



## PUMA Q1 2024 Aide Memoire

Herzogenaurach, 11 April 2024

As a service to our financial community, we will start publishing a quarterly Aide Memoire prior to the start of our quiet periods from 2024 onwards. 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 2024 financial results on 8 May 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 13 April 2024.

### **FY 2024 Outlook as of 27 February 2024**

- **General:** PUMA expects 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 are expected to continue in 2024, particularly in the first half of the year.
- **Sales:** 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** in FY 2024. A **negative sales translation effect of up to €200 million** from local currencies to Euro is expected.
- **EBIT and Net Income:** PUMA expects an **operating result (EBIT)** in the range of **€ 620 million to € 700 million**. It expects the **net income** (2023: € 304.9 million) to change in 2024 in line with the operating result.

- This outlook includes 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**.

**Comments on market conditions and current trading by region from the earnings call on 27 February 2024**

- **Europe:** “What we see currently in Europe is that the **consumer sentiment is also muted** on the back of the inflation and the overall economic situation. We anticipate that the **consumer sentiment is also carrying forward into Q1**. I think we saw that in **January, that the trade and the traffic overall in the market have been quite soft, but we already saw an improvement in February**, so overall, we **project that Q1 should be more in line with what we have seen in Q4.**”
- **U.S.:** “As said from the demand perspective, **January was soft in the U.S., also with the high promotions, traffic down, less units being sold**. Also, the projections currently from **external sources are projecting a more flattish U.S. market.**”  
“When we look into the U.S. market, we continue, as I said, to see their **H1 to be softer, while in H2 we plan to return back to growth.**”
- **LATAM:** “I think what’s important when we talk about Latin America, let us look at the **strong growth rates which we have realised in the last eight quarters**. That also leads to the fact that we have **achieved our mid-term plans for Latin America two years ahead of the plans**. We’re now working on improving our warehouse capacities because with that increased level of sales, we need to prepare for the next level of growth. **In H1 we’re already moving into bigger warehouse** to prepare for that one.”
- **Greater China:** “[...] **Chinese New Year continued to be very promotional**. As you know, we always need to take January and February together, we still need to clock in three more days from February, so I don't have the full picture. But also here, from a Direct-to-Consumer perspective, we have the best data available, we see that we can **continue to grow in that environment.**”

## Comments on the outlook for 2024 from the earnings call on 27 February 2024

- **General:** “[...] mid-single digit for the top line with an **improved gross profit margin and increased OPEX ratio**, and then an EBIT between 620 and 700 million.”
- **Quarterly split:** “We expect that **quarter over quarter we will see an improvement** both on the top line, as well as on this bottom line. On the top line we are **expecting a softer first half with a flattish Q1** and then **on the bottom line we will also see a quarter-over-quarter improvement.**”
- **Direct-to-Consumer:** “On a channel level, we **anticipate that Direct-to-Consumer is continuing to drive the growth.** Again, there's no change in strategy, but it's more **driven by regional trajectory.** As we said, Direct-to-Consumer is more present in the emerging markets and if they are growing over-proportionately, so will also Direct-to-Consumer. Secondly, we continue to see that there is **no time lag between sell-in and sell-out** in Direct-to-Consumer.”
- **Currencies:** “The persistent adverse currencies will also continue to be a pressure on the profitability in the first half 2024.”
- **Promotions:** “[...] we're **expecting Q1 still to be more flattish** versus last year and then see an improved promotion, so they will turn into tailwinds as of Q2 this year.”
- **Freight:** “[...] we only **anticipate a flattish contribution in 2024.** In **H1 we should realise some savings** on the freight side, as despite the surcharges, we are comparing against a higher freight rate in H1 2023.”
- **Channel Mix:** “As I said, the **channel mix has a swap effect between gross profit margin**, where we see an improvement, and a **deterioration then on the OPEX side.**”

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

## Upcoming Events

08 May 2024	Quarterly Statement Q1 2024
22 May 2024	Annual General Meeting
07 August 2024	Interim Report Q2 2024
6 November 2024	Quarterly Statement Q3 2024

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## 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>.