of global Brand & Marketing organization by relocating Brand Marketing from Boston to the company headquarters in Herzogenaurach
- Establishment of new Marketing and Brand leadership team
- Launch of PUMA's biggest Brand Campaign ever in April 2024

#### **Great Performance innovation underpins business growth**

- Strong product innovations of PUMA's Football boots FUTURE, ULTRA and KING deliver significant market share gains globally



- Award-winning NITRO foam technology makes PUMA the fastest growing performance running brand in Europe
- All-Pro NITRO debuts as one of the best basketball shoes in NBA according to “Wear testers Best Basketball Shoes 2024”, worn by NBA rookie Scoot Henderson and FIBA World Cup Winner Dennis Schröder

### **PUMA makes athletes to perform at their best**

- PUMA’s Running Innovations help win 22 medals at the World Athletics Championships in Budapest, twice as many compared to 2022
- PUMA Deviate NITRO Elite leads Fiona O’Keeffe to her personal best setting the fastest debut pace ever by a woman at the U.S. Olympic Marathon Trials
- PUMA team Manchester City wins five major trophies: UEFA Champions League, Premier League, FA CUP, UEFA Super Cup and FIFA Cup
- PUMA Football National Team Ivory coast wins Africa Cup 2024
- In Basketball, Breanna Stewart became the most valuable WNBA player for the second time and Dennis Schröder was voted MVP of the World Championships

### **New Partnerships drive credibility and commercial success**

- PUMA’s strong position in Football attracted world-class players to join the PUMA family such as Kai Havertz, Jack Grealish, Xavi Simons, Alex Greenwood, Cody Gakpo and Daniel Carvajal
- PUMA’s credibility as record-winning Track & Field brand helps attract Olympic 100m champion Marcell Jacobs and NCAA 100m champion Julien Alfred
- A\$AP Rocky joins PUMA as Creative Director for Formula 1 to help create exciting collections for F1 fans
- Rihanna returns to the PUMA Brand to relaunch FENTY x PUMA

### **Trendsetting Newness in Fashion and Sportstyle**

- Rihanna’s Avanti and Creeper Phatty create great buzz
- PUMA manifests low-profile trend as sneaker icon Mostro returns at New York Fashion Week and iconic PUMA Speedcat relauches successfully in South Korea
- PUMA’s terrace trend styles Palermo and Superteam are continuing to accelerate traction with consumers

- Skate Trend: PUMA introduces Suede XL as new trend sneaker
- A\$AP Rocky presents first Formula 1 capsule collection at Las Vegas Grand Prix

### **Making huge strides on Sustainability Journey**

- Two out of PUMA's 10FOR25 Targets already achieved in 2023
- SBTI 2030 greenhouse gas emission reduction targets already achieved in 2023
- 8 out of 10 PUMA products made with recycled or certified materials in 2023
- PUMA to make all football jerseys from recycled textile waste with RE:FIBRE
- RE:SUEDE circularity project turns experimental sneakers into compost

## **2023 Detailed Brand and Strategy Update**

In 2023, we sharpened our strategy to pursue long-term, sustainable growth across all geographies and product categories. To achieve our long-term vision of consistently outperforming the market, our highest priorities remain to drive **brand elevation, increase product excellence** and **improve our distribution quality**.

Given the relevance of these markets, special emphasis has been placed on laying the foundation for sustainable long-term growth in the **USA and China**.

### **Foundation for PUMA's brand elevation established**

In July 2023, we relocated our brand management and marketing operations from Boston to Herzogenaurach and made the organizational changes that are necessary to implement our core strategy of elevating the PUMA brand. As part of this relocation, we also introduced a new global leadership team. **Richard Teyssier**, who before joining PUMA in 2010 held senior marketing and brand management positions for major FMCG companies, became Vice President Brand & Marketing. In early 2024, Richard was joined by **Julie Legrand** as Senior Director Global Brand Strategy, who previously worked as H&M's Global Brand Director. Julie will define and execute our strategy to drive higher visibility and strengthen the PUMA brand and its perception around the world.

We also established a **Consumer Insights Team** to gain a deeper understanding of our consumers across the entire organization to inform and align our marketing strategies and product engine. To be closer to our most valuable entertainment ambassadors, we complemented our **entertainment marketing hubs** in Los Angeles and London with an additional hub in Seoul.

The first major outcome of our brand elevation strategy will be **PUMA's biggest brand campaign** ever. Set to launch in April 2024, we are confident that this campaign will create a long-term positive effect for the PUMA brand. The campaign, which will feature some of our best-known brand ambassadors, will create an emotional connection with our consumers around the world.

### **USA – Strengthening the Organisation and anchoring PUMA in Sports**

We used 2023 to reset our U.S. business by cleaning our inventory, reducing dependency from off-price channels and strengthening our organization. In a challenging U.S. market, our U.S. business was over-proportionally challenged as we were not strong enough positioned as a sports brand and overdependent on off-price business.

**Basketball** is a crucial part of our strategy to win in the important U.S. market, elevate the brand and clearly reposition PUMA as a sports brand. Our great line up of basketball ambassadors helped us execute this plan by creating exciting products with us and performing strongly on court. This led to PUMA becoming a TOP 3 **signature and performance brand** in the US. We are also gaining a perception impact of the halo effect from Basketball with key teen male consumers, where we have moved to **#6** favorite brand ranked in Fall 2023 after being below the top 10 in Fall 2021 according to a study by Piper Sandler in 2023.

In 2023, we strengthened our local organization and appointed **Andrew Rudolph** as Senior Vice President Sales and **Alexa Andersen** as Senior Vice President Merchandising. With our two new leaders we will pursue a clearer focus to drive the growth in the desirable Wholesale channels and an elevated merchandising strategy in the USA.

## **China - Making PUMA one of the most sought-after international sports brands**

In 2023, we implemented a **new China-for-China strategy** to increase relevancy and brand heat for the local consumer and rebuilt the entire China organization.

In June, we appointed **Shirley Li** as the new General Manager. Shirley is a native Chinese and has more than 20 years of industry experience with a deep understanding of the Chinese market and consumer. In addition, we hired a new Commercial Director, Marketing Director, Digital Retail Director and Merchandise Director – all with a profound knowledge of the local market and consumer.

We continued to **increase Sports Marketing** to position PUMA as a credible sports brand. We signed relevant athletes such as national female Basketball player ZhangRu and sponsored sports events such as Xiamen Diamond League 2023. We also started to collaborate with famous **celebrities** such as Cici Song and more of such signings will come in 2024.

With view to the advanced digital customer journeys in China, we invested in **digital marketing** and **social ecommerce** and saw a strong increase of brand heat on Tiktok both by search volume and users in 2023. In addition, we partnered with **Tencent** to enable us to build a digital member hub, that delivers comprehensive consumer data and insights, tailor made content and product offering as well as seamless omni channel operation.

We further enhanced our **local-for-local design and production** capabilities to be relevant for local consumers. In 2024, around 40% of the products will be designed locally, while around 80% will be produced in China. With our new store format “Field of Play”, we are able to create an authentic brand experience and introduced a compelling new store environment to the Chinese consumers.

## **Great Performance innovation underpins business growth**

We have achieved significant growth through **product newness** and **technology & design innovations**, which has led to **significant market share gains**, particularly in sports categories such as Football, Running and Basketball.

In **Football**, we successfully established our Football boot franchises **FUTURE**, **ULTRA** and **KING**, which helped to **gain significant market shares** in football in all markets globally. All three franchises continue to be the strongest growing football styles in Europe. With this strong performance, PUMA's market share in Football has **quadrupled** in the last 5 years.

The latest release **FUTURE 7** adapts to the shape of your foot, so the player can move without constraints for 90 minutes and beyond. The boot's **FUZIONFIT360** upper, a combination of different densities and mesh patterns, provides adaptable support, empowering players to experience a new level of 360-degree freedom of movement.

We made big headlines by bidding farewell to Kangaroo leather and completely redesigned our legendary **PUMA KING** football boot with our new, animal-free material **K-BETTER**, which provides even better benefits to the football players. We were the first company in the industry to completely stop using kangaroo leather in 2023.

To underscore our commitment to women in sports, we were the only sports brand to offer all our football boots in women's specific fits at the **Women's World Cup**. The fact that more than 90% of our world-class players during the tournament in Australia and New Zealand chose our women's specific boots highlights the real demand for these innovative football boots.

Another key highlight of PUMA's product newness and innovation breakthrough is our award-winning running technology **NITRO**, which is at the core of our efforts to become a sought-after road running brand and helps the world's fastest athletes perform on top of their game. In the third year since the introduction of **NITRO**, PUMA became the fastest growing performance running brand in Europe. We established a line-up of running products with a clear set of benefits for the consumer: **Velocity** for everyday running, **Deviate** for speed and **ForeverRun** for guidance and cushioning.

**NITRO** foam was also introduced in our latest basketball shoe, the **All-Pro NITRO**, worn by NBA rookie and the third NBA Draft Pick Scoot Henderson as well as the MVP of the FIBA Basketball World Cup Dennis Schröder. Henderson also became the youngest player ever to receive his own signature shoe, the Scoot Zeros. Following the success of his first signature products, PUMA's basketball ambassador LaMelo Ball followed up with the **MB.03 signature**

**shoe**, which was introduced in several colours and styles throughout the year. Breanna Stewart, our WNBA ambassador introduced several versions of her signature shoe **Stewie 2**.

### **PUMA makes athletes perform at their best**

Testament to the power of PUMA's Running Innovation were 22 medals, including six gold medals, at the **World Athletics Championships** in Budapest, twice as many compared to 2022 in Eugene. PUMA athletes also won 17 medals at the **European Indoor Championships** in Istanbul and 13 medals at the **World Para Athletics Championships** in Paris. PUMA's Armand "**Mondo**" Duplantis was named "Male Athlete of the Year", after he once again improved the pole vault world record which now stands at 6.23 meters.

The PUMA Deviate NITRO Elite helped U.S. Athletes **Fiona O'Keeffe** and **Dakotah Lindwurm** qualify for the Olympic Marathons with O'Keeffe setting the fastest debut pace ever by a U.S. woman. PUMA also propelled athlete **Devynne Charlton** to break 16-year-old 60m hurdles world record.

In **Football**, we celebrated a historic moment when PUMA team **Manchester City** won five major trophies: the UEFA Champions League, the Premier League, the FA CUP, the UEFA Super Cup as well as the FIFA Cup.

On the national team side, we celebrated the victory of PUMA Football National Team **Ivory Coast** at the Africa Cup 2024.

In **Basketball**, **Breanna Stewart** became the "Most valuable WNBA Player" for the second time and **Dennis Schröder** was voted MVP of the tournament at the Basketball World Championships in Southeast Asia, which his team Germany won.

In **Golf**, PUMA ambassador **Rickie Fowler** captured his sixth PGA Tour victory at the Rocket Mortgage Classic in Detroit, while **Patricia Isabel Schmidt** secured her maiden European Tour win at the Belgian Ladies Open.

### **New Partnerships drive credibility and commercial success**

PUMA's strong position in **Football** Innovation attracted world-class players to join the PUMA family: Arsenal and Germany midfielder **Kai Havertz**, Manchester City and England playmaker **Jack Grealish**, RB Leipzig and Netherlands midfielder **Xavi Simons**, FC Liverpool and

Netherlands striker **Cody Gakpo**, Real Madrid and Spanish National Team right-back **Daniel Carvajal** and Manchester City and English national team defender **Alex Greenwood**.

PUMA also became the long-term partner of the **CAF**, the African Football Confederation, and **CONMEBOL**, the South American Football Confederation.

PUMA's credibility as a record-winning **Track & Field** brand helped to sign world-class athletes such as Olympic 100m champion **Marcell Jacobs** and NCAA 100m champion **Julien Alfred**. The signing of European 5,000m Champion **Konstanze Klosterhalfen**, marathon legend **Edna Kiplagat** and European marathon Champion **Aleksandra Lisowska** underpinned the credibility of PUMA's NITRO foam technology.

We captured the increasing popularity of **Formula 1**, both in the U.S. and globally and became the official licensing partner and exclusive trackside retailer of Formula 1. To help us create the exciting collections for the growing number of F1 fans around the world, we signed **A\$AP Rocky** as the Creative Director for F1. We believe that as one of the biggest cultural influencers, A\$AP will provide a new perspective on the world of car culture. A first glimpse of what this will look like was seen during the Las Vegas Grand Prix, where he unveiled a first capsule collection.

PUMA also used the setting of the much-anticipated race in **Las Vegas** for several events that highlighted our commitment to motorsport, including a spectacular display on the Las Vegas Sphere, a Car Club Event and PUMA's own hospitality suite at the Paddock Club.

To maintain our strong position in Formula 1, we also extended our long-term partnership with **Scuderia Ferrari** and signed a new contract with **Williams Racing**.

The return of global superstar **Rihanna** to PUMA, was one of our most important announcements of 2023 and fully in line with our strategy to work with the world's most influential ambassadors.

### **Trendsetting Newness in Fashion and Sportstyle**

In 2023, PUMA continued to pioneer the Sportleisure industry and set new trends.

First and foremost, PUMA invested in the incubation of the “**Low Profile**” sneaker trend, which is characterized by a flatter outsole, moving the whole silhouette closer to the ground. The **Mostro** and **Speedcat** are two iconic PUMA franchises with a distinct point of difference that are setting the path for this trend. Highlights of 2023 were the appearance of the Mostro sneaker during the Paris fashion week in collaboration with the Berlin based fashion label “Ottolinger”. The **New York Fashion Week** earlier this month saw the Mostro-themed Catwalk “Welcome to the amazing Mostro show” which caused great media attention and hype around the Mostro Franchise. Meanwhile, PUMA continues to incubate the **Speedcat** Franchise through seeding activities. The first sales results from South Korea, where the model launched in January, are great and numerous credible Fashion sources like “GQ Germany” already predict the model to be the new hype sneaker for 2024.

Besides the incubation of new trends, PUMA also launched great newness supporting the ongoing **skate trend** with models like the **PUMA-180**, the **Suede XL** as a skate-inspired iteration of PUMA’s most iconic model, the Suede OG as well as **Rihanna’s plateau style Creeper Phatty**. To bring additional hype and energy to the skate trend, PUMA collaborated with authentic brands like “Rip n Dip”, “Pleasures” and “Butter Goods” that have credibility in this space and resonate strongly with the streetwear driven consumer.

The **football inspired terrace trend** is also currently shaping the market. We were on time to launch two new strong franchises, the “**Palermo**” and the “**Super Team**” that are commercially very relevant. Collaborations with the Palermo Football Club for a special Jersey further amplified the football authenticity of this story. Global ambassador Dua Lipa headlined the Palermo campaign and wears the model in her latest music video “Houdini” which has already more than 75M views in YouTube. Another successful terrace style was Rihanna’s first product in 2023, the **Avanti**.

### **Making huge strides on Sustainability Journey**

In **Sustainability**, we made significant progress with our FOREVER. BETTER. sustainability strategy and our 10FOR25 targets.



We were able to reach two of our **10FOR25 targets** ahead of schedule. For our “Plastics and the Oceans” target, we no longer used plastic carrier bags in PUMA’s owned and operated stores, we supported scientific research on microfibres and researched biodegradable plastic options with our **RE:SUEDE** circularity experiment.

With **RE:SUEDE**, we showed that we can turn an experimental version of our classic Suede sneaker into compost under certain tailor-made industrial conditions. A commercial version of the RE:SUEDE will launch with our partner Zalando on Earth Day in April 2024.

We also reached our **Human Rights target** ahead of 2025 by training more than 220,000 factory workers on women’s empowerment and completely mapping subcontractors and our Tier 2 suppliers for human rights risks.

We successfully reduced our **greenhouse gas emissions** and introduced a new, more ambitious science-based target for 2030. Despite strong sales growth, we reached our previous science-based target, which was introduced in 2019 and based on a “well below 2-degrees” scenario, seven years early.

By using renewable energy, including renewable energy certificates, in our own warehouses, stores and offices, and by significantly investing in electric vehicles for our car fleet, we were able to reduce **our own greenhouse gas emissions** by 85% compared to our 2017 baseline.

PUMA was able to reduce **overall greenhouse gas emissions** by 24% in 2023 compared to 2022, as our core suppliers doubled their use of renewable energy in 2023 compared to the previous year and our logistics partner Maersk introduced low carbon shipment tariffs on our most important sea freight routes.

PUMA’s new climate goals, which were approved by the Science Based Targets Initiative, aim to reduce our emissions by what scientists say is necessary to keep global warming below 1.5 degrees. By 2030, we want to reduce our own greenhouse gas emissions by 90% and those coming from our supply chain and logistics by 33%, compared to 2017.

In 2023, 8 out of 10 PUMA products were made with a significant part of **recycled or certified materials**. We also scaled up the use of recycled materials. Almost 65% of polyester in our apparel and accessories came from recycled sources as did 8.6% of our cotton.

Starting 2024, all of PUMA's replica football jerseys are now made from textile waste using PUMA's **RE:FIBRE** recycling technology. The RE:FIBRE process focuses on textile waste as the primary source of material, which is broken down on a chemical level to create new textiles. The recycled material is just as good as new and can be used for recycling again and again without losing quality – making RE:FIBRE a promising and more sustainable long-term solution for recycling polyester textile waste.

**Transparency** and engaging with **Gen Z consumers** in sustainability projects is a crucial part of our sustainability communication. In 2023, we launched our **Voices of a RE:GENERATION** initiative, which gives four Gen-Z environmental activists access to our senior management to give their feedback on PUMA's sustainability strategy. Three of our voices visited PUMA's supplier factories in Bangladesh, Vietnam and Turkey to get firsthand insights into our supply chain and some of the realities and challenges of sustainability at scale. The voices also help us to authentically communicate our sustainability initiatives to our Gen-Z audience.

Income Statement	04/2023	04/2022	Devi-	1-12/2023	1-12/2022	Devi-
	€ million	€ million	ation	€ million	€ million	ation
<b>Sales</b>	<b>1,982.2</b>	<b>2,196.6</b>	-9.8%	<b>8,601.7</b>	<b>8,465.1</b>	1.6%
Cost of sales	-1,051.1	-1,229.3	-14.5%	-4,615.1	-4,562.3	1.2%
<b>Gross profit</b>	<b>931.1</b>	<b>967.3</b>	-3.7%	<b>3,986.6</b>	<b>3,902.7</b>	2.1%
- in % of sales	47.0%	44.0%	+2.9 pp	46.3%	46.1%	+0.2 pp
Royalty and commission income	11.3	11.9	-4.8%	38.5	33.8	14.0%
Other operating income and expenses	-848.0	-938.7	-9.7%	-3,403.5	-3,295.9	3.3%
<b>Operating result (EBIT)</b>	<b>94.4</b>	<b>40.5</b>	133.0%	<b>621.6</b>	<b>640.6</b>	-3.0%
- in % of sales	4.8%	1.8%	+2.9 pp	7.2%	7.6%	-0.3 pp
Financial result	-67.1	-26.0	157.9%	-143.3	-88.9	61.2%
<b>Earnings before taxes (EBT)</b>	<b>27.3</b>	<b>14.5</b>	88.5%	<b>478.3</b>	<b>551.7</b>	-13.3%
- in % of sales	1.4%	0.7%	+0.7 pp	5.6%	6.5%	-1.0 pp
Taxes on income	-4.9	9.6	-151.1%	-117.8	-127.4	-7.5%
- Tax rate	18.0%	-66.3%	+84.3 pp	24.6%	23.1%	+1.5 pp
Net income attributable to non-controlling interests	-21.6	-22.7	-4.9%	-55.7	-70.9	-21.4%
<b>Net income</b>	<b>0.8</b>	<b>1.4</b>	-42.3%	<b>304.9</b>	<b>353.5</b>	-13.7%
- in % of sales	0.0%	0.1%	0.0 pp	3.5%	4.2%	-0.6 pp
<b>Earnings per share (€)</b>	<b>0.01</b>	<b>0.01</b>	-42.4%	<b>2.03</b>	<b>2.36</b>	-14.0%
<b>Earnings per share (€) - diluted</b>	<b>0.01</b>	<b>0.01</b>	-42.4%	<b>2.03</b>	<b>2.36</b>	-14.0%
Weighted average shares outstanding (million shares)				149.85	149.65	0.1%
Weighted average shares outstanding - diluted (million shares)				149.87	149.66	0.1%

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

Balance Sheet	Dec. 31,'23 € million	Dec. 31,'22 € million	Devi- ation
<b>ASSETS</b>			
Cash and cash equivalents	552.9	463.1	19.4%
Inventories *	1,804.4	2,245.1	-19.6%
Trade receivables *	1,118.4	1,064.9	5.0%
Other current assets *	385.6	304.1	26.8%
Other current assets	69.8	123.2	-43.4%
<b>Current assets</b>	<b>3,931.1</b>	<b>4,200.4</b>	-6.4%
Deferred tax assets	296.1	295.0	0.3%
Right-of-use assets	1,087.7	1,111.3	-2.1%
Other non-current assets	1,325.6	1,166.0	13.7%
<b>Non-current assets</b>	<b>2,709.3</b>	<b>2,572.3</b>	5.3%
<b>Total Assets</b>	<b>6,640.4</b>	<b>6,772.7</b>	-2.0%
<b>LIABILITIES AND EQUITY</b>			
Current borrowings	145.9	75.9	92.3%
Trade payables *	1,499.8	1,734.9	-13.6%
Other current liabilities *	631.3	792.3	-20.3%
Current lease liabilities	212.4	200.2	6.1%
Other current liabilities	47.7	39.7	20.1%
<b>Current liabilities</b>	<b>2,537.2</b>	<b>2,843.0</b>	-10.8%
Non-current borrowings **	426.1	251.5	69.4%
Deferred tax liabilities	12.4	42.0	-70.5%
Pension provisions	22.5	22.4	0.7%
Non-current lease liabilities	1,020.0	1,030.3	-1.0%
Other non-current liabilities	40.0	44.7	-10.5%
<b>Non-current liabilities</b>	<b>1,520.9</b>	<b>1,390.8</b>	9.4%
<b>Equity</b>	<b>2,582.3</b>	<b>2,538.8</b>	1.7%
<b>Total Liabilities and Equity</b>	<b>6,640.4</b>	<b>6,772.7</b>	-2.0%

\* included in working capital

\*\* In order to better communicate decision-relevant information, non-current borrowings will no longer be recognised under other non-current financial liabilities in the 2023 reporting year, but in a separate balance sheet line item. The previous year's figures have been adjusted accordingly.

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

Cash Flow Statement	1-12/2023 € million	1-12/2022 € million	Devi- ation
<b>Earnings before taxes (EBT)</b>	<b>478.3</b>	<b>551.7</b>	-13.3%
Financial result and non-cash effected expenses and income	485.7	367.2	32.3%
<b>Gross cash flow</b>	<b>964.1</b>	<b>918.9</b>	4.9%
Change in current assets, net	-129.2	-343.3	-62.4%
Payments for taxes on income	-181.3	-157.4	15.2%
<b>Net cash from operating activities</b>	<b>653.6</b>	<b>418.3</b>	56.3%
Payments for investing in fixed assets	-300.4	-263.6	13.9%
Other investing and divestment activities incl. interest received	15.8	22.9	-31.1%
<b>Net cash used in investing activities</b>	<b>-284.6</b>	<b>-240.8</b>	18.2%
<b>Free cash flow</b>	<b>369.0</b>	<b>177.5</b>	107.9%
<b>Free cash flow (before acquisitions)</b>	<b>369.0</b>	<b>177.5</b>	107.9%
Dividends paid to shareholders of PUMA SE	-122.8	-107.7	14.0%
Dividends paid to non-controlling interests	-92.4	-73.3	26.2%
Proceeds from borrowings	299.6	17.9	1571.2%
Cash repayments of borrowings	-59.1	-69.5	-14.9%
Repayments of lease liabilities	-208.0	-190.0	9.4%
Payments of interest	-94.3	-53.8	75.3%
<b>Net cash used in financing activities</b>	<b>-277.1</b>	<b>-476.4</b>	-41.8%
Exchange rate-related changes in cash and cash equivalents	-2.1	4.4	-146.8%
<b>Changes in cash and cash equivalents</b>	<b>89.8</b>	<b>-294.4</b>	-130.5%
Cash and cash equivalents at the beginning of the financial year	463.1	757.5	-38.9%
<b>Cash and cash equivalents at the end of the financial year</b>	<b>552.9</b>	<b>463.1</b>	19.4%

Rounding differences may be observed in the percentage and numerical values expressed in millions of Euro since the underlying calculations are always based on thousands of Euro.

### **Financial Calendar:**

29 February – 01 March 2024	Capital Markets Day
08 May 2024	Quarterly Statement Q1 2024
22 May 2024	Annual General Meeting
07 August 2024	Interim Report Q2 2024
06 November 2024	Quarterly Statement Q3 2024

The financial releases and other financial information are available on the Internet at “[about.puma.com](https://about.puma.com)”.

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### **Notes to the editors:**

- The financial reports are posted on [about.puma.com](https://about.puma.com)
- PUMA SE stock symbol:  
Reuters: PUMG.DE, Bloomberg: PUM GY,  
Börse Frankfurt: ISIN: DE0006969603– WKN: 696960

### **Notes relating to forward-looking statements:**

This document contains statements about the future business development and strategic direction of the Company. The forward-looking statements are based on management's current expectations and assumptions. They are subject to certain risks and fluctuations as described in other publications, in particular in the risk and opportunities management section of the combined management report. If these expectations and assumptions do not apply or if unforeseen risks arise, the actual course of business may differ significantly from the expected developments. We therefore assume no liability for the accuracy of these forecasts.

## **PUMA**

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PUMA is one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories. For 75 years, PUMA has relentlessly pushed sport and culture forward by creating fast products for the world's fastest athletes. PUMA offers performance and sport-inspired lifestyle products in categories such as Football, Running and Training, Basketball, Golf and Motorsports. It collaborates with renowned designers and brands to bring sport influences into street culture and fashion. The PUMA Group owns the brands PUMA, Cobra Golf and stichd. The company distributes its products in more than 120 countries, employs about 20,000 people worldwide and is headquartered in Herzogenaurach/Germany. For more information, please visit <https://about.puma.com>.