

SUPPLEMENTAL REPORT AND OUTLOOK

SUPPLEMENTAL REPORT

There were no events after the balance sheet date which may have a material effect on the net assets, financial position and results of operations of PUMA Group.

With regard to the future development of PUMA's shareholder structure, we would like to make reference to the ad-hoc communication from PUMA SE on January 11, 2018.

OUTLOOK

GLOBAL ECONOMY

Due to the stimulating monetary and financial policy, experts from the Kieler Institut für Wirtschaft [Kiel Institute for the World Economy] expect a further strong increase in global GDP for 2018 in its winter forecast of December 13, 2017. After a growth in global GDP of 3.8% in 2017, an increase of 3.9% is forecasted for 2018. This is a slight increase of growth prospects by 0.2 percentage points compared to the summer forecast in 2017 [GDP growth in 2018 + 3.7%]. Improvement compared to the summer forecast, may, in advanced economies, result on the one hand from persistently good investment conditions for companies, that contribute to increasing profits due to more favorable financial conditions and, on the other hand, should have a positive influence on the good mood among consumers and the increasing available income in private households.

With regard to emerging countries, higher raw material prices and a robust foreign economy justify the slight increase in growth prospects.

Risks for the forecast appear in particular to exist in the financial environment in connection with the persistent normalization of monetary policy. In contrast, the uncertainties originating from the political environment appear overall to have diminished somewhat compared to the previous year's forecast.

SPORTING GOODS INDUSTRY

If there are no significant negative effects on the part of macroeconomic development, we continue to expect stable growth in the sporting goods industry in 2018. It must be assumed that the interest in

sporting activity and health awareness will continue to increase, thereby strengthening the demand for sporting articles. Higher wages and increasing domestic consumption in emerging countries should continue to stimulate the global consumption of sporting articles in 2018. Furthermore, the football World Cup in Russia in 2018 should contribute to supporting growth in the sporting goods industry.

OUTLOOK 2018

Based on the positive business development in 2017 with strong sales growth and a significant improvement in profitability, the management is confident that 2018 will be another positive year for the Company and that PUMA is well positioned to carry forward the brand's momentum.

For the full year 2018, we expect that currency-adjusted net sales will increase by approximately 10%. The gross profit margin is forecasted to improve slightly (2017: 47.3%). Operating expenses (OPEX) are expected to increase at a mid to high single-digit rate, as PUMA will continue to invest in marketing, retail and IT.

At the current exchange rate levels, PUMA's management expects that the operating result (EBIT) in 2018 will improve significantly due to higher sales and a slightly improved gross profit margin. The EBIT is therefore expected to come in between € 305 million and € 325 million (2017: € 244.6 million). Net earnings will also continue to improve significantly in 2018.

INVESTMENTS

Investments totaling around € 125 million are planned for 2018. The significant part of investments concern investments in infrastructure in order to create the operating requirements for planned long-term growth. Likewise, further investments are made in the new building and the expansion and modernization of the Company's own retail stores.

FOUNDATION FOR LONG-TERM GROWTH

The Managing Directors and the Administrative Board have established long-term strategic priorities. Action plans are being implemented in a targeted, value-oriented manner. PUMA's management believes that the Forever Faster corporate strategy will lay the foundations for positive mid-term and long-term development.

INFORMATION CONCERNING TAKEOVERS

The following information, valid December 31, 2017, is presented in accordance with Art. 9 p. 1 c) [ii] of the SE Regulation and Section 22 p. 6 of the German SE Implementation Act [SEAG], in conjunction with Sections 289a, 315a German Commercial Code [HGB]. Details under Sections 289a, 315a HGB which do not apply at PUMA SE are not mentioned.

Composition of the subscribed capital [Sections 289a [1][1][1], 315a [1][1][3] HGB]

On the balance sheet date, subscribed capital totaled € 38,611,107.84 and was divided into 15,082,464 no-par-value shares. As of the balance sheet date, the Company held 136,108 treasury shares.

Shareholdings exceeding 10% of the voting rights [Sections 289a [1][1][3], 315a [1][1][3] HGB]

As of December 31, 2017 there was one shareholding in PUMA SE that exceeded 10% of the voting rights. It was held by the Pinault family via several companies controlled by them (ranked by size of stake held by the Pinault family: Financière Pinault S.C.A., Artémis S.A., Kering S.A. and SAPARDIS SE). The shareholding of Kering S.A. in PUMA SE amounted to 86.3% according to Kering's ad hoc announcement on January 11, 2018.

Statutory provisions and regulations of the Articles of Association on the appointment and dismissal of the Managing Directors and on amendments to the Articles of Association [Sections 289a [1][1][6], 315a [1][1][6] HGB]

Regarding the appointment and dismissal of Managing Directors, reference is made to the applicable statutory requirements of Art. 40 SEAG. Moreover, Section 13[1] of PUMA SE's Articles of Association stipulates that the Administrative Board shall appoint one or several Managing Director(s). It may appoint one of these Managing Directors as Chief Executive Officer and one or two as Deputy Chief Executive Officers. Pursuant to Section 13[4] of PUMA SE's Articles of Association, Managing Directors may be dismissed only for good cause, within the meaning of Section 84[3] of the German Stock Corporation Act [AktG] or if the employment agreement is terminated, in which case a resolution must be adopted by the Administrative Board with a simple majority of the votes cast. Art. 59 SE Regulation and Sections 133[1], 179 [2] [1] German Stock Corporation Act [AktG] [i.e., a simple majority of votes and a majority of at least three quarters of the share capital repre-

sented at the time the resolution is adopted] are applicable for an amendment to the Articles of Association. The Company has not made use of Section 51 SEAG. Pursuant to Art. 9[1]c[ii] of the SE Regulation [SE-VO], the requirements for changing the Articles of Association are governed by Sections 133 and 179 of the German Stock Corporation Act [AktG]. The Administrative Board is authorized to make changes to the Articles of Association that affect only the text [Article 9[3] of PUMA SE's Articles of Association].

Authority of the Administrative Board to issue or repurchase shares [Sections 289a [1][1][7], 315a [1][1][7] HGB]

The authority of the Administrative Board to issue shares result from Section 4 of the Articles of Association and from the statutory provisions:

The Administrative Board shall be authorized to increase the share capital of the Company by up to € 15,000,000.00 by issuing, once or several times, new no par-value bearer shares against contributions in cash and/or kind until April 11, 2022 [Authorized Capital 2017]. In case of capital increases against contributions in cash, the new shares may be acquired by one or several banks, designated by the Administrative Board, subject to the obligation to offer them to the shareholders for subscription [indirect pre-emption right]. The shareholders shall generally be entitled to pre-emption rights. However, the Administrative Board shall be authorized to partially or completely exclude pre-emption rights

- to avoid peak amounts;
- in case of capital increases against contributions in cash if the pro-rated amount of the share capital attributable to the new shares for which pre-emption rights have been excluded does not exceed 10% of the share capital and the issue price of the newly created shares is not significantly lower than the relevant exchange price for already listed shares of the same class, Section 186 [3] sentence 4 AktG. The 10% limit of the share capital shall apply at the time of the resolution on this authorization by the Annual General Meeting as well as at the time of exercise of the authorization. Shares of the Company [1] which are issued or sold during the term of the Authorized Capital 2017 excluding shareholders' pre-emption rights directly or respectively applying Section 186 [3] sentence 4 AktG

or (ii) which are or can be issued to service option and convertible bonds applying Section 186 (3) sentence 4 AktG while excluding shareholders' pre-emption rights during the term of the Authorized Capital 2017, shall be counted towards said limit of 10%;

- in case of capital increases against contributions in cash insofar as it is required to grant pre-emption rights regarding the Company's shares to holders of option or convertible bonds which have been or will be issued by the Company or its direct or indirect subsidiaries to such an extent to which they would be entitled after exercising option or conversion rights or fulfilling the conversion obligation as a shareholder;
- in case of capital increases against contributions in kind for carrying out mergers or for the (also indirect) acquisition of companies, participation in companies or parts of companies or other assets including intellectual property rights and receivables against the Company or any companies controlled by it in the sense of Section 17 AktG.
- The total amount of shares issued or to be issued based upon this authorization while excluding shareholders' pre-emption rights may neither exceed 20% of the share capital at the time of the authorization becoming effective nor at the time of exercising the authorization; this limit must include all shares which have been

disposed of or issued or are to be issued during the term of this authorization based on other authorizations while excluding pre-emption rights or which are to be issued because of an issue of option or convertible bonds during the term of this authorization while excluding pre-emption rights.

The Administrative Board shall be entitled to determine the remaining terms of the rights associated with the new shares as well as the conditions of the issuance of shares.

The resolution adopted by the Annual General Meeting on May 6, 2015 authorized the company to purchase treasury shares up to a value of 10% of the share capital until May 5, 2020.

Significant agreements of the Company which are subject to a change of control as a result of a takeover bid and the resulting effects [Section 289a [1] [1][8], 315a [1][1][8] HGB]

Material financing agreements of PUMA SE with its creditors contain the standard change-of-control clauses. In the case of change of control the creditor is entitled to termination and early calling-in of any outstanding amounts.

For more details, please refer to the relevant disclosures in the Notes to the Consolidated Financial Statements [Section 18].

CORPORATE GOVERNANCE REPORT INCLUDING THE STATEMENT ON CORPORATE GOVERNANCE IN ACCORDANCE WITH SECTION 289f AND SECTION 315d HGB

Effective implementation of the principles of corporate governance is an important aspect of PUMA's corporate policy. Transparent and responsible corporate governance is a key prerequisite for achieving corporate targets and for increasing the Company's value in a sustainable manner. The Administrative Board and the Managing Directors work closely with each other in the interests of the entire Company to ensure that the Company is managed and monitored in an efficient way that will ensure sustainable added value through good corporate governance. In the following the Administrative Board and the Managing Directors report on the corporate governance at PUMA SE in accordance with Section 3.10 of the German Corporate Governance Code. This section also includes the Statement of Compliance in accordance with Art. 9(1)c(ii) of the SE Regulation [SE-VO] and Section 22(6) of the German SE Implementation Act [SEAG], in conjunction with Section 289f and Section 315d HGB.

Under Art. 9(1)c(ii) of the SE Regulation [SE-VO] and Section 22(6) of the German SE Implementation Act [SEAG], in conjunction with § 161 AktG the Administrative Board of a listed German SE is required to issue a statement at least once a year stating whether the German Corporate Governance Code has been and is being observed and which of the Code's recommendations have not been or are not being applied and why. The Administrative Board of PUMA SE issued the following statement of compliance on November 9, 2017:

STATEMENT OF COMPLIANCE PURSUANT TO SECTION 161 AKTG FOR 2017

Pursuant to Art. 9 p. 1 c) [ii] of the SE Regulation [SE-VO] and Section 22 p. 6 of the German SE Implementation Act [SEAG], in conjunction with Section 161 AktG PUMA SE's Administrative Board declares that PUMA SE has been and will be in compliance with the recommendations issued by the *Government Commission on the German Corporate Governance Code* [the Code] [code version dated May 5, 2015 and February 7, 2017], since the last Statement of

Compliance from November 9, 2016 in consideration of the particulars of PUMA SE's single-tier system described under item 1 with the exceptions mentioned under item 2 and where it is not in compliance, explains why not.

1ST PARTICULARS OF THE SINGLE-TIER CORPORATE GOVERNANCE SYSTEM

According to Art. 43 - 45 SE-VO, in conjunction with Sections 20 et seq. SEAG, under the single-tier system, the management of the SE is the responsibility of a single company organ, the Administrative Board (see Para. 7 of the Code's Preamble). The Administrative Board manages the Company, determines the Company's basic business strategies and monitors the implementation of said strategies by the Managing Directors. The Managing Directors manage the Company's business, represent the Company in and out of court and are bound by instructions from the Administrative Board.

Basically, PUMA SE takes those parts of the Code that used to apply to the Supervisory Board and applies them to the Administrative Board and takes those parts of the Code that used to apply to the Board of Management and applies them to its Managing Directors. The following exceptions apply with respect to the legal framework for the single-tier system:

- In derogation of No. 2.2.1 s. 1 of the Code, the Administrative Board must submit the annual financial statements and the consolidated financial statements to the Annual General Meeting, Section 48 p. 2 s. 2 SEAG.
- In derogation of Nos. 2.3.1 s. 1 and 3.7 p. 3 of the Code, the Administrative Board is responsible for convening the Annual General Meeting, Sections 48 and 22 p. 2 SEAG.
- The duties of the Board of Management listed in Nos. 4.1.1 (Corporate Governance), 4.1.2 in conjunction with 3.2 half-sentence 1 (Development of the Company's Strategic Orientation) of the Code are the responsibility of the Administrative Board, Section 22 p. 1 SEAG.