



### **PUMA reports strong Sales and EBIT growth in the first Quarter despite Geopolitical Tensions and Supply Chain Constraints**

Herzogenaurach, April 27, 2022

#### **2022 First Quarter Facts**

- Sales increase by 19.7% currency adjusted (ca) to € 1,912 million (+23.5% reported / Q1 2021: € 1,549 million)
- Gross profit margin declines to 47.2% (Q1 2021: 48.5%)
- Operating expenses (OPEX) increase 18.6% while OPEX ratio improves
- Operating result (EBIT) improves by 27.0% to € 196 million (Q1 2021: € 154 million)
- EBIT margin increases by 30 basis points to 10.3% (Q1 2021: 10.0%)
- Net earnings improve by 11.2% to € 121 million (Q1 2021: € 109 million)
- PUMA partners with French fashion brand AMI in an exclusive collaboration
- PUMA releases special edition of LaMelo Ball's signature basketball shoe MB.01
- PUMA teams up with Alfa Romeo F1 Team ORLEN to equip China's first F1 driver Zhou Guanyu and Valtteri Bottas with race gear
- PUMA and the Italian Lega Serie A announce new long-term partnership to start in season 2022/23
- PUMA trials garment to garment recycling in circularity project RE:JERSEY, using old football kits to produce new ones
- Neymar Jr. and PUMA launch the FUTURE Instinct football boot edition
- PUMA brand campaign "SHE MOVES US" continues with runner Molly Seidel and footballer Sara Björk Gunnarsdottir
- PUMA signs multi-year contract with the Brazilian Confederation of Athletics (CBAt)

**Bjørn Gulden, Chief Executive Officer of PUMA SE:**

“We have had a very good start into 2022. Despite of all the obstacles and uncertainties, we achieved a sales growth of 20% to € 1,912 million and an EBIT growth of 27% to € 196 million in the first quarter.

The demand for our products was high, both from retailers and consumers, and our operations people were able to move enough product through a tight supply chain to partly fulfill this increasing demand.

I am very happy to see that the growth is coming from all product divisions and all business units. We have had the highest growth rates in the performance categories like Running, Football, Basketball and Golf, which confirms that our investments into innovation and marketing are paying off. Based on such a strong first quarter, we would normally raise our outlook for the full year. But given the increased uncertainty in the world, we have decided to stick to our initial outlook from the beginning of this year.

The COVID-19 outbreak in China, the crisis in Ukraine, a very tight freight situation and inflationary pressures are all uncertainties that force us to remain very flexible and to manage our business as well as possible in the short-term without hindering PUMA’s mid-term momentum. We see further upside on the revenue side, but also increased pressure on our OPEX and gross margin due to all the uncertainties. In this situation, we will continue to prioritize market share gains and our mid-term growth potential over short-term profit optimization.

We will also continue to prioritize the health and safety of our people and not save on anything here. Now, this is especially important for all our employees and their families in Ukraine. The PUMA Family means more than profitability.”

## Sales Development:

Sales by regions and product divisions		Q1		growth rates	
€ million	2022	2021	Euro	currency adjusted	
<b>Breakdown by regions</b>					
EMEA	708.8	572.4	23.8%	25.5%	
Americas	815.9	533.9	52.8%	44.1%	
Asia/Pacific	387.4	442.4	-12.4%	-17.0%	
<b>Total</b>	<b>1,912.2</b>	<b>1,548.8</b>	<b>23.5%</b>	<b>19.7%</b>	
<b>Breakdown by product divisions</b>					
Footwear	941.3	773.8	21.6%	18.2%	
Apparel	638.7	532.0	20.1%	16.0%	
Accessories	332.2	243.0	36.7%	32.2%	
<b>Total</b>	<b>1,912.2</b>	<b>1,548.8</b>	<b>23.5%</b>	<b>19.7%</b>	

### First Quarter 2022

**Sales** increased by 19.7% (ca) to € 1,912.2 million (+23.5% reported). **Americas** reported the strongest sales growth of 44.1% (ca), driven by continued high demand for the PUMA brand in the North American and Latin American markets. Sales in **EMEA** were up 25.5% (ca), reflecting strong growth across all key markets in Europe. Sales in **Asia/Pacific** declined 17.0% (ca) due to the current market environment in Greater China resulting from COVID-19 related restrictions and geopolitical tensions. All product divisions grew double-digit with **Footwear** being up 18.2% (ca), **Apparel** 16.0% (ca) and **Accessories** 32.2% (ca). The growth was driven by a strong demand for our Performance categories like Running & Training, Teamsports, Golf and Basketball, as well as for the Sportstyle category.

PUMA's **Wholesale** business increased by 23.3% (ca) to € 1,528.2 million and the **Direct-to-Consumer (DTC)** business was up by 7.1% (ca) to € 384.0 million. Sales in owned & operated retail stores increased 21.3% (ca) while e-commerce declined 13.2% (ca) as we continued to prioritize our retailers when supply was limited and due to the current market environment in Greater China.

The **gross profit margin** declined by 130 basis points to 47.2%, mainly caused by an unfavorable geographical and channel mix as well as higher freight rates while currencies had a slight positive effect.

**Operating expenses (OPEX)** increased by 18.6% to € 712.8 million as a result of higher marketing expenses, more retail stores operating as well as higher sales-related distribution and warehousing costs. Despite ongoing operating inefficiencies due to COVID-19, especially in the supply chain, the OPEX ratio decreased to 37.3% (Q1 2021: 38.8%).

The **operating result (EBIT)** increased by 27.0% to € 196.0 million (Q1 2021: € 154.3 million). A strong sales growth and an improved OPEX ratio resulted in an EBIT margin increase by 30 basis points to 10.3% (Q1 2021: 10.0%).

**Net earnings** increased from € 109.2 million to € 121.4 million and **earnings per share** were up by 11.1% from € 0.73 in the first quarter of 2021 to € 0.81 in the first quarter of 2022.

### **Working Capital**

The **working capital** increased by 35.8% to € 1,004.8 million (March 31, 2021: € 740.2 million). **Inventories** were up by 32.2% to € 1,618.3 million (March 31, 2021: € 1,224.0 million) with most of the increase driven by Goods in Transit. Given the uncertainty about the impact of the COVID-19-related restrictions on our suppliers in Asia, we accelerated the delivery of our products wherever possible. **Trade receivables** increased by 23.0% to € 1,128.5 million (March 31, 2021: € 917.5 million) mainly as a result of strong sales growth. On the liabilities side, **trade payables** increased by 20.9% to € 1,275.0 million (March 31, 2021: € 1,054.9 million).

## Outlook 2022

PUMA has had a strong start to the year with a sales growth of 19.7% (ca) to € 1,912 million and an EBIT increase of 27.0% to € 196 million in the first quarter of 2022, underlining the continued momentum of the PUMA brand in a difficult market environment.

The year 2022 has again started with a high level of uncertainty in the global business environment. Several governments have implemented regional or country-wide restrictions due to a record high of COVID-19 infections, which continue to impact our value chain from manufacturing to retail store operations. The overall supply chain situation remains challenging due to port congestions, limited shipping capacities and continued freight rate increases. The crisis in Ukraine is having a direct negative impact - leading to lost sales and EBIT - and an indirect impact through the general tense geopolitical situation and increasing uncertainty worldwide. As a result, we continue to see inflationary pressures in all markets.

Despite the increasing uncertainties in 2022, we confirm a currency-adjusted sales growth of at least ten percent – with upside potential – in the financial year 2022. In line with our previous outlook we anticipate our operating result (EBIT) to be in a range of € 600 million and € 700 million (2021: € 557 million) and net earnings to improve correspondingly. The development of our gross profit margin and our OPEX-ratio in 2022 will continue to largely depend on the degree and duration of the negative impacts described above. While we will stay focused on our growth momentum by servicing our retail partners and consumers in the best possible way, we expect inflationary pressures from higher freight rates and raw material prices, as well as operational inefficiencies due to COVID-19 and the Ukraine crisis to dilute our profitability in 2022.

The achievement of this outlook is subject to continued manufacturing operations in our key sourcing countries in Asia and no major business interruptions due to COVID-19. In line with the previous years, PUMA will continue to manage the challenges short-term without hindering the positive mid-term momentum. The strong and profitable growth in the first quarter, a strong orderbook, an exciting product line-up as well as very good feedback from retailers and consumers make us confident for the mid-term success and growth of PUMA.

<b>Income Statement</b>	<b>Q1/2022</b> <b>€ million</b>	<b>Q1/2021</b> <b>€ million</b>	<b>Devi- ation</b>
<b>Sales</b>	<b>1,912.2</b>	<b>1,548.8</b>	23.5%
Cost of sales	-1,010.0	-797.9	26.6%
<b>Gross profit</b>	<b>902.2</b>	<b>750.9</b>	20.1%
- in % of consolidated sales	47.2%	48.5%	
Royalty and commission income	6.7	4.5	49.3%
Other operating income and expenses	-712.8	-601.1	18.6%
<b>Operating result (EBIT)</b>	<b>196.0</b>	<b>154.3</b>	27.0%
- in % of consolidated sales	10.3%	10.0%	
Financial result	-13.0	0.5	-
<b>Earnings before taxes (EBT)</b>	<b>183.0</b>	<b>154.8</b>	18.3%
- in % of consolidated sales	9.6%	10.0%	
Taxes on income	-46.7	-39.5	18.3%
- Tax rate	25.5%	25.5%	
Net earnings attributable to non-controlling interests	-15.0	-6.1	144.9%
<b>Net earnings</b>	<b>121.4</b>	<b>109.2</b>	11.2%
<b>Earnings per share (€)</b>	<b>0.81</b>	<b>0.73</b>	11.1%
<b>Earnings per share (€) - diluted</b>	<b>0.81</b>	<b>0.73</b>	11.1%
Weighted average shares outstanding (million)	149.61	149.58	0.0%
Weighted average shares outstanding - diluted (million)	149.61	149.58	0.0%

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	Mar. 31,'22	Mar. 31,'21	Devi- ation
	€ million	€ million	
<b>ASSETS</b>			
Cash and cash equivalents	537.2	702.1	-23.5%
Inventories	1,618.3	1,224.0	32.2%
Trade receivables	1,128.5	917.5	23.0%
Other current assets (working capital)	257.8	193.1	33.5%
Other current assets	141.5	42.1	-
<b>Current assets</b>	<b>3,683.2</b>	<b>3,078.9</b>	19.6%
Deferred taxes	289.5	274.9	5.3%
Right-of-use assets	948.5	882.3	7.5%
Other non-current assets	1,032.4	944.7	9.3%
<b>Non-current assets</b>	<b>2,270.4</b>	<b>2,102.0</b>	8.0%
<b>Total Assets</b>	<b>5,953.6</b>	<b>5,180.9</b>	14.9%
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current financial liabilities	0.3	114.7	-99.8%
Trade payables	1,275.0	1,054.9	20.9%
Other current liabilities (working capital)	724.8	539.6	34.3%
Current lease liabilities	178.6	155.6	14.8%
Other current liabilities	59.4	68.3	-13.1%
<b>Current liabilities</b>	<b>2,238.1</b>	<b>1,933.1</b>	15.8%
Deferred taxes	49.8	41.5	20.0%
Pension provisions	32.5	39.2	-17.2%
Non-current lease liabilities	857.9	783.1	9.6%
Other non-current liabilities	344.9	425.4	-18.9%
<b>Non-current liabilities</b>	<b>1,285.1</b>	<b>1,289.2</b>	-0.3%
<b>Shareholders' Equity</b>	<b>2,430.4</b>	<b>1,958.6</b>	24.1%
<b>Total Liabilities and Shareholders' Equity</b>	<b>5,953.6</b>	<b>5,180.9</b>	14.9%

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:**

May 11, 2022	Annual General Meeting
July 27, 2022	Interim Report Q2 2022
October 26, 2022	Quarterly Statement Q3 2022

The financial releases and other financial information are available on the Internet at "about.puma.com".

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

- The financial reports are posted on 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 forward-looking statements about the Company's future financial status and strategic initiatives. The forward-looking statements are based on the current expectations and assumptions of the management team. These are subject to a certain level of risk and uncertainty including, but not limited to those described above or in other disclosures, in particular in the chapter Risk and Opportunity Management in the Group Management Report. In the event that the expectations and the assumptions do not materialize or unforeseen risks arise, the Company's actual results can differ significantly from expectations. Therefore, we cannot assume responsibility for the correctness of these statements.

## **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 more than 70 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 16,000 people worldwide, and is headquartered in Herzogenaurach/Germany. For more information, please visit <https://about.puma.com>.