Investor Relations

PUMA Q1 2025 Aide Memoire

Herzogenaurach, 02 April 2025

As a service to our financial community, we publish a quarterly Aide Memoire prior to the start of our quiet periods. 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 Q1 2025 financial results on 08 May 2025. 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 13 April 2025.

FY 2025 Outlook as of 11 and 12 March 2025

OUTLOOK 2025

SALES GROWTH (CURRENCY ADJUSTED)	low- to mid-single-digit
ADJUSTED EBIT*	€ 520 million to € 600 million
CAPEX	around € 300 million

- **Sales:** In 2025, PUMA anticipates geopolitical tensions and macroeconomic challenges to continue, especially trade disputes and currency volatility, which is expected to weigh on consumer sentiment and demand in key markets. Against this backdrop, PUMA expects **currency adjusted sales to grow in the low- to mid-single-digit percentage range** in the financial year 2025.

- **Adjusted EBIT:** Considering the one-time costs and net contribution from the nextlevel programme, continued investments in marketing, retail stores and infrastructure, PUMA expects an **adjusted EBIT in the range of € 520 million to € 600 million** for the financial year 2025.

*Excluding one-time costs such as restructuring expenses and other one-time non-operating costs

- Including one-time costs of up to € 75 million from the nextlevel programme, EBIT in 2025 is expected to range between € 445 million and € 525 million (2024: € 622 million).

- **CAPEX:** PUMA plans to continue investing in its retail store network and e-commerce business, along with warehouse and digital infrastructure, to enable its long-term growth objectives and therefore anticipates **capital expenditures (CAPEX) of around € 300 million** in 2025 (2024: € 263.0 million).

- For **Q1**, PUMA anticipates **currency-adjusted sales growth to be low-single-digit below last year's level**, primarily due to a soft performance in the U.S. and China. Due to inventory valuation effects in the previous year, a higher OPEX run rate and a different phasing of marketing expenses, **adjusted EBIT is projected to be around € 70 million**. Including one-time costs, Q1 EBIT is expected to be significantly below previous year's level (Q1 2024: € 159.0 million).

Forward looking statements on FY 2025 from the Q4 2024 earnings call on 12 March 2025

- **Sales in 2025:**
    - **FX headwinds on sales in 2025:** "Currency translation headwinds on our sales are expected at roughly 1.5 percentage points, based on a EUR/USD of 1.08."
    - **Sales by channel in 2025:** "Our assumptions are that the DTC channel will grow at the low double-digit growth rate, whereas the Wholesale channel will be flat to up low-single digit on a currency adjusted basis."
    - **Sales by region in 2025:** "When we look at the geographical mix, we believe that the growth will be predominantly driven by our markets in Latin America, as well as in EMEA [EEMEA]. While our mature markets should be positive and contribute to the growth, but to a lesser degree."
    - **Sales growth acceleration in 2025:** "When you talk about the guidance for the full year, for the next three quarters, indeed, we will see an acceleration of growth again. Again, Q1, we did see that there was a certain softness, especially in the US, which we did not anticipate prior, and came quite sudden. But we feel the ongoing trajectory, which we see in the DTC, and also the order book which we have at hand, we can accelerate back to mid-single digits then for the remainder

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of the quarters to overall land within the whole bandwidth of low- to mid-single-digit."

- **Gross profit margin in 2025:**
  - **FX:** "We anticipate FX headwinds on the gross profit margin coming mainly from the US Dollar, Mexican Peso and Japanese Yen."
  - **Sourcing:** "We continue working closely with our partners and development teams and anticipate improving our sourcing efficiencies, and this includes contributions from the nextlevel programme."
  - **Promotions:** "On the promotional side, we're expecting improvements throughout 2025."
  - **Pricing:** "We expect promotions also to be a tailwind in 2025, but also in terms of the pricing, as well as all the further full-price realisation with the further progress we are making, we are expecting on the brand elevation side."
  - **Product mix:** "The stronger growth of footwear is expected to benefit the product mix."
  - **Freight and regional mix:** "Freight and regional mix is expected to have a flat contribution to the gross profit margin."
  - **Channel mix:** "[..] We expect an improvement on the gross profit margin side from channel mix, which is basically a swap between the OpEx and the gross profit margin side on DTC versus Wholesale."
  - **Tariffs:** "[...] 10% of the imports to the US are coming from China. And, yes, we have baked this into our guidance for 2025 [2 x 10% tariff increases]."

- **OPEX in 2025:**
  - **FX:** "FX is expected to be a headwind on our OpEx ratio."
  - **Channel mix:** "[...] The channel mix has a swap effect between gross profit margin, where we see improvement and a deterioration on the OpEx side."
    - **Warehouse and digital infrastructure:** "Warehouse and digital infrastructure investments into additional capacity increase the run rate." "[...]what it means in terms of the run rate of the OpEx, including

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depreciation, amortisation that is increasing, which also increases our overall OpEx."

  - **Marketing investments and cost inflation:** "Other effects also include continued marketing investments at around 10% of sales and cost inflation."

- **Adjusted EBIT in 2025:** "We expect an adjusted EBIT, excluding one-time costs in the range of €520 to €600 million for the financial year 2025. Improvements in our gross profit margin and the contributions of nextlevel programme are offset by the OpEx development and FX headwinds."

- **Financial Result:** "We anticipate our 2025 financial results to be similar to, or lower than 2024."

- **Tax rate in 2025:** "The group tax rate increased to 25.9%, mainly due to a change regional mix and the global minimum tax. In 2025, we expect to be about one [percentage] point higher due to regional mix and unused withholding tax."

<u>Statements on the nextlevel programme from the Q4 2024 earnings call on 12 March 2025</u>

- **Nextlevel programme:** "The nextlevel cost efficiency programme is expected to incur one-time costs of up to €75 million in 2025, which are related to the closure of unprofitable owned and operated retail stores, restructuring expenses and other one-time non-operating costs. In return, the company expects to generate additional EBIT of up to €100 million in 2025.
- **Gross profit margin impact in 2025:** "[…] In terms of the composition of the €100 million impact on the EBIT contribution we expect in 2025. On the gross profit margin side, I talked earlier about the FOB reductions and this will be the main contributor [of the next level programme] that we expect also to benefit our [gross profit] margin in 2025."
- **OPEX impact in 2025:** "On the OpEx side, we announced earlier, we've decided to make changes with our organisational structure, with the reduction of the corporate positions. In addition, also I mentioned earlier, indirect procurement. […] We have now transparency about our global vendor partners spend. We see opportunities to consolidate and to

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renegotiate, and those are the processes that we have initiated, which will benefit also in 2025 already."

- **One-time costs in 2025:** "In terms of one-time costs [up to €75 million], nextlevel, the one-time cost will be concentrated on 2025."
- **EBIT contribution in 2025:** "[...] There will be an impact on 2025, as we outlined on the EBIT contribution of €100 million. Here, just also to clarify, it impacts OpEx, but also, there are some gross profit benefits also included."

  The net contribution from the nextlevel cost efficiency programme to EBIT in 2025 is projected to be up to € 25 million.

Forward looking statements on 2026 and 2027 from the Q4 2024 earnings call on 12 March 2025

- **Sales in 2026 and 2027:** "And you're right, in terms getting to the EBIT margin of 8.5%, this also means an acceleration of our growth in 2026 and 2027 to mid-to-high single digit."
- **Gross profit margin contributions in 2026 and 2027:** "The expectation is that in terms of nextlevel contributions and across profit margin, that 26 and 27 will show more improvements than what we see in 2025."
- **OPEX contributions in 2026 and 2027:** "[...] In terms of the OpEx contributions, there will be further increases in terms of the benefits we're expecting in 26 and then in 27."
- **EBIT margin in 2027:** "Our aim is to achieve an EBIT margin of 8.5% by 2027."

Forward looking statements on Q1 2025 from the Q4 2024 earnings call on 12 March 2025

- **Sales growth expectations in Q1 2025:** "For Q1, we anticipate currency adjusted sales to be low single digit below last year's level, primarily due to a soft performance in the US and China."
- **Inventory valuation:** "Last year, if we look at the first quarter of last year, we sold then also inventories at higher prices than what the [projected] value was, and I think that benefited the inventory valuation in last year, and that's where we are not anticipating having a similar effect also in the first quarter of this year."

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- **OPEX in Q1 2025:** "If you look at the OpEx run rate, if you now take into account also the low single digit [decline of the] overall topline development, then coupled with the higher OpEx run rate, this then putting pressure on the overall profitability."

    - **Marketing investment:** "[...] in terms of marketing, as we're launching also marketing initiatives in the first quarter, there's a higher marketing spend in the first quarter compared to last year."

- **Nextlevel impact in Q1:** "[...] Regarding nextlevel and the first quarter, we launched nextlevel mid of January. We are, of course, taking swift and decisive action, as we explained, but also as elaborated earlier, the impact and also the goal I think can also be skewed more towards, I think, the remaining three quarters of the year, as we started to work on it whilst we make immediate decisions, but the more benefits are expected to start from second quarter onwards."

- **Adjusted EBIT in Q1 2025:** "Due to inventory valuation effects in the previous year, the different phasing of marketing expenses and the higher OpEx run rate, adjusted EBIT is projected to be around €70 million. Including one-time costs, EBIT is expected to be significantly below previous year's level."

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Previous publications, transcripts and earnings call presentations can be found here:
https://about.puma.com/en/investor-relations/financial-publications

Upcoming Events

08 May 2025	Quarterly Statement Q1 2025
21 May 2025	Annual General Meeting
31 July 2025	Interim Report Q2 2025
30 October 2025	Quarterly Statement Q3 2025

Investor Relations

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PUMA

PUMA is one of the world's leading sports brands, designing, developing, selling and marketing footwear, apparel and accessories. For more than 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 21,000 people worldwide and is headquartered in Herzogenaurach/Germany. For more information, please visit https://about.puma.com.

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