



PUMA Q3 2024 Aide Memoire

Herzogenaurach, 01 October 2024

As a service to our financial community, we publish a quarterly Aide Memoire prior to the start of our quiet periods from 2024. This document sets out public information previously provided by PUMA SE or otherwise available in the market, which may prove helpful in assessing PUMA's financial performance ahead of its Q3 2024 financial results on 06 November 2024. No new information is provided and there will be no commentary on current trading. In line with applicable law and our practice, any updates to our guidance will be the subject of a formal announcement. Please note that this release and all information herein is unaudited and that our next quiet period starts on 12 October 2024.

FY 2024 Outlook as of 07 August 2024

- **Sales:** Based on the results of the first half year and supported by building brand momentum as well as by a strong orderbook for the second half of the year, PUMA expects to achieve **mid-single-digit currency-adjusted sales growth** in FY 2024.
- **EBIT and Net Income:** Taking into account the external factors of higher freight costs, changing duties and continued muted consumer sentiment, especially in China, PUMA narrowed the outlook for the **operating result (EBIT) to a range of € 620 million to € 670 million** (2023: € 621.6 million; previous outlook: € 620 – 700 million). **Net income** (2023: € 304.9 million) is expected to change in 2024 in line with the operating result.
- **Currencies:** This outlook includes a **negative sales translation effect of up to €200 million** from local currencies into Euro, as well as a transactional **currency headwind to the gross profit margin of approximately 100 basis points** and a translational **currency headwind to the OPEX ratio of approximately 20 basis points**.

Statements on regions from the Q2 2024* earnings call on 07 August 2024

- **Europe:** “EMEA has been down with minus 4%, with Europe returning back to growth. And EEMEA, as I said, being soft on the back of a very high comp base.”
- **North America:** “North America, after five quarters of declining business, has returned back to a flattish, slightly positive growth of 1%. [...] And also, our Q2 results in the U.S. clearly set us up to return to growth in the U.S. in the second half of the year.”
- **LATAM:** “[...] the ramp-up of our Latin American warehouses also impacted our Wholesale trajectory as the warehouse ramp-up is slightly below the plan. Here we see a month-over-month improvement, thus it's a temporary effect until we are reaching the expected capacity.”
- **Greater China:** “I think we all know that the sentiment there is not that great currently, but we are very proud that in a tough environment, we continue to grow and we are posting high-single-digit growth.”

Forward looking statements from the Q2 2024* earnings call on 07 August 2024

- **FY 2024 Sales:** “[...] we would like to reiterate our sales outlook for the **full year to grow mid-single digit. And the mid-point is, for sure, the best way to think about our ambitions.**”
- **Sales growth expectations in H2:** “We believe **Q3, the best way to think about it is a mid-single-digit growth, until we then return in the Q4 to a double-digit growth [both currency-adjusted]**. These growth ambitions are fully backed with our order books [...]”
- **Underlying currencies in H2 (excl. Argentine Peso reversal):** “[...] We also expect that the **FX headwinds [on sales in H2] will be in line with what we have seen in H1.**”

- **Non-Recurring impact of the Argentine Peso in Q4:** “For Q4 this year, we expect to grow **currency-adjusted sales** in the double-digit range. The majority will come from the organic improvement on the back of a strong Wholesale order book and ongoing DTC momentum. [...] there will be some contribution from the non-recurring impact of the Argentinian peso devaluation on the **reported sales**.”
- **Gross Profit Margin in H2:** “Q3 will be a quarter where we expect some **gross profit margin improvements, but to a lower extent than in H1**. This will be driven by some external factors, like higher freight costs, changing duties and muted consumer sentiment, especially in China. But in addition, also the increases on the back of a stronger base than in the prior quarters Q1 and Q2.”

Freight: “[...] we anticipate that we will see a higher rate for the next 12 months hitting us. But it will not be the significant increases we have seen during COVID times, but it will be versus the all-time low, which we had in the last 12 months, it will be some impact on our gross profit margin.”

Duties: “I think it's very important that we understand that Mexico is one of our key countries, thus, we have a big business there, and also very profitable business. The increase of duties for Mexico, which starts to hit us in the second [half] year, does have a material impact on our gross profit margin for the second half of the year [in Mexico]. [...] Again, that's only a temporary effect, because we just need a few seasons' time until we are changing the country of origins [...]”

- **OPEX in H2:** “Despite strict cost control on non-demand creating costs, operating expenses and DTC and continued marketing investments will lead to **a slight increase in overall OPEX [ratio]**.”
- **EBIT in H2:** “When it comes down to the EBIT, we **expect an EBIT slightly below our previous year's level for Q3**. While we expect Q4 EBIT to be at least 40% above last year's level.”

- **Net Income in H2:** “Naturally, the biggest impact of the Argentinian peso devaluation was on the net income, due to the impact of the financial results. Thus, it is to be anticipated that the non-recurring impact of the Argentinian peso devaluation, together with the organic improvement from EBIT, will lead to a strong improvement in net income than the EBIT in Q4. **For Q3, we anticipate that the net income would change fully in line with EBIT.**”

Previous publications, transcripts and earnings call presentations can be found here:

<https://about.puma.com/en/investor-relations/financial-publications>

Upcoming Events

6 November 2024

Quarterly Statement Q3 2024

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PUMA

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