THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **ANTA Sports Products Limited** (the "**Company**"), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or transferee.

ANTA Sports Products Limited
安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Codes: 2020 (HKD counter) and 82020 (RMB counter)

MAJOR TRANSACTION
ACQUISITION OF 29.06% EQUITY INTEREST IN PUMA SE

A letter from the Board is set out on pages 4 to 29 of this circular.

This circular is being despatched to the Shareholders for information only. The Acquisition has been approved by the Written Approvals pursuant to Rule 14.44 of the Listing Rules.

24 April 2026

CONTENTS

In this circular, the following expressions shall have the following meanings unless the context otherwise requires:

"Acquisition"	the acquisition of the Target Shares by the Company under the Share Purchase Agreement
"Anda Holdings"	Anda Holdings International Limited, a British Virgin Islands private limited company wholly-owned by Anta International. Anda Holdings holds 160,875,000 Shares, representing approximately 5.75% of the issued share capital of the Company as at the date of this circular
"Anda Investments"	Anda Investments Capital Limited, a British Virgin Islands private limited company wholly-owned by Anta International. Anda Investments holds 115,500,000 Shares, representing approximately 4.13% of the issued share capital of the Company as at the date of this circular
"Anta International"	Anta International Group Holdings Limited, a British Virgin Islands private limited company. It directly holds 1,206,301,400 Shares, representing approximately 43.13% of the issued capital of the Company as at the date of this circular and is deemed to be interested in the Shares held by Anda Investments and Anda Holdings
"Antitrust Clearance"	(i) the consent, approval, clearance, confirmation, licence under the applicable merger-control laws or rejection of jurisdiction by the relevant Competition Authority, or (ii) the expiry of the applicable waiting period (following submission of all applicable filings) where this is deemed to be an official waiver from the relevant Competition Authority under the relevant applicable Laws having the same effect of authorising or not preventing Closing of the Transaction, as the case may be
"associate"	has the meaning ascribed to it under the Listing Rules
"Board" or "Board of Directors"	the board of Directors of our Company
"Business Day(s)"	any day other than a Saturday, a Sunday or a day on which banks in Paris, Hong Kong and Frankfurt are authorised or obligated by Law to close
"Closing"	the closing of the Acquisition pursuant to the Share Purchase Agreement

"Company" or "Purchaser"	ANTA Sports Products Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock codes: 2020 (HKD counter) and 82020 (RMB counter))
"Competition Authority"	the merger-control authority(ies) to which the Acquisition shall be notified under applicable mandatory laws, rules and/or regulations
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	a total of EUR1,505,516,600 (exclusive of tax) (equivalent to approximately RMB12,277,638,425) which shall be payable by the Company on the Effective Transfer Date pursuant to the Share Purchase Agreement
"Director(s)"	the directors of the Company
"Effective Transfer Date"	two Business Days after the Closing Date
"EUR"	Euro, the lawful currency of the European Union
"Group"	the Company and its subsidiaries from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	an individual or a company who or which is not a director, chief executive or substantial shareholder of the Company or any of its subsidiaries, or an associate (as defined in the Listing Rules) of any of such director, chief executive or substantial shareholder
"Latest Practicable Date"	22 April 2026, being the latest practicable date for ascertaining certain information in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PRC"	the People's Republic of China (which for the purpose of this circular, excludes Hong Kong, the Macao Special Administrative Region and Taiwan region)
"Seller"	Artémis

"Share(s)"	ordinary shares of HK$0.10 each in the share capital of the Company
"Share Purchase Agreement"	the share purchase agreement dated 26 January 2026 entered into between the Company and the Seller
"Shareholder(s)"	holder(s) of the Share(s) of the Company
"Stock Exchange" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Target Company"	Puma SE, a European Company (Societas Europaea) organised under the laws of Germany
"Target Group"	the Target Company and its subsidiaries
"Target Shares"	a total 43,014,760 ordinary shares of the Target Company to be sold by the Seller to the Company pursuant to the Share Purchase Agreement
"Written Approvals"	written approvals dated 13 February 2026 given by Anta International, Anda Holdings and Anda Investments, approving, among other things, the Acquisition and the Share Purchase Agreement
"%"	per cent

ANTA Sports Products Limited
安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Codes: 2020 (HKD counter) and 82020 (RMB counter)

Executive Directors:
Mr. Ding Shizhong *(Chairman)*
Mr. Ding Shijia *(Deputy Chairman)*
Mr. Lai Shixian *(Co-Chief Executive Officer)*
Mr. Wu Yonghua *(Co-Chief Executive Officer)*
Mr. Zheng Jie
Mr. Bi Mingwei *(Chief Financial Officer)*

Independent non-executive Directors:
Mr. Yiu Kin Wah Stephen
Mr. Lai Hin Wing Henry Stephen
Ms. Wang Jiaqian
Ms. Xia Lian

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
16/F, Manhattan Place
23 Wang Tai Road
Kowloon Bay, Kowloon
Hong Kong

24 April 2026

To the Shareholders,

Dear Sir/Madam,

MAJOR TRANSACTION
ACQUISITION OF 29.06% EQUITY INTEREST IN PUMA SE

INTRODUCTION

Reference is made to the announcements of the Company dated 26 January 2026 in relation to, among other things, the Acquisition (the "**First Announcement**"), dated 13 February 2026 in relation to the Written Approvals (the "**Second Announcement**") and dated 4 March 2026 in relation to, among other things, the grant of waiver from strict compliance with Rule 14.41(a) of the Listing Rules by the Stock Exchange (the "**Third Announcement**").

The purpose of this circular is to provide you with, among others, (i) details of the Acquisition, Share Purchase Agreement and the transaction contemplated thereunder; (ii) details of the Written Approvals; and (iii) further information as required to be disclosed under the Listing Rules.

SHARE PURCHASE AGREEMENT

The principal terms of the Share Purchase Agreement are set out as follows:

Date: 26 January 2026

Parties: (i) The Company, as the Purchaser; and

(ii) Artémis, as the Seller

Subject Matter

Pursuant to the Share Purchase Agreement, the Company has conditionally agreed to purchase, and the Seller has conditionally agreed to sell, a total of 43,014,760 ordinary shares of the Target Company (representing approximately 29.06% of its entire issued share capital as of the date of this circular).

Consideration and Payment

On the Effective Transfer Date, the Company shall pay a total of EUR1,505,516,600 (exclusive of tax) (equivalent to approximately RMB12,277,638,425), representing EUR35.0 (equivalent to approximately RMB285.4) per Target Share, to the Seller in cash. Any tax due on the transaction, if any, other than taxes assessed on Seller's capital gain, shall be borne by the Company and paid in addition to the Consideration.

At the time of entering the Share Purchase Agreement, the Consideration was determined after arm's length negotiation between the Company and the Seller, taking into account:

(I) The Target Company's market positioning and historical business and financial performance

PUMA is a globally renowned and leading sports brand with a deep and established heritage and extensive worldwide influence across both professional and lifestyle sports, with products distributed in more than 120 countries. The Target Company delivered relatively stable results for FY2024, recording reported revenue of EUR8,817.2 million (FY2023: EUR8,601.7 million), representing a year-on-year increase of around 2.5%, and slightly decreased net income margins of 3.9% in FY2024, comparing to 4.2% in FY2023.

However, the Target Company's performance deteriorated for 9M2025, recording reported revenue of EUR5,973.9 million (9M2024: EUR6,527.8 million), representing a year-on-year decline of 8.5%, and net income margin significantly decreased from 3.9% in 9M2024 to a net loss margin of (5.2%) in 9M2025, reflecting the impact of the strategic reset and related headwinds.

In late July 2025, the Target Company issued profit warning for 2Q25, in which the management indicated a low double-digit decline in 2025 full-year sales on a currency-adjusted basis and a full-year operating loss driven by the overall weak demand, U.S. tariff uncertainties and elevated inventory levels, and subsequently reported weak 3Q25 results amid its strategic reset in late October 2025, in which the management maintained its forecast for 2025 full year.

(II) The Target Company's historical and prevailing share price levels prior to the Acquisition

The Company observes that the Target Company's share price has experienced a meaningful decline over the past three years. The Company considers such downward trajectory highlights the degree of market dislocation relative to the Target Company's historical levels and the current market cap could be disproportionately impacted by temporary operational setbacks and near-term headwinds. The Company has confidence in the Target Company's management team and its strategic initiatives already underway. In addition, while preserving PUMA's brand identity and heritage, the Company will explore possibility to deepen the partnership and unlock Target Company's growth potential globally and particularly in China, post the Acquisition.

(III) The current market conditions and valuation of other listed companies in the global sportswear sector

The Company has also referenced the trading multiples of a selected group of comparable listed sportswear companies globally. The selection was primarily based on factors including scale, brand positioning and global footprint. Detailed analysis and selection rationale are set out below:

(i) key inputs and rationale for pricing multiples

In assessing the valuation of the Target Company based on comparable companies, it has adopted EV/EBITDA as the primary valuation metric, with EV/Sales considered as a secondary reference.

– EV/EBITDA is widely recognized in the sportswear sector and across adjacent industries, which remains a standard benchmark for investors given it better isolates operating performance from differences in capital structure, tax environments and accounting policies. Unlike P/E, which can be materially distorted by non-operating items, one-off charges or varying effective tax rates, EV/EBITDA provides a clearer and more comparable view of underlying business fundamentals and cash-generating capability across companies with diverse leverage profiles and geographic exposures.

– In order to ensure consistency across markets with differing accounting frameworks, the Company's analysis has been performed on both a pre-IFRS and post-IFRS basis, thereby aligning the valuation approach with global peers and mitigating distortions arising from regional accounting differences.

– No single valuation methodology or financial metric was determinative in arriving at the Consideration, and EV/EBITDA and EV/Sales multiples were referenced as part of the valuation assessment. The Company has also performed analysis as set out in the paragraph headed "*(IV) The future prospects of the Target Company's principal business*" below to provide a quantitative illustration of how the implied valuation of the Target Company compares against market benchmarks.

Under these criteria, Adidas and Nike were identified as the closest peers, given their extensive global footprint, broad category coverage, and alignment with the Target Company's scale, supplemented by other best-in-class sportswear companies – namely Lululemon, Amer Sports, On Holding, Deckers. These companies provide additional context for benchmarking across the broader global athletic and lifestyle performance sector. In addition, the Company has also included itself as a reference point given its leading position in global sportswear market and its role as the purchaser of the Target Shares.

(ii) Selected comparable companies considered by the Company

Based on the selection criteria set by the Company, the Board consider that, Nike, Adidas, Lululemon, Amer Sports, On Holding, Deckers are exhaustive representative peers to the Target Company given their similar business nature, geographic focus, category spectrum and financial profiles.

Details of the selected comparable companies are set out in the table below.

Company name (stock code)	Business nature	Location of principal businesses[(1) (2)]	Product categories involved[(1)]	Market cap as of Jan 15, 2026 *(EUR MM)*	NTM EV/Sales[(3)]	NTM EV/EBITDA (Post-IFRS)[(3)]	NTM EV/EBITDA (Pre-IFRS)[(3)]	Total Revenue (EUR MM)[(1)]	EBITDA (post-IFRS) margin[(1)]	EBITDA (pre-IFRS) margin[(1)]	YE Net asset (EUR MM)[(1)]
Nike (NYSE: NKE)	Mainly engaged in designing, developing, and selling athletic and casual footwear, apparel, equipment, accessories, and services for men, women, and kids	44% from North America, 27% from EMEA, 15% from Greater China, and 14% from APLA	Footwear and apparel contributed to 66% and 29% of the total revenue, respectively	86,544	2.1x	18.8x	22.9x	42,836	12.0%	9.7%	11,645
Adidas (XTRA: ADS)	Mainly engaged in designing, developing, producing, and marketing a range of athletic and sports lifestyle products	32% from Europe, 22% from North America, 15% from Greater China, 14% from Emerging Markets, 12% from Latin America, and 6% from Japan/South Korea	Footwear, apparel and accessories and gear contributed to 59%, 35% and 6% of the total revenue, respectively	28,987	1.3x	8.4x	9.8x	23,683	10.7%	7.6%	5,868
Lululemon (NasdaqGS: LULU)	Mainly engaged in designing, distributing, and retailing technical athletic apparel, footwear, and accessories for women and men as well as other categories	75% from Americas, 13% from China Mainland, and 12% from Rest of World	Women, men and other categories contributed to 63%, 24% and 13% of the total revenue, respectively	20,716	2.0x	7.7x	8.8x	9,835	33.0%	27.9%	4,160

Company name (stock code)	Business nature	Location of principal businesses[1] [2]	Product categories involved[1]	Market cap as of Jan 15, 2026 *(EUR MM)*	NTM EV/Sales[3]	NTM EV/EBITDA (Post-IFRS)[3]	NTM EV/EBITDA (Pre-IFRS)[3]	Total Revenue (EUR MM)[1]	EBITDA (post-IFRS) margin[1]	EBITDA (pre-IFRS) margin[1]	YE Net asset (EUR MM)[1]
Amer Sports (NYSE: AS)	Mainly engaged in designing, manufacturing, marketing, distributing, and selling sports equipment, apparel, footwear, and accessories under Arc'teryx, Salomon, Wilson, Peak Performance, Atomic, etc. brands	36% from Americas, 29% from EMEA, 25% from Greater China, and 10% from other APAC	Technical apparel, outdoor performance and ball & racquet sports contributed to 42%, 36% and 22% of the total revenue, respectively	18,112	3.0x	16.6x	18.7x	4,792	15.6%	12.8%	4,838
On Holding (NYSE: ONON)	Mainly engaged in the development and distribution of sports products worldwide	64% from Americas, 25% from EMEA, and 11% from APAC	Shoes, apparel and accessories contributed to 95%, 4% and 1% of the total revenue, respectively	13,394	3.2x	17.1x	19.2x	2,435	16.7%	13.4%	1,484
Deckers (NYSE: DECK)	Mainly engaged in designing, marketing, and distributing footwear, apparel, and accessories for casual lifestyle use and high-performance activities under UGG, HOKA, etc. brands	64% from US, 36% from International	No detailed breakdown by categories, while UGG, HOKA and other brands contribute to 51%, 45% and 4% of the total revenue, respectively	12,940	2.4x	9.8x	10.6x	4,646	27.4%	25.0%	2,325
Comparable Companies' Average					**2.3x**	**13.1x**	**15.0x**				

Company name (stock code)	Business nature	Location of principal businesses[1] [2]	Product categories involved[1]	Market cap as of Jan 15, 2026 *(EUR MM)*	NTM EV/Sales[3]	NTM EV/EBITDA (Post-IFRS)[3]	NTM EV/EBITDA (Pre-IFRS)[3]	Total Revenue (EUR MM)[1]	EBITDA (post-IFRS) margin[1]	EBITDA (pre-IFRS) margin[1]	YE Net asset (EUR MM)[1]
Puma SE (XTRA: PUM) The Target	Mainly engaged in the research, design, development, marketing and sale of sports and sports-lifestyle footwear, apparel and accessories under the PUMA brand	23% from Europe, 20% from EEMEA (Eastern Europe, Middle East and Africa), 24% form North America, 15% from Latin America, 7% from Greater China, 5% from Asia Pacific (without Greater China), and 6% from others	Footwear, apparel, and accessories contributed to 54%, 32%, and 14% of the total revenue, respectively	3,266	0.8x	15.3x[4]	39.4x[4]	8,817	11.2%	8.4%	2,829
Anta (SEHK: 2020) The Company	Mainly engaged in the research, design, development, manufacture, market, and sale of professional sports footwear, apparel, and accessories under ANTA, FILA, etc. brands	Majority from Greater China	Footwear, apparel and accessories contributed to 41%, 56% and 3% of the total revenue, respectively	25,257	2.3x	7.9x	9.6x	9,102	31.2%	24.6%	8,832

Notes:

1. Financial information is based on the latest fiscal year available for each company. Nike and Deckers all report FY2025 financials, with fiscal years ended on 31 May 2025 and 31 March 2025, respectively. Financials for all other companies are based on their FY2024 results.

2. Based on the revenue contribution by different region for the latest fiscal year available.

3. Market data based on Capital IQ, as of 15 January 2026; NTM stands for next twelve months.

4. Puma's NTM EV/EBITDA was considered less meaningful, given the recent earnings decline, expected FY2025 operating loss and the continued transition dynamics in FY2026, which together distort near-term EBITDA forecast.

(iii) selection criteria for comparable companies

The selection of comparable companies has been determined with reference to global sportswear players that operate business models and scale generally comparable to that of the Target Company. In this regard, particular focuses were placed on global presence, diversified product portfolio, and brand positioning.

(iv) adjustments for differences with comparable companies

As provided in section (III)(i) headed "key inputs and rationale for pricing multiples" above, the Company has adopted EV/EBITDA as the primary valuation metrics given it better isolates operating performance from differences in capital structure, tax environments and accounting policies and provides clearer view of business fundamentals and cash-generating capability. In order to ensure consistency across markets with differing accounting frameworks, the analysis has also been performed on both a pre-IFRS and post-IFRS basis.

Considering the Target Company is currently in a transition period, the Company developed projections based on broker consensus and its own assessment, that reflect the Target Company's expected financial performance under a normalized/steady state operating scenario. Based on these projected financials and abovementioned valuation multiple, the Company derives the implied valuation and discounts back to present to arrive at the implied valuation outcomes.

(IV) The future prospects of the Target Company's principal business

To assess the future prospects of the Target Company's principal business, the Company primarily referenced disclosed broker consensus estimates of the Target Company ("**Broker Consensus**") which are retrieved from a subscription-based research platform as the baseline to reflect prevailing market expectations on the Target Company's upside potentials, driven by brand, product and channel improvement, continuous geographic expansion with inventory normalization, etc. In addition, the Company has also taken into consideration the potential longer-term growth that may arise from the potential partnerships of the two companies primarily collaboration in the Greater China region.

As disclosed by the Target Company in its earnings release for the nine months ended 30 September 2025, year 2026 is expected to be a transition year, with a return to growth and healthier profitability from 2027 and onwards. On this basis, the Company considered 2027 and 2028 as the relevant periods for assessing the Target Company's operating performance. Accordingly, the Company adopted the average of the Broker Consensus for the estimated revenue of the Target Company for 2027 and 2028 of EUR 7,553 million and EUR 8,045 million, respectively, and adjusted EBITDA of EUR 616 million and EUR 756 million, respectively. To derive next twelve months ("**NTM**") financials for a 2025 year-end based valuation, the Company discounted the 2027 and 2028 Broker Consensus revenue and adjusted EBITDA back to 2026 using the published broker average WACC estimate of 11.1%. The enterprise value ("**EV**") corresponding to the Consideration was then divided by the discounted revenue and adjusted EBITDA to arrive at the implied NTM EV/EBITDA and NTM EV/Sales multiples of the Consideration.

Based on the Broker Consensus revenue and adjusted EBITDA of the Target Company, the implied NTM EV/EBITDA was 14.6x and the implied NTM EV/Sales was 1.2x for 2027, the implied NTM EV/EBITDA was 13.3x and the implied NTM EV/Sales was 1.2x for 2028, respectively.

After comparing the abovementioned implied multiples of the Target Company reflected in the Consideration with those of the comparable companies, which were trading at an average of 13.1x NTM EV/EBITDA and 2.3x NTM EV/Sales, the Company considers these implied multiples are in-line with and within the range of the comparable companies' trading levels.

Having considered the information set out above, the Board considered the Consideration is fair and reasonable and in the interest of the Company and its shareholders as a whole.

The Consideration shall be funded by the Group's internal resources, including its working capital.

Additional Payments under Certain Events

The Company agrees to make the following additional payments to the Seller in the event that any applicable public takeover offer, mandatory offer, acquisition offer, delisting takeover offer or squeeze-out of the Target Company described below shall be published or initiated within fifteen (15) months after the Effective Transfer Date:

(i) An additional purchase price ("**Additional Aggregate Purchase Price 1**") shall be payable by the Company to the Seller in the event that, within fifteen (15) months after the Effective Transfer Date, the Company or its affiliates or persons acting in concert (or deemed to be acting in concert) with it in relation to the Target Company (a) publishes one or more offers to acquire shares in the Target

Company under the German Securities Acquisition and Takeover Act (*WpÜG*) ("**SATA**"), irrespective of whether by way of a public takeover offer, a mandatory offer or an acquisition offer under the applicable provisions of the SATA (in each case a "**Takeover Offer**"); or (b) publishes a delisting takeover offer under applicable provision of German Stock Exchange Act (*BörsG*) (the "**Delisting Offer**"); or (c) initiates any form of squeeze-out by requesting the transfer of shares of the minority shareholders of the Target Company (the "**Squeeze-out**"), the exact amount of which shall be calculated based on a formula set out in the Share Purchase Agreement which takes into account, among others, the relevant dilution ratio and prices per share in the Target Company offered in the Takeover Offer, Delisting Offer or Squeeze-out, as the case may be. The payment of the Additional Aggregate Purchase Price 1 shall be subject to the completion of the Takeover Offer, the Delisting Offer or the Squeeze-out, as the case may be.

(ii) An additional purchase price ("**Additional Aggregate Purchase Price 2**", together with Additional Aggregate Purchase Price 1, the **"Additional Aggregate Purchase Prices**") shall be payable by the Company to the Seller in the event that, within fifteen (15) months after the Effective Transfer Date: (i) the Company or its affiliates or persons acting in concert (or deemed to be acting in concert) with it in relation to the Target Company publishes a Takeover Offer, a person other than the Seller or any of its affiliates or persons acting in concert (or deemed to be acting in concert) with it in relation to the Target Company ("**Relevant Third Party**") publishes a competing Takeover Offer in relation to that Takeover Offer (the "**Competing Offer**"), and the Company or any of its affiliates sells all or part of the Target Shares to the bidder under the Competing Offer; (ii) a Relevant Third Party publishes a Takeover Offer (a "**Third Party Takeover Offer**"), and the Company or any of its affiliates sells all or part of the Target Shares to the Relevant Third Party under the Third Party Takeover Offer; and/or (iii) the Company or any of its affiliates sells all or part of the Target Shares (on or out of the market) to any person (identified or not) other than any of its affiliates (a "**Third Party Sale**"), the exact amount of which shall be calculated based on a formula set out in the Share Purchase Agreement which takes into account, among others, the relevant dilution ratio and prices per share in the Competing Offer, Third Party Takeover Offer or Third Party Sale, as the case may be. The payment of the Additional Aggregate Purchase Price 2 shall be subject to completion of the Competing Offer, the Third Party Takeover Offer, or the Third Party Sale, as the case may be.

The detailed formula for determination of Additional Aggregate Purchase Prices is set out below:.

For Additional Aggregate Purchase Price 1:

The net Additional Aggregate Purchase Price 1 payable by the Purchaser to the Seller shall be calculated in accordance with the following formula provided that the Additional Aggregate Purchase Price 1 is a positive figure:

AAP1 = (N2 × RPS) – (CAP + PAAP)

where:

"**AAP1**" means the Additional Aggregate Purchase Price 1;

"**N2**" means the number of Shares to be transferred to the Purchaser pursuant to the Share Purchase Agreement ("**N**") multiplied by **DR**:

N2 = N x DR

"DR" means a dilution ratio equal to:

– the number of shares comprising the whole share capital of the Target Company as of (i) in the case of a Takeover Offer or a Delisting Offer, the last day of the acceptance period of such Takeover Offer or Delisting Offer, and (ii) in the case of a Squeeze-out, the date of the shareholders' meeting resolving upon the Squeeze-out, divided by

– the number of shares comprising the whole share capital of the Target Company at the Effective Transfer Date,

in each case disregarding any transaction affecting the share capital of the Target Company other than a subdivision or consolidation of shares in the Target Company completed at any time between (but excluding) the Effective Transfer Date and (including) (i) in the case of a Takeover Offer or a Delisting Offer, the last day of the acceptance period of such Takeover Offer or Delisting Offer, and (ii) in the case of a Squeeze-out, the date of the shareholders' meeting resolving upon the Squeeze-out;

"**RPS**" (*reference price per share*) means the price per share in the Target Company offered under the Takeover Offer or, as the case may be, a Delisting Offer or a Squeeze-out (as finally determined). It is specified that the Purchaser shall use its best efforts within the limits of its powers as a shareholder of the Target Company and member of the Supervisory Board to ensure that no dividend distribution in excess of €0.70 per share in the Target Company is made at the Target Company's 2027 annual general meeting called to approve the Target Company's financial statements for the year ending 31 December 2026. For the avoidance of doubt, the parties agree that there shall be no restrictions on the Purchaser's voting rights with regard to the shares in the Target Company beyond the undertaking in the preceding sentence, i.e. the undertaking shall apply only for the resolution on the dividend distribution to be made at the Target Company's 2027 annual general meeting, not restricting the Purchaser's voting rights on any other item or resolution within the responsibility of the Target Company's general meeting. The parties furthermore confirm that, neither by virtue of the Share Purchase Agreement nor on the basis of any other understanding they are, or will be, acting jointly or in concert with regard to the Target Company, in particular within the meaning of Section 2 para. 5 or Section 30 para. 2 of the German Securities Acquisition and Takeover Act (*WpÜG*) or Section 34 para. 2 of the German Securities Trading Act (*WpHG*).

"**CAP**" means the Closing Aggregate Purchase Price; and

"**PAAP**" means, (i) in the event of a Takeover Offer, Delisting Offer or Squeeze-out, any prior Additional Aggregate Purchase Price 1 paid in relation to any other prior Takeover Offer, Delisting Offer or Squeeze-out or (ii) in the event of a prior Competing Offer, a prior Third Party Takeover Offer or a Third Party Sale, any prior Additional Aggregate Purchase Price 2.

For purposes of determination of the RPS:

– should a Takeover Offer or, as the case may be, a Delisting Offer (as the case may be increased) be a cash offer, and in case of a Squeeze-out, the price per share in the Target Company offered under that Takeover Offer or, as the case may be, the Delisting Offer or the Squeeze-out, shall be equal to the price per share in the Target Company paid in cash;

– should a Takeover Offer or, as the case may be, a Delisting Offer (as the case may be increased) be an exchange offer, the price per share in the Target Company offered under that Takeover Offer or, as the case may be, the Delisting Offer shall be equal to the product of (a) the closing volume-weighted average price of the offered securities on the relevant primary regulated market over the 3-month period prior to the publication of the intention to launch the Takeover Offer or the Delisting Offer and (b) the exchange ratio;

– should a Takeover Offer or, as the case may be, a Delisting Offer (as the case may be increased) be a mixed offer, the price per share in the Target Company offered under that Takeover Offer or, as the case may be, the Delisting Offer shall be equal to the sum of (x) the product of (a) the closing volume-weighted average price of the offered securities on the relevant primary regulated market over the 3-month period prior to the publication of the intention to launch the Takeover Offer or a Delisting Offer and (b) the exchange ratio and (y) the cash amount.

For Additional Aggregate Purchase Price 2:

The net Additional Aggregate Purchase Price 2 shall be paid by the Purchaser to the Seller shall be calculated in accordance with the following formula provided that the Additional Aggregate Purchase Price 2 is a positive figure:

AAP2 = (N2 × SRPS) – [(CAP + PAAP)/(N × DR)] × N2

where:

"**AAP2**" means the Additional Aggregate Purchase Price 2;

"**N2**" means the lower of (i) the number of Target Shares sold by the Purchaser (or any of its Affiliates) under a Competing Offer, a Third Party Takeover Offer or a Third Party Sale and (ii) the number of Target Shares to be transferred to the Purchaser pursuant to the Share Purchase Agreement ("**N**") multiplied by **DR**;

"**DR**" means a dilution ratio equal to:

– the number of shares comprising the whole share capital of the Target Company at the date on which (a) the price per share in the Target Company offered under the Competing Offer or the Third Party Takeover Offer has been determined in accordance with the final offer document upon expiry of the acceptance period of such Competing Offer or Third Party Takeover Offeror (b) the Third Party Sale is completed, divided by

– the number of shares comprising the whole share capital of the Target Company at the Effective Transfer Date,

in each case disregarding any transaction affecting the share capital of the Target Company other than a subdivision or consolidation of shares in the Target Company completed at any time between (but excluding) the Effective Transfer Date and (and including) (a) the date on which the price per share in the Target Company offered under the Competing Offer or the Third Party Takeover Offer has been determined in accordance with the final offer document upon expiry of the acceptance period of such Competing Offer or Third Party Takeover Offer or (b) the date on which the Third Party Sale is completed;

"**SRPS**" *(share reference price per share)* means the price per share in the Target Company offered under the Competing Offer, the Third Party Takeover Offer (in each case as finally determined) or, as the case may be, the Third Party Sale. It is specified that the Purchaser shall use its best efforts within the limits of its powers as a shareholder of the Target Company and member of the Supervisory Board to ensure that no dividend distribution in excess of €0.70 per share in the Target Company is made at the Target Company's 2027 annual general meeting called to approve the Target Company's financial statements for the year ending 31 December 2026. For the avoidance of doubt, the parties agree that there shall be no restrictions on the Purchaser's voting rights with regard to the shares in the Target Company beyond the undertaking in the preceding sentence, i.e. the undertaking shall apply only for the resolution on the dividend distribution to be made at the Target Company's 2027 annual general meeting, not restricting the Purchaser's voting rights on any other item or resolution within the responsibility of the Target Company's general meeting. The parties furthermore confirm that, neither by virtue of the Share Purchase Agreement nor on the basis of any other understanding they are, or will be, acting jointly or in concert with regard to the Target Company, in particular within the meaning of Section 2 para. 5 or Section 30 para. 2 of the German Securities Acquisition and Takeover Act (*WpÜG*) or Section 34 para. 2 of the German Securities Trading Act (*WpHG*).

"**CAP**" means the Closing Aggregate Purchase Price; and

"**PAAP**" means in the event of a Takeover Offer, a Delisting Offer or a Squeeze-out, any prior Additional Aggregate Purchase Price 1 paid in relation to the Takeover Offer, the Delisting Offer or the Squeeze-out.

For purposes of determination of the SRPS:

– should a Competing Offer or a Third Party Takeover Offer be a cash offer, the price per share in the Target Company offered under that Competing Offer or Third Party Takeover Offer shall be equal to the price per share in the Target Company paid in cash;

– should a Competing Offer or a Third Party Takeover Offer be an exchange offer, the price per share in the Target Company offered under that Competing Offer or Third Party Takeover Offer shall be equal to the higher of:

    – the closing volume-weighted average price of the Target Company's shares on the relevant primary regulated market over the four (4) trading day period prior to the end of the acceptance period for the Competing Offer or the Third Party Takeover Offer; and

    – the product of (a) closing volume-weighted average price of the offered securities on the relevant primary regulated market over the 3-month period prior to the publication of the intention to launch the Competing Offer or the Third Party Takeover Offer and (b) the exchange ratio;

– should a Competing Offer or a Third Party Takeover Offer be a mixed offer the price per share in the Target Company offered under that Competing Offer or Third Party Takeover Offer shall be equal to the higher of:

  – the closing volume-weighted average price of the Target Company's shares on the relevant primary regulated market over the four (4) trading day period prior to the end of the acceptance period of the Competing Offer or the Third Party Takeover Offer; and

  – the sum of (x) the product of (a) the closing volume-weighted average price of the offered securities on the relevant primary regulated market over the 3-month period prior to the publication of the intention to launch the Competing Offer or the Third Party Takeover Offer and (b) the exchange ratio and (y) the cash amount.

Whilst the terms "RPS" and "SRPS" above provide both that the Company shall use its best efforts within the limits of its powers as a shareholder of the Target Company and member of the Supervisory Board to ensure that no dividend distribution in excess of €0.70 per share in the Target Company is made at the Target Company's 2027 annual general meeting, it is noted that:

(i) following the completion of the Acquisition, the Company will not have any appointment rights regarding Supervisory Board members of the Target Company under either the articles of association of the Target Company or German law applicable to a European Company with its registered seat in Germany irrespective of the Company's shareholding level in the Target Company. The Supervisory Board consists of seven members, five of whom are shareholder representatives and two are employee representatives. Shareholder representatives of the Supervisory Board are elected by a simple majority of the votes cast at the shareholders' meeting of the Target Company. All members of the Supervisory Board are, by law, required to exercise their office in the best interest of the Target Company and are not subject to instructions from individual shareholders. It is currently expected that the Company, after completion of the Acquisition, will seek to nominate up to two representatives to the Supervisory Board of the Target Company, who shall be subject to election by all shareholders of the Target Company. Even if successfully elected, these representatives will not, on their own, hold a majority on the Supervisory Board;

(ii) consistent with European and German company law, any dividend distributions of the Target Company will be initiated by the management board of the Target Company and the Supervisory Board submitting non-binding resolution proposals to be decided by the shareholders' meeting of the Target Company, by a simple majority of the votes cast. By holding a 29.06% stake in the share capital of the Target Company acquired under the Acquisition, it is unlikely that the Company would be able, on its own, to secure a simple majority at shareholders' meetings of the Target Company. As such, the Company is not expected to be able to, on its own, "ensure" a dividend distribution in excess of EUR 0.70 per share in the Target Company will not be passed.

In light of the circumstances and limitations set out above, the provision in the terms "RPS" and "SRPS" above only requires the Company to use its best efforts within its power as a minority shareholder of the Target Company and having representatives on the Supervisory Board, does not constitute an absolute obligation on the part of the Company to "ensure" a particular outcome.

Whilst the formula for determination of Additional Aggregate Purchase Prices do not contain a price ceiling, the Company does not currently expect these payments will be triggered in view that:

(i) Additional Aggregate Purchase Price 1 will only be triggered if, within 15 months from the Effective Transfer Date, the Company or its affiliates or persons acting in concert (or deemed to be acting in concert) with it in relation to the Target Company, initiate a Takeover Offer, Delisting Offer or Squeeze Out.

The Company does not have any plan in the foreseeable future to initiate the above transactions during the said period, and is not aware any of its affiliates or persons acting in concert with it (or deemed to be acting in concert with it) in relation to the Target Company has any plan in the foreseeable future to initiate such transactions during the same period.

(ii) Additional Aggregate Purchase Price 2 will only be triggered if, within 15 months from the Effective Transfer Date, (a) a third party launches a Competing Takeover Offer after a Takeover Offer is initiated, AND the Company or its affiliates sells all or part of the Target Shares under such Competing Takeover Offer, or (b) a Third Party Takeover Offer is launched AND the Company or its affiliates sells all or part of the Target Shares under the Third Party Takeover Offer; or (c) the Company or its affiliates sells all or part of the Target Shares under a Third Party Sale.

For (a), as explained above, the Company does not have any plan in the foreseeable future, and is not aware any of its affiliates have such plan in the foreseeable future, to launch any Takeover Offer during the said period. Accordingly, the Company does not expect any Competing Takeover Offer will be initiated. In any event, for all of (a) to (c) above, the Company has no plan in the foreseeable future to sell any of the Target Shares it acquires under the Acquisition and/or to participate in the above transactions during such period. Before the Company and/or its affiliates decide(s) to take any actions that will trigger the Additional Aggregate Purchase Prices, the Company will ensure that the Acquisition will not become a very substantial acquisition of the Company under the Listing Rules.

(iii) Solely for the purpose of illustration, based on the size test calculation of the Acquisition as at 26 January 2026, being the date of the Share Purchase Agreement, in order for the Acquisition to constitute a very substantial acquisition for the Company under the Listing Rules, the Consideration plus either Additional Aggregate Purchase Price 1 or Additional Aggregate Purchase Price 2 (as applicable) shall reach EUR24,299,332,842, which means, adopting the formula for calculation of Additional Aggregate Purchase Price 1 or Additional Aggregate Purchase Price 2 set out in above, the Consideration plus offer price or sale price (as applicable) under the Takeover Offer, Delisting Offer, Squeeze-out, Competing Offer, the Third Party Takeover Offer or Third Party Sale shall reach EUR564.9 per Target Share or more.

In view that the Consideration was at EUR35.0 per Target Share, the Company does not consider there is any reasonable ground to believe that the offer price or sale price (as applicable) under the above scenarios will be at such an implausible price level which will result in the Acquisition becoming a very substantial acquisition of the Company under the Listing Rules.

Conditions Precedent

The transfer and assignment of the Target Shares under the Share Purchase Agreement are subject to the occurrence of the following conditions precedent:

(i) the Antitrust Clearance from each Competition Authority having been obtained;

(ii) the Acquisition has been approved by the shareholders of the Company in accordance with, and to the extent required by, applicable law (including the Listing Rules);

(iii) the Acquisition has been approved by the National Development and Reform Commission of the PRC; and

(iv) the Acquisition has been approved by the relevant foreign direct investment authority(ies) to which the Acquisition shall, acting reasonably, be notified under applicable laws, rules and/or regulations,

together (the "**Closing Conditions**", and the Business Day on which the Closing Conditions have been fulfilled shall be the "**Unconditional Date**").

The Share Purchase Agreement did not provide that any parties have any right to waive any of the above conditions.

As at the Latest Practicable Date, condition (ii) above has been satisfied. The Company has been following up with relevant authorities and to ensure all remaining conditions will be satisfied in due course.

It is expected that the aforementioned Closing Conditions will be fulfilled, with the Unconditional Date in the fourth quarter of 2026.

Closing

Closing shall take place on the fifteenth Business Day (the "**Closing Date**") after the Unconditional Date. At the Closing, among other things, (i) the Seller shall instruct its depository bank to book the Target Shares with effect as of the Effective Transfer Date from the Seller's securities deposit account to the Company's securities deposit account; and (ii) the Company shall instruct its depository bank to pay the Consideration to the Seller's bank account on, and with the value date as of, the Effective Transfer Date.

Warranties and Indemnities

Each of the Company and the Seller has provided customary warranties, undertakings, and indemnities for a transaction of similar nature in favour of each other.

Termination

Other than in accordance with below, no Party shall be entitled to rescind or terminate the Share Purchase Agreement in any circumstances whatsoever (whether before or after Closing):

(i) in the event that the Unconditional Date has not occurred on or before 31 December 2026, the Share Purchase Agreement shall terminate on the next Business Day; and

(ii) if the Company or the Seller fails to comply with any obligations with respect to the Closing under the Share Purchase Agreement, the Company (if the defaulting party is the Seller) or the Seller (if the defaulting party is the Company) shall be entitled by written notice to the other party to terminate the Share Purchase Agreement.

In the event that the Unconditional Date has not occurred on or before 31 December 2026, the Seller shall be entitled to a payment by the Company of an amount of EUR100,000,000 corresponding to the price for the standstill on the Target Shares and the exclusivity undertaking granted by the Seller to the Company.

INFORMATION ON THE SELLER

The Seller is a French simplified joint stock company (*société par actions simplifiée*), which is the investment company of the Pinault family with interests in a wide array of businesses. The ultimate beneficial owner of the Seller is François-Henri Pinault.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Seller and its ultimate beneficial owners are Independent Third Parties as of the date of this circular.

INFORMATION ON THE TARGET COMPANY AND TARGET GROUP

The Target Company is a European Company (*Societas Europaea*) organised under the laws of Germany. Its shares are admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange in its Prime Standard segment, the regulated market *(Regulierter Markt)* of the Munich Stock Exchange, and are also traded on various other German regulated markets and open markets (*Freiverkehr*), including the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart. German stock exchange law does not distinguish between a primary and a secondary listing, and admission to the regulated market carries comprehensive disclosure and reporting obligations. The principal trading venue of Puma SE's shares is the Frankfurt Stock Exchange.

The Target Company is principally engaged in the development and sale of a broad range of sports and sports lifestyle products, including footwear, apparel and accessories with the PUMA brand. As of the Latest Practicable Date, the total number of issued shares of the Target Company is 148,007,926.

Financial Information of the Target Group

Set out below is certain consolidated financial information extracted from the audited financial statements of the Target Group for the years ended 31 December 2023, 2024 and 2025:

	For the year ended/ As at 31 December		
	2023	**2024***	**2025**
	EUR million	*EUR million*	*EUR million*
Sales	8,601.7	8,398.0	7,296.2
Adjusted operating result (adjusted EBIT)	621.6	548.7	(165.6)
Operating result (EBIT)	621.6	548.7	(357.2)
Net income/(loss)	360.6	342.3	(615.2)
Total assets	6,640.4	7,140.6	6,454.6

* As announced on 11 November 2025, the Target Group moved from a business partnership to a licensing agreement structure with its long-term partner United Legwear. This change took effect on 1 November 2025. As a result, PUMA United is classified as a discontinued operation in the Target Group's financial reporting from November 2025 onwards. Accordingly, the FY2024 figures in the consolidated income statement were restated for comparative purposes.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition represents an important step in the Group's execution of its "Single-focus, Multi-brand, and Globalization" strategy. PUMA, as a globally renowned and internationally leading sports brand with a deep and established heritage, holds extensive worldwide influence across both professional and lifestyle sports. Its global business footprint and focused positioning in sports categories are highly complementary to the Group's existing multi-brand and specialised business. Through the acquisition of a strategically significant minority stake and becoming the Target Company's largest shareholder, the Group is expected to further enhance its presence and brand recognition in the global sporting goods market, thereby strengthening its overall international competitiveness.

The Group has a proven and well-evidenced track record in supporting multi-brand transformation, value rejuvenation, and high-quality growth across both the China and global markets, supported by its distinctive and mature "brand+retail" business model, together with its capabilities in multi-brand integrated management and retail operations, the Group has established a brand-building, retail execution, and supply-chain management system that supports global development. The Group intends to seek adequate representation in the Supervisory Board as soon as possible after the settlement of the transaction. The representative(s) will work closely with the other Supervisory Board members from both the shareholders' and employee representatives' side, while preserving PUMA's strong brand identity and heritage, with an aim to help empower PUMA to fully realise its brand potential, stimulate its brand advantages and heritage, and create long-term value for global consumers and stakeholders.

For the foregoing reasons, the Directors are of the view that the terms of the Share Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms agreed upon after arm's length negotiations between the parties with reference to the prevailing market conditions and are fair and reasonable, and are in the interests of the Group and the Shareholders as a whole.

The Directors expect that the Company could not obtain control of Puma SE under the Acquisition but could exercise significant influence over the relevant activities of the Target Group. Therefore, the equity interest of the Target Company acquired by the Company will be accounted for using equity method as "investments in associates" of the Group and the Company would share the post-acquisition profit/loss of the Target Group.

Upon Completion of the Acquisition, Puma SE will become an associate of the Company and its results will be equity accounted for in the consolidated financial statements of the Group. Based on the unaudited pro forma financial information of the Group as set out in Appendix IV of this circular, assuming the Acquisition had completed on 31 December 2025, there would be no impact on the current liabilities, non-current liabilities and total liabilities; there would also be no gain or loss arising from the Acquisition. For the impact of Acquisition on the current assets, non-current assets and total assets: according to the annual report of the Group for the year ended 31 December 2025, the Group's current assets, non-currents and total assets as at 31

December 2025 were approximately RMB59,656 million, RMB64,639 million and RMB124,295 million respectively. Based on the unaudited pro forma financial information of the Group as set out in Appendix IV of this circular, assuming the Acquisition had completed on 31 December 2025, the Group's current assets, non-currents and total assets would be approximately RMB48,166 million, RMB76,129 million and RMB124,295 million respectively. For details of the effect of the Acquisition, please refer to Appendix IV for the unaudited pro forma financial information of the Group.

INFORMATION ABOUT THE COMPANY

ANTA was established in 1991; while ANTA Sports Products Limited, a widely recognized global sportswear company, was listed on the Main Board of Hong Kong Stock Exchange in 2007 (Stock Codes: 2020 (HKD counter) and 82020 (RMB counter)). The mission of the Company is to bring the transcendent sports spirit into everyone's life. The Company principally engages in R&D, design, manufacturing, marketing and sales of professional sports products including footwear, apparel and accessories. By embracing an all-round brand portfolio including ANTA, FILA, DESCENTE, KOLON SPORT, JACK WOLFSKIN, MAIA ACTIVE, etc., the Company aims to unlock the potential of both the mass and high-end sportswear markets. The Company is also the largest shareholder of Amer Sports, Inc., a global group of iconic sports and outdoor brands including Arc'teryx, Salomon, Wilson, Peak Performance and Atomic, whose shares are listed on the New York Stock Exchange (NYSE: AS).

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 25% but is less than 100%, such transaction constitutes a major transaction for the Company and is therefore subject to the reporting, announcement, and shareholders' approval requirements under Chapter 14 of the Listing Rules.

None of the Directors has a material interest in the Acquisition and therefore has to abstain from voting on the board resolution of the Company to approve the Acquisition, the terms of the Share Purchase Agreement and the transaction contemplated thereunder.

WRITTEN SHAREHOLDERS' APPROVAL

No Shareholder or any close associate of any Shareholder has a material interest in the Acquisition and no shareholder is required to abstain from voting if the Company were to convene a general meeting to approve, among other things, the Acquisition and the Share Purchase Agreement.

On 13 February 2026, the Company has received Written Approvals from Anta International, and its wholly-owned subsidiaries Anda Holdings and Anda Investments, pursuant to which each of them has approved the Share Purchase Agreement and the Acquisition. As at the Latest Practicable Date, Anta International, Anda Holdings and Anda Investments is holding 1,201,125,000 Shares, 160,875,000 Shares and 115,500,000 Shares, respectively, and

1,477,500,000 Shares in aggregate, representing approximately 52.83% of the total issued Shares. Accordingly, pursuant to Rule 14.44, no extraordinary general meeting of the Company will be convened to approve the Acquisition and the Share Purchase Agreement and the transactions contemplated thereunder.

WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

Pursuant to Rule 14.41(a) of the Listing Rules, as the Share Purchase Agreement and the Acquisition was approved by way of Written Approvals, a circular containing, amongst other things, further information of the Acquisition, the financial and other information of the Target Company, and the unaudited pro forma financial information of the Group is required to be despatched to the Shareholders within 15 business days after publication of the First Announcement. Given that additional time is required for the Company to prepare and finalise the information for inclusion in this circular, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.41(a) of the Listing Rules to extend the deadline for despatch of this circular to on or before 24 April 2026.

Pursuant to Rule 14.67(6)(a)(i), an accountants' report on the Target Company prepared in accordance with the requirements of Chapter 4 of the Listing Rules shall be included in this circular. However, as the Target Company will not become a subsidiary of the Company upon the Closing, the Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 14.67(6)(a)(i) on the following grounds:

(i) The Target Company is a European Company (*Societas Europaea*) organised under the laws of Germany. Its shares are admitted to trading on the Regulated Market (*Regulierter Markt*) (Prime Standard) of the Frankfurt Stock Exchange, which is a "Recognised Stock Exchange" as defined under Rule 1.01 of the Listing Rules, and additionally on the Regulated Market of Börse München. In addition, the shares of Puma SE are also traded on the open markets (*Freiverkehr*) of several regional German stock exchanges, including Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart.

As an issuer on a German Regulated Market, the Target Company is subject to EU regulations, primarily Regulation (EU) No. 596/2014 (Market Abuse Regulation) and Regulation (EU) 2017/1129 (Prospectus Regulation), as well as German statutory capital markets laws, including the German Stock Exchange Act (*Börsengesetz*), the German Securities Trading Act (*Wertpapierhandelsgesetz*), the German Securities Prospectus Act (*Wertpapierprospektgesetz*), and the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*). In addition, the Target Company must comply with the exchange rules (*Börsenordnungen*) and admission requirements of the Frankfurt and Munich exchanges. Regional exchange rules apply only where the shares are admitted on those markets, but their regulatory significance is limited compared to the Frankfurt and Munich exchanges.

In the context of securities regulation, the central authority in Germany, the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, "**BaFin**"), is responsible for securities regulation and supervision. BaFin's role is to oversees all German regulated securities markets, including prospectus approval, market abuse supervision, notification of major shareholdings, directors' dealings, and takeover regulation. In addition, state-level authorities exercise operational oversight of exchange trading (*Börsenaufsicht*), but substantive securities regulation is exclusively handled by BaFin. According to the official website of IOSCO (https://www.iosco.org/v2/about/?subSection=mmou&subSection1=signatories, Signatories to Appendix A and Appendix B List), BaFin is also the regulatory authority overseeing listed companies to protect the interests of investors and ensure compliance in the capital market in Germany, is the signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information ("**IOSCO MMoU**").

(ii) As a listed company, the Target Company publishes its interim and annual financial reports on a regular basis in compliance with applicable German securities laws and regulations, which reports are prepared by the management of Puma SE and audited by its external auditors, KPMG AG Wirtschaftsprüfungsgesellschaft (for annual results).

(iii) KPMG AG Wirtschaftsprüfungsgesellschaft is a firm with an international name and reputation and registered in the commercial register of the Local Court of Berlin-Charlottenburg (HR B number 106191). In the public professional register maintained by the WPK (*Wirtschaftsprüferkammer*, German Chamber of Public Auditors), KPMG AG Wirtschaftsprüfungsgesellschaft is registered as a statutory auditor. The WPK, a member of the International Federation of Accountants ("**IFAC**"), is subject to public professional oversight by the APAS (*Abschlussprüferaufsichtsstelle*), the German Auditor Oversight Body, which operates under the Federal Office for Economic Affairs and Export Control (*Bundesamt für Wirtschaft und Ausfuhrkontrolle*). KPMG AG Wirtschaftsprüfungsgesellschaft is also a member firm of the reputable international accounting practice of KPMG International Limited, one of the big four international professional services firms.

(iv) According to public disclosure of the Target Company, its consolidated financial statements of were prepared in accordance with the "International Financial Reporting Standards (IFRS)" accounting standards issued by the International Accounting Standards Board (IASB), as they are to be applied in the EU ("**IFRS-EU**"), and the supplementary accounting principles to be applied in accordance with Section 315e(1) of the German Commercial Code (HGB). Puma SE's auditors have issued unqualified audit opinions on Puma SE's financial statements for the year ended 31 December 2023 and 2024 and 2025.

In addition, the consolidated financial statements of the Target Company were audited in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 ("**EU**

Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer*, "**IDW**").

(v) Under the Listing Rules, both International Standards on Auditing ("**ISA**") issued by the International Auditing and Assurance Standards Board and Hong Kong Standards on Auditing ("**HKSA**") issued by the Hong Kong Institute of Certified Public Accountants are acceptable audit standards. With respect to the audit standards followed by the auditor of the Target Company, Section 317 HGB defines the scope and nature of a statutory audit for a company's financial statements according to local regulations and practical requirements in Germany. In addition, EU Audit Regulation is a significant piece of legislation designed to enhance the quality of audits across the European Union. It specifically targets Public-Interest Entities (PIEs), which include listed companies, credit institutions, and insurance undertakings. It introduced strict requirements to focus on independence of auditors and professional skepticism. With respect to German Generally Accepted Standards for Financial Statement Audits promulgated by IDW, according to website of International Federation of Accountants ("**IFAC**") (https://www.ifac.org/about-ifac/membership/profile/germany), IDW commenced a project in 2018 to adopt the German translation of the ISAs with specific German requirements (add-ons). The German language translations of ISAs are supplemented by add-ons necessary to reflect requirements under German (and EU law) and are applicable as "ISA-DE", which have been applicable for audits of all financial statements since 15 December 2022. Accordingly, the German Generally Accepted Standards for Financial Statement Audits promulgated by IDW has adopted the ISA, adapted with specific "D-paragraphs" to account for local legal nuances. Based on the aforementioned information, the Company considers that the German Generally Accepted Standards for Financial Statement Audit are comparable to the Hong Kong Generally Accepted Standards (i.e. ISA, HKSA). Having considered the aforementioned information shown on the official website of IFAC and discussed with professional staff from the KPMG member firm in Germany, the Company's auditor, KPMG, concurs with the Company's conclusion.

(vi) The Company prepares its financial statements in accordance with both the HKFRS Accounting Standards and the IFRS Accounting Standards. Having reviewed the published financial statements of the Target Company, the Company understands that the historical financial statements of the Target Company for the three financial years ended 31 December 2023, 2024 and 2025 have been prepared in accordance with IFRS-EU. To the best knowledge of the Directors and after discussion with the Company's auditor, KPMG, there is no material differences between the accounting standards adopted by the Target Company and the accounting standards adopted by the Company. The Company is of the view that the historical financial statements of the Target Company for the three financial years ended 31 December 2023, 2024 and 2025 already included all information required to be disclosed in an accountants' report under Chapter 4 of the Hong Kong Listing Rules. The Company's auditor, KPMG, conducted a thorough review of the Target Company's accounting policies as disclosed in the published financial statements of the Target Company for the three years ended 31 December 2023, 2024 and 2025, and compared them with those of the Company to identify any material differences. Based on these, KPMG concurred with the Company's conclusion that there were no material differences between the accounting policies adopted by the Target Company and those adopted by the Company. Consequently, no reconciliation is presented in this circular.

(vii) As of the date hereof, the Acquisition has not been completed and the Company has not yet acquired the Target Shares. In addition, upon completion of the Acquisition, the Target Company will not become a subsidiary of the Company, which will fall within the scenario set out in Rule 14.67(6)(a).

(viii) The Company understands that, as a listed company, the Target Company has to comply with all applicable securities law and regulations, including preservation of material non-public information. In addition, as advised by the Company's German legal advisers, even upon completion of the Acquisition, the equity interest to be held by Company in Puma SE will not entitle the Company to access any non-public information in Puma SE outside its shareholders' meeting, including its financial information under applicable German law before it is being published. As such, given the Acquisition has not yet been completed, and is yet subject to regulatory clearance including but not limited to merger control, the Company considered that it is not entitled and not appropriate to request Puma SE to provide access to any of its non-public information to the Company or disclose such information in this circular. Therefore, it poses practical difficulties for the Company to obtain sufficient access to the underlying books and records of the Target Company, which is also a listed company with its financial statements audited in accordance with applicable rules and whose information is subject to unpublished price-sensitive restrictions under the listing rules of the Frankfurt Stock Exchange. Nonetheless, such information would be essential for the Company's auditor to conduct an audit or a review on the relevant financial information and analysis of other information of the Target Company for the purpose of complying with Rule 14.67(6)(a) of the Listing Rules.

(ix) The Company estimates that there would be considerable costs, resources and time expected to be incurred to prepare the accountants' report of Puma SE in compliance with Rule 14.67(6)(a) of the Listing Rules and would not provide additional valuable information to the Shareholders. In terms of the costs, it is estimated that it would cost over EUR7 million to prepare an accountants' report in compliance with Rule 14.67(6)(a) of the Listing Rules for the financial years ended 31 December 2023, 2024 and 2025. This estimate was based on the audit fee of Puma SE for the financial year ended 31 December 2025, which was EUR2.6 million. In terms of resources and time, Puma SE has over 100 subsidiaries operating in more than 120 countries. The resources and time required to liaise with and obtain the financial records, documentation, and other materials from Puma SE are expected to be substantial, and it is expected to take more than 6 months for the Company's auditor to complete the audit of Puma SE's relevant financial information, which would be an undue burden on the Company.

ALTERNATIVE DISCLOSURE

As an alternative to prepare and include the accountants' report of Puma SE for the three years ended 31 December 2025 in this circular, to facilitate the Shareholders and potential investors of the Company to evaluate the Acquisition, the Company has included the audited financial statements and the independent auditor's report of the Target Company for the three financial years ended 31 December 2025, as extracted from the annual reports of the Target Company, which are set out in Appendix II to this circular. Having reviewed the published financial statements of the Target Company, the Company understands that the historical financial statements of the Target Company for the three financial years ended 31 December 2023, 2024 and 2025 have been prepared in accordance with IFRS-EU. To the best knowledge of the Directors and after discussion with the Company's auditor, KPMG, there is no material differences between the accounting standards adopted by the Target Company and the accounting standards adopted by the Company. The Company's auditor, KPMG, conducted a thorough review of the Target Company's accounting policies as disclosed in the published financial statements of the Target Company for the three years ended 31 December 2023, 2024 and 2025, and compared them with those of the Company to identify any material differences. Based on these, KPMG concurred with the Company's conclusion that there were no material differences between the accounting policies adopted by the Target Company and those adopted by the Company.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully,
For and on behalf of the Board of
ANTA Sports Products Limited
Ding Shizhong
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the three years ended 31 December 2023, 2024 and 2025 have been published and are available on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (ir.anta.com) respectively:

(a) the annual report of the Company for the year ended 31 December 2023 (pages 150 to 235) published on 10 April 2024, available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0410/2024041000433.pdf

(b) the annual report of the Company for the year ended 31 December 2024 (pages 133 to 219) published on 31 March 2025, available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0331/2025033100649.pdf

(c) the annual report of the Company for the year ended 31 December 2025 (pages 129 to 219) published on 9 April 2026, available on:

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0409/2026040900840.pdf

2. STATEMENT OF INDEBTEDNESS OF THE GROUP

As at 28 February 2026, being the Latest Practicable Date for the purpose of this statement of indebtedness of the Group prior to the printing of this circular, the Group had unguaranteed and unsecured bills payable (financing in nature) of approximately RMB10,900 million, bank loans of approximately RMB1,225 million, comprising current unguaranteed and unsecured bank loans of approximately RMB629 million and non-current unguaranteed and unsecured bank loans of approximately RMB596 million, lease liabilities of approximately RMB7,925 million, comprising current lease liabilities of approximately RMB3,579 million and non-current lease liabilities of approximately RMB4,346 million, zero coupon convertible bonds, unguaranteed, unsecured, listed on the Singapore Stock Exchange, due on 5 December 2029 of approximately RMB10,986 million and an unissued quota of 2025–2027 Renminbi debt financing instruments in the China Interbank Bond Market of RMB8,000 million.

Save as disclosed above, the Group did not, as of the close of business on 28 February 2026, being the Latest Practicable Date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any other term loans, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptance (other than normal trade bills) or acceptance credits or hire purchase commitments, any other mortgages and charges or any guarantees or any finance lease commitments or contingent liabilities.

3. WORKING CAPITAL STATEMENT OF THE GROUP

The Directors, after due and careful consideration, are of the opinion that, taking into account the financial resources available to the Group, including internally generated funds and the available facilities, and the impact of the Acquisition, the Group will have sufficient working capital for its business for at least 12 months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

At the Latest Practicable Date and to the best knowledge of the Directors, there was no material adverse change in the financial or trading position of the Group since 31 December 2025 (being the date to which the latest published audited financial statements of the Group were made up).

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Please refer to below for a statement on the financial and trading prospects of the Group, as extracted from the annual report of the Company for the year ended 31 December 2025. The Directors confirm that, as at the Latest Practicable Date, there have been no material changes to the financial and trading prospects of the Group.

Prospects

Looking ahead to 2026, domestic economy is expected to maintain steady growth despite uncertainties in the macroeconomic and consumer landscape. As the inaugural year of the country's 15th Five-Year Plan, national efforts to expand domestic demand should continue to underpin a stable and sizeable sportswear market. We anticipate both the professional and athleisure segments to deliver steady growth, alongside rapid expansion in outdoor sports, collectively driving stable overall industry growth. With a clear strategic roadmap, the Group will adhere to its "Single-focus, Multi-brand, Globalization" strategy, maintaining a long-term approach to drive sustainable, high quality growth.

As the Group's cornerstone brands, ANTA and FILA will deepen consumer mindshare, develop their market-recognized hero products, and enhance retail operational efficiency. Leveraging their scale and operational advantages, they aim to reinforce their foundations for delivering steady and sustainable growth. DESCENTE and KOLON SPORT, positioned as the growth brands, will maintain their focus on the outdoor and professional sports arenas. By sharpening their professional positioning, both brands are expected to sustain rapid expansion. Meanwhile, the Group will continue to nurture the potential of incubation-stage brands, including MAIA ACTIVE and JACK WOLFSKIN, by crafting high-quality products aligned with each brand's unique identity. JACK WOLFSKIN has already established itself as an all-scenario professional hiking brand and will unlock its brand value through well-matched products and distribution channels.

The Group will continue to anchor its development on two core pillars, product and operations, to drive high-quality growth through superior merchandise and efficient execution. On the product side, each brand will formulate medium-term product strategies centered on core categories, bestselling items and hero products to strengthen consumer recognition and enhance efficiency across the full product lifecycle. Operationally, all brands will prioritize operational excellence, with a focus on improving quality and efficiency, maintaining healthy inventory levels, enforcing stringent quality standards for new stores, and strengthening overall retail performance.

Southeast Asia serves as a key strategic bridgehead for the Group's globalization. The Group is now actively advancing the "ANTA Southeast Asia Thousand Stores Plan", with the goal of establishing 1,000 points of sales for ANTA across the region by 2028. Additionally, the Group is actively investing in local digitalization, logistics and supply chain infrastructure, while gradually expanding into adjacent markets such as South Asia, Australia, New Zealand and India, applying our proven operational knowledge from Southeast Asia to these new regions.

From a mid- to long-term perspective, the Group will continue to invest in its future development, focusing on four core strategic priorities: First, optimizing brand resources and making strategic deployments across its distribution channels. Second, strengthening core product capabilities by recruiting and nurturing design talent, upgrading craftsmanship and advancing collaborative innovation with academic and research partners to boost product competitiveness. Third, expanding overseas markets by building overseas channels and supply chain capabilities to accelerate globalization. Fourth, accelerating digitalization and AI development to empower efficient business growth through technology and establish a solid foundation for the Group's mid- and long-term growth.

A. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

The following is an extract of the audited consolidated financial statements of the Target Group for the year ended 31 December 2025, which were prepared in accordance with IFRS, from the Target Group's Annual Report 2025 (pages 231 – 349).

Specific page/section references mentioned in the audited consolidated financial statements of the Target Group for the year ended 31 December 2025 are referred to in the Target Group's Annual Report 2025 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

T.01 CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF PUMA SE

	Notes	**31/12/2025** *€ million*	**31/12/2024** *€ million*
Assets			
Cash and cash equivalents	3	290.0	368.2
Inventories	4	2,060.0	2,013.7
Trade receivables	5	913.4	1,246.5
Income tax receivables	22	103.4	87.6
Other current financial assets	6	85.8	328.3
Other current assets	7	317.7	260.9
Current assets		3,770.3	4,305.2
Deferred tax assets	8	211.0	243.6
Property, plant and equipment	9	712.3	765.7
Right-of-use assets	10	1,103.8	1,116.8
Intangible assets	11	547.2	585.8
Other non-current financial assets	12	60.2	95.4
Other non-current assets	12	49.7	28.1
Non-current assets		2,684.3	2,835.4
Total assets		6,454.6	7,140.6
Liabilities and equity			
Current borrowings	13	929.3	131.6
Trade payables	13	1,271.4	1,893.5
Income tax liabilities	22	54.5	69.1
Current lease liabilities	10	217.6	220.6
Other current provisions	16	56.5	39.0
Other current financial liabilities	13	144.1	47.1
Other current liabilities	13	523.4	470.0
Current liabilities		3,196.8	2,870.9

	Notes	31/12/2025 *€ million*	31/12/2024 *€ million*
Non-current borrowings	13	424.2	356.4
Non-current lease liabilities	10	1,011.2	1,010.0
Deferred tax liabilities	8	5.2	14.2
Pension provisions	15	25.6	27.3
Other non-current provisions	16	26.4	29.3
Other non-current financial liabilities	13	3.7	2.9
Other non-current liabilities	13	0.6	1.1
Non-current liabilities		1,496.9	1,441.0
Subscribed capital	17	148.0	149.7
Capital reserve	17	97.7	94.8
Other reserves	17	1,532.8	2,602.5
Treasury shares	17	-17.6	-19.3
Equity attributable to the shareholders of PUMA SE		1,760.9	2,827.7
Non-controlling interests	17, 29	0.0	0.9
Total equity		1,760.9	2,828.6
Total liabilities and equity		6,454.6	7,140.6

CONSOLIDATED INCOME STATEMENT

T.02 CONSOLIDATED INCOME STATEMENT OF PUMA SE

		2025	2024
	Notes	*€ million*	*€ million*
Sales	19, 25	7,296.2	8,398.0
Cost of sales	25	-4,016.5	-4,400.2
Gross profit	25	3,279.6	3,997.8
Royalty and commission income		92.4	88.5
Other operating income and expenses	20	-3,729.3	-3,537.7
Thereof impairment losses on trade receivables and other financial assets		*-29.2*	*-1.9*
Operating result (EBIT)		-357.2	548.7
Financial income	21	75.0	137.3
Financial expenses	21	-240.7	-286.3
Financial result		-165.7	-149.0
Loss/Earnings before taxes (EBT)		-522.9	399.7
Income taxes	22	-120.7	-119.0
Loss/Gain from continued operations		-643.6	280.7
Profit from discontinued operations, net of tax	24	28.4	61.7
Consolidated loss/net income of the year		-615.2	342.3
Attributable to:			
Non-controlling interests	17, 29	30.3	60.7
Consolidated net income attributable to the shareholders of PUMA SE		-645.5	281.6

	Notes	2025 *€ million*	2024 *€ million*
Earnings per share			
Earnings per share *(€)*	23	-4.38	1.89
Earnings per share *(€)* – diluted	23	-4.38	1.89
Earnings per share from continued operations			
Earnings per share from continued operations *(€)*	23	-4.37	1.88
Earnings per share from continued operations *(€)* - diluted	23	-4.37	1.88
Weighted average number of outstanding shares *(million shares)*	23	147.41	149.32
Weighted average number of outstanding shares, diluted *(million shares)*	23	147.53	149.38

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

T.03 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF PUMA SE

	Notes	2025 € million	2024 € million
Consolidated loss/net income of the year		-615.2	342.3
Foreign exchange differences		-181.1	84.2
Net gain/loss on cash flow hedges, net after tax	14	-140.1	94.4
Net gain/loss on cost of hedging reserve – options, net after tax	14	-11.8	11.3
Net gain/loss on cost of hedging reserve – forward contracts, net after tax	14	19.2	-16.3
Items that may be reclassified subsequently to profit or loss:		-313.8	173.7
Remeasurements of the net defined benefit liability, net after tax	15	1.9	-2.8
Neutral effects financial assets through other comprehensive income (FVOCI), net after tax	14	0.9	-2.8
Items that will not be reclassified subsequently to profit or loss		2.7	-5.5
Other comprehensive income		-311.1	168.1
Total comprehensive income		-926.3	510.5
Attributable to:			
Non-controlling interests		29.7	61.3
Shareholders of PUMA SE		-956.0	449.2

CONSOLIDATED STATEMENT OF CASH FLOWS

T.04 CONSOLIDATED STATEMENT OF CASH FLOWS OF PUMA SE

	Notes	2025 *€ million*	2024 *€ million*
Loss/Earnings before taxes (EBT)		-522.9	399.7
Earnings before taxes (EBT) from discontinued operations	24	29.5	62.6
Loss/Earnings before taxes (EBT) – Total		-493.3	462.3
Adjustments for:			
Depreciation, amortisation and impairment losses	9, 10, 11	475.1	386.9
Reversal of impairment losses	9, 10, 11	-1.3	-29.4
Unrealised foreign exchange gains/losses, net		87.0	-57.4
Financial income	21	-13.4	-31.7
Financial expenses	21	122.7	128.4
Gains/losses from the sale of fixed assets		1.6	0.2
Changes to pension provisions	15	0.4	0.2
Other non cash effected expenses/income		29.6	18.7
Gross cash flow		208.4	878.2
Changes in receivables and other current assets	5, 6, 7	239.2	-231.5
Changes in inventories	4	-283.3	-218.2
Changes in trade payables and other current liabilities	13	-385.2	380.3
Cash flows from operating activities before taxes and dividends received		-220.9	808.9
Dividends received	12	0.4	0.4
Income taxes paid	22	-98.8	-114.4
Cash flows from operating activities		-319.3	694.8

	Notes	2025 *€ million*	2024 *€ million*
Investing activities			
Purchase of fixed assets	9, 11	-206.3	-263.0
Proceeds from sale of fixed assets		9.9	8.7
Payments for other assets	12	-27.7	-7.6
Interest received	21	13.0	31.4
Cash flows from investing activities		-211.0	-230.5
Financing activities			
Repayment of lease liabilities	10	-247.8	-222.5
Repayment of current borrowings	13	-76.2	-125.0
Raising of current borrowings	13	730.8	39.0
Raising of non-current borrowings	13	275.0	0.0
Dividend distribution to shareholders of PUMA SE	17	-89.8	-122.8
Dividend distribution to non-controlling interests	17, 29	-15.8	-89.4
Repurchase of treasury shares	17	-59.7	-50.0
Interest paid	21	-119.7	-127.2
Cash flows from financing activities		396.9	-697.8
Foreign exchange-related changes in cash and cash equivalents		55.2	48.8
Change in cash and cash equivalents		-78.2	-184.7
Cash and cash equivalents at the beginning of the financial year		368.2	552.9
Cash and cash equivalents at the end of the financial year	3, 26	290.0	368.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

T.05 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF PUMA SE

				Other reserves								
	Notes	Subscribed capital	Capital reserve	Revenue reserves incl. retained earnings	Difference from foreign currency translation	Cash flow hedge reserve	Reserve for hedging costs – options	Reserve for hedging costs – forward contracts	Treasury shares	Shareholders' equity	Non-controlling interests	Total equity
31 December 2023		150.8	93.8	2,677.0	-342.7	-3.9	0.0	0.0	-21.6	2,553.4	28.9	2,582.3
Transition effect IFRS 9 (hedge accounting), net after tax				-4.9			-1.3	6.2		0.0		0.0
1 January 2024		150.8	93.8	2,672.1	-342.7	-3.9	-1.3	6.2	-21.6	2,553.4	28.9	2,582.3
Consolidated loss/net income of the year				281.6						281.6	60.7	342.3
Other comprehensive income				-5.5	83.5	94.5	11.3	-16.3		167.5	0.6	168.1
Total comprehensive income		0.0	0.0	276.1	83.5	94.5	11.3	-16.3	0.0	449.2	61.3	510.5
Hedging gains and losses transferred to cost of inventory						-4.3				-4.3		-4.3
Dividend distribution to shareholders of PUMA SE/non-controlling interests				-122.8						-122.8	-89.4	-212.1
Share-based payment and utilisation/issue of treasury shares			-0.1						2.4	2.3		2.3
Repurchase of treasury shares	17								-50.0	-50.0		-50.0
Cancellation of treasury shares	17	-1.1	1.1	-49.9					49.9			
Changes in the scope of consolidation					-0.1					-0.1		-0.1
31 December 2024		149.7	94.8	2,775.6	-259.3	86.4	10.0	-10.1	-19.3	2,827.7	0.9	2,828.6

	Notes	Subscribed capital	Capital reserve	Other reserves: Revenue reserves incl. retained earnings	Other reserves: Difference from foreign currency translation	Other reserves: Cash flow hedge reserve	Other reserves: Reserve for hedging costs – options	Other reserves: Reserve for hedging costs – forward contracts	Treasury shares	Shareholders' equity	Non-controlling interests	Total equity
1 January 2025		149.7	94.8	2,775.6	-259.3	86.4	10.0	-10.1	-19.3	2,827.7	0.9	2,828.6
Consolidated loss/net income of the year				-645.5						-645.5	30.3	-615.2
Other comprehensive income				2.7	-180.4	-140.2	-11.8	19.2		-310.5	-0.6	-311.1
Total comprehensive income		0.0	0.0	-642.7	-180.4	-140.2	-11.8	19.2	0.0	-956.0	29.7	-926.3
Hedging gains and losses transferred to cost of inventory						33.7				33.7		33.7
Dividend distribution to shareholders of PUMA SE/non-controlling interests				-89.8						-89.8	-15.8	-105.6
Share-based payment and utilisation/issue of treasury shares			1.3	1.6					1.6	4.5		4.5
Repurchase of treasury shares	17								-59.7	-59.7		-59.7
Cancellation of treasury shares	17	-1.7	1.6	-59.7					59.8	0.0		0.0
Changes in the scope of consolidation					0.4					0.4	-14.8	-14.4
31 December 2025		148.0	97.7	1,985.0	-439.3	-20.2	-1.8	9.1	-17.6	1,760.9	0.0	1,760.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. FUNDAMENTALS

Under the PUMA and Cobra Golf brand names, PUMA SE and its subsidiaries are engaged in the development and sale of a broad range of sports and sports lifestyle products, including footwear, apparel and accessories. The company is a European stock corporation (Societas Europaea/SE) and parent company of the PUMA Group; its registered office is on PUMA WAY 1, 91074 Herzogenaurach, Germany. The competent registry court is in Fürth (Bavaria), the register number is HRB 13085.

The consolidated financial statements of PUMA SE and its subsidiaries (hereinafter referred to in short as the "Group" or "PUMA") were prepared in accordance with the "International Financial Reporting Standards (IFRS)" accounting standards issued by the International Accounting Standards Board (IASB), as they are to be applied in the EU, and the supplementary accounting principles to be applied in accordance with § 315e(1) of the German Commercial Code (HGB). All of the IASB standards and interpretations, as they are to be applied in the EU, which are mandatory for financial years as of 1 January 2025, have been applied.

The items contained in the financial statements of the individual Group companies are measured based on the currency that corresponds to the currency of the primary economic environment in which the Company operates. The consolidated financial statements are prepared in euros (EUR or €). The presentation of amounts in millions of euros with one decimal place may lead to rounding differences since the calculation of individual items is based on figures presented in thousands.

The cost of sales method is applied to the consolidated income statement.

The following new or amended standards and interpretations have been used for the first time in the current financial year:

T.06 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Standard	Titel
First time adoption in the current financial year	
Amendments to IAS 21	Lack of exchangeability of currencies

The amendment to the standards, which was to be initially adopted as of 1 January 2025, did not affect the PUMA consolidated financial statements.

NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

The following standards and interpretations have been released but will only become effective in later reporting periods and are not applied earlier by the Group:

T.07 NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

Standard Endorsed	Titel	Date of adoption[1]	Planned first time application
Endorsed			
Amendments to IFRS 9 and IFRS 7	Contracts relating to nature-dependent electricity	01/01/2026	01/01/2026
AIP volume 11	Annual improvements to IFRS	01/01/2026	01/01/2026
Amendments to IFRS 9 and IFRS 7	Changes in the classification and measurement of financial instruments	01/01/2026	01/01/2026
Endorsement pending			
IFRS 18	Presentation and Disclosures in Financial Statements	01/01/2027	01/01/2027
IFRS 19 and Amendments IFRS 19	Subsidiaries without Public Accountability: Disclosures	01/01/2027	01/01/2027
Amendments to IAS 21	Translation into hyperinflationary presentation currency	01/01/2027	01/01/2027

1 Adjusted by EU endorsement, if applicable

With the exception of IFRS 18, PUMA does not expect that these amendments will have any significant effects on the net assets, financial position and results of operations.

IFRS 18 will replace the previous standard, IAS 1 Presentation of Financial Statements. Many IAS 1 requirements remain unchanged and have been supplemented with additional requirements. IFRS 18 aims to improve the presentation of financial information and to make financial statements more transparent and comparable. The main new features of IFRS 18 are that two mandatory subtotals have been introduced in the income statement: operating profit or loss and profit or loss before financing and income taxes. These subtotals are based on the classification of income and expenses in the following categories: the operating category, the investing category and the financing category. Furthermore, the income taxes category and the income from discontinued operations category are presented. The requirements of IFRS 18 also introduce additional notes disclosures, for example on management-defined performance measures (MPMs). These are key performance indicators publicly communicated by management separately from the consolidated financial statements that are not specified by IFRS accounting standards. In addition, IFRS 18 contains new guidelines aimed at improving the aggregation and disaggregation of items presented in the financial statements. PUMA assumes that the application of IFRS 18 may have an impact on the consolidated financial statements in future periods. PUMA will apply the new standard from the mandatory effective date, 1 January 2027. Since retrospective application is required, comparative information for the financial year ending 31 December 2026 will be adjusted in accordance with IFRS 18. The impacts of the amendments on the consolidated financial statements still need to be further assessed and evaluated.

2. SIGNIFICANT CONSOLIDATION, ACCOUNTING AND VALUATION PRINCIPLES

CONSOLIDATION PRINCIPLES

The consolidated financial statements were prepared as of 31 December 2025, the reporting date of the annual financial statements of the PUMA SE parent company, on the basis of uniform accounting and valuation principles according to IFRS, as applied in the EU.

CHANGE IN GROUP OF CONSOLIDATED COMPANIES

In addition to PUMA SE, the consolidated financial statements include all subsidiaries in which PUMA SE directly or indirectly holds existing rights that give it the current ability to direct the relevant activities. At present, control of all Group companies is based on a direct or indirect majority of voting rights.

Associated companies are generally accounted for in the Group using the equity method. As of 31 December 2025, however, the Group does not hold any investments in associated companies. The changes in the number of Group companies (including the parent company PUMA SE) in the financial year 2025 were as follows:

T.08 CHANGE IN GROUP OF CONSOLIDATED COMPANIES

As of	**31/12/2024**	102
Formation of companies		0
Disposal of companies		-8
As of	**31/12/2025**	94

The disposals in the group of consolidated companies relate to the merger of Puma Retail AG, Switzerland, within the group of consolidated companies and the liquidation of PUMA United Aviation North America LLC, USA, and PUMANILA IT SERVICES INC, Philippines. In the financial year, Nrotert Sweden AB, Sweden, and Nrotert AB Sweden, Sweden, were also sold.

The changes in the group of consolidated companies did not have a significant effect on the net assets, financial position and results of operations.

Furthermore, the companies PUMA United Canada ULC, PUMA United North America LLC and Janed Canada LLC were sold as of 31 October 2025 and are reported separately as discontinued operations in the Consolidated Income Statement in accordance with IAS 1.82(ea). The prior-year figures were adjusted accordingly. The disclosures on the Consolidated Income Statement therefore only include continuing operations. The deconsolidation effect is reported in the Consolidated Income Statement under the item Profit from discontinued operations. We refer to Chapter 24.

The Group companies are allocated to regions as follows:

T.09 LIST OF SHAREHOLDINGS OF PUMA SE AS OF 31 DECEMBER 2025

No.	Company	Country	City	Shareholder	Share of capital
	Parent company				
1.	PUMA SE	Germany	Herzogenaurach		
	EMEA				
2.	Austria Puma Dassler Gesellschaft m.b.H.	Austria	Salzburg	direct	100%
3.	stichd austria gmbh	Austria	Salzburg	indirect	100%
4.	Puma Czech Republic s.r.o.	Czech Republic	Prague	indirect	100%
5.	PUMA DENMARK A/S	Denmark	Aarhus	indirect	100%
6.	PUMA Estonia OÜ	Estonia	Tallinn	indirect	100%
7.	PUMA Finland Oy	Finland	Helsinki	indirect	100%
8.	PUMA FRANCE SAS	France	Strasbourg	indirect	100%
9.	stichd france SAS	France	Boulogne Billancourt	indirect	100%
10.	PUMA International Trading GmbH	Germany	Herzogenaurach	direct	100%
11.	PUMA Europe GmbH	Germany	Herzogenaurach	direct	100%
12.	PUMA Central Europe GmbH	Germany	Herzogenaurach	indirect	100%
13.	PUMA Sprint GmbH	Germany	Herzogenaurach	direct	100%
14.	PUMA Mostro GmbH	Germany	Herzogenaurach	indirect	100%
15.	PUMA Blue Sea GmbH	Germany	Herzogenaurach	indirect	100%
16.	stichd germany gmbh	Germany	Düsseldorf	indirect	100%
17.	PUMA UNITED KINGDOM LTD	Great Britain	Castleford	indirect	100%
18.	PUMA PREMIER LTD	Great Britain	Castleford	indirect	100%
19.	STICHD UK LTD	Great Britain	Mansfield	indirect	100%
20.	STICHD SPORTMERCHANDISING UK LTD	Great Britain	London	indirect	100%
21.	GENESIS GROUP INTERNATIONAL LIMITED	Great Britain	Manchester	indirect	100%
22.	Sport Equipment Hellas S. A. of Footwear, Apparel and Sportswear u.Li.	Greece	Athens	direct	100%[1)]
23.	PUMA ITALIA S.R.L.	Italy	Assago	indirect	100%
24.	STICHD ITALY SRL	Italy	Assago	indirect	100%
25.	Puma Benelux B.V.	Netherlands	Leusden	direct	100%
26.	PUMA International Sports Marketing B.V.	Netherlands	Utrecht	direct	100%
27.	stichd group B.V.	Netherlands	’s-Hertogenbosch	direct	100%
28.	stichd international B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
29.	stichd sportmerchandising B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
30.	stichd B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
31.	stichd logistics B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
32.	stichd licensing B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
33.	PUMA NORWAY AS	Norway	Fornebu	indirect	100%
34.	PUMA POLSKA sp. z o.o.	Poland	Warsaw	indirect	100%

No.	Company	Country	City	Shareholder	Share of capital
35.	PUMA SPORTS ROMANIA SRL	Romania	Bucharest	indirect	100%
36.	PUMA-RUS o.o.o.	Russia	Moscow	indirect	100%
37.	PUMA SPORTS S A (PTY) LTD	South Africa	Cape Town	indirect	100%
38.	PUMA IBERIA SLU	Spain	Madrid	direct	100%
39.	STICHDIBERIA S.L.	Spain	Cornella de Llobregat	indirect	100%
40.	PUMA Nordic AB	Sweden	Solna	indirect	100%
41.	stichd nordic AB	Sweden	Helsingborg	indirect	100%
42.	MOUNT PUMA AG	Switzerland	Spreitenbach	direct	100%
43.	stichd switzerland ag	Switzerland	Egerkingen	indirect	100%
44.	PUMA Spor Giyim Sanayi ve Ticaret A.S.	Türkiye	Istanbul	indirect	100%
45.	PUMA UKRAINE LIMITED LIABILITY COMPANY	Ukraine	Kiew	indirect	100%
46.	PUMA Middle East FZ-LLC	United Arab Emirates	Dubai	indirect	100%
47.	PUMA UAE (L.L.C)	United Arab Emirates	Dubai	indirect	100%
48.	stichd sportmerchandising general trading L.L.C. – O.P.C.	United Arab Emirates	Abu Dhabi	indirect	100%
49.	stichd sportmerchandising sports trading WLL	Qatar	Doha	indirect	100%
	America				
50.	PUMA Sports Argentina S.A. (former Unisol S.A.)	Argentina	Buenos Aires	indirect	100%
51.	PUMA Sports Ltda.	Brazil	Sao Paulo	indirect	100%
52.	PUMA Canada, Inc.	Canada	Toronto	indirect	100%
53.	PUMA CHILE SpA	Chile	Santiago	direct	100%
54.	PUMA SERVICIOS SpA	Chile	Santiago	indirect	100%
55.	PUMA México Sport, S.A. de C.V.	Mexico	Mexico City	direct	100%
56.	Importaciones RDS, S.A. de C.V.	Mexico	Mexico City	direct	100%
57.	GLOBAL LICENSE STICHD GROUP MEXICO S.A. de C.V.	Mexico	Mexico City	indirect	100%
58.	Importationes Brand Plus Licensing S.A. de C.V.	Mexico	Mexico City	indirect	100%
59.	Distribuidora Deportiva PUMA S.A.C.	Peru	Lima	indirect	100%
60.	Distribuidora Deportiva PUMA Tacna S.A.C.	Peru	Tacna	indirect	100%
61.	PUMA Sports LA S.A.	Uruguay	Montevideo	direct	100%
62.	PUMA Suede Holding, Inc.	USA	Wilmington	indirect	100%
63.	PUMA North America, Inc.	USA	Wilmington	indirect	100%
64.	Cobra Golf Incorporated	USA	Wilmington	indirect	100%
65.	PUMA United Canada Holding, Inc.	USA	Wilmington	indirect	100%
66.	stichd NA, Inc.	USA	Wilmington	indirect	100%

No.	Company	Country	City	Shareholder	Share of capital
67.	PUMA Card Services NA, LLC.	USA	Plantation	indirect	100%
	Asia/Pacific				
68.	PUMA Australia Pty. Ltd.	Australia	Melbourne	indirect	100%
69.	White Diamond Australia Pty. Ltd.	Australia	Melbourne	indirect	100%
70.	White Diamond Properties Pty. Ltd.	Australia	Melbourne	indirect	100%
71.	PUMA China Ltd. (彪马(上海)商贸有限公司)	China	Shanghai	indirect	100%
72.	stichd Trading (Shanghai) Co., Ltd. (斯梯起特贸易(上海)有限公司)	China	Shanghai	indirect	100%
73.	Guangzhou World Cat Information Consulting Services Company Ltd. (广州寰彪信息咨询服务有限公司)	China	Guangzhou	indirect	100%
74.	World Cat Ltd. (寰彪有限公司)	China	Hong Kong	direct	100%
75.	Development Services Ltd.	China	Hong Kong	direct	100%
76.	PUMA International Trading Services Ltd.	China	Hong Kong	indirect	100%
77.	PUMA ASIA PACIFIC LTD (彪馬亞太區有限公司)	China	Hong Kong	direct	100%
78.	PUMA Hong Kong Ltd. (彪馬香港有限公司)	China	Hong Kong	indirect	100%
79.	stichd Limited	China	Hong Kong	indirect	100%
80.	PUMA Sports India Private Ltd.	India	Bangalore	indirect	100%
81.	PT PUMA Cat Indonesia	Indonesia	Jakarta	indirect	100%
82.	PT PUMA Sports Indonesia	Indonesia	Jakarta	indirect	100%
83.	PUMA Japan K.K. (プーマジャパン株式会社)	Japan	Tokyo	indirect	100%
84.	PUMA Korea Ltd. (푸마코리아 유한회사)	(South) Korea	Seoul	direct	100%
85.	Stichd Korea Ltd	(South) Korea	Incheon	indirect	100%
86.	PUMA Sports Goods Sdn. Bhd.	Malaysia	Petaling Jaya	indirect	100%
87.	STICHD SOUTHEAST ASIA SDN. BHD.	Malaysia	Kuala Lumpur	indirect	100%
88.	PUMA New Zealand Ltd.	New Zealand	Auckland	indirect	100%
89.	PUMA Sports Philippines Inc.	Philippines	City of Makati	indirect	100%
90.	PUMA SOUTH EAST ASIA PTE. LTD.	Singapore		indirect	100%
91.	PUMA Taiwan Sports Ltd. (台灣彪馬股份有限公司)	China (Taiwan)	Taipei	indirect	100%
92.	PUMA Sports (Thailand) Co., Ltd.	Thailand	Bangkok	indirect	100%

No.	Company	Country	City	Shareholder	Share of capital
93.	World Cat Vietnam Sourcing & Development Services Company Limited (CÔNG TY TNHH DỊCH VỤ PHÁT TRIỂN & NGUỒN CUNG ỨNG WORLD CAT VIỆT NAM)	Vietnam	Ho Chi Minh City	indirect	100%
94.	PUMA Sports Vietnam Co Ltd	Vietnam	Ho Chi Minh City	indirect	100%

1) subsidiaries which are assigned to be economically 100% PUMA Group

2) This list is part of PUMA's 2025 Sustainability Statement in accordance with ESRS 2 SBM-1.

PUMA Mostro GmbH, PUMA Blue Sea GmbH and PUMA Sprint GmbH have made use of the exemption provision under § 264(3) of the German Commercial Code (HGB). PUMA Europe GmbH, PUMA International Trading GmbH and PUMA Central Europe GmbH have also made use of the exemption provision under § 264(3) HGB, but waive the exemption from the third subsection.

In accordance with § 403 of the second book of the Dutch Civil Code (§ 2:403 BW), with effect from 1 January 2023, PUMA SE shall be jointly and severally liable for debts arising from legal transactions of the following Dutch subsidiaries with registered office in 's-Hertogenbosch (De Waterman 2, 5215 MX): stichd group B.V., stichd sport merchandising B.V., stichd licensing B.V., stichd international B.V., stichd logistics B.V. and stichd B.V.

CURRENCY CONVERSION

In general, monetary items in foreign currencies are converted in the individual financial statements of the Group companies at the exchange rate valid on the balance sheet date. Any resulting currency gains and losses are immediately recognised in the income statement. Non-monetary items are converted at historical acquisition and manufacturing cost.

The assets and liabilities of foreign subsidiaries, whose functional currency is not the euro, have been converted to euros at the exchange rates valid on the balance sheet date. Expenses and income have been converted at the annual average exchange rates. Any differences resulting from the currency conversion of net assets relative to exchange rates that had changed in comparison with the previous year were adjusted directly in other comprehensive income.

The significant conversion rates per euro are as follows:

T.10 SIGNIFICANT FOREIGN EXCHANGE RATES

	2025		2024	
Currency	Closing rate on 31 December	Average exchange rate	Closing rate on 31 December	Average exchange rate
USD	1.1750	1.1300	1.0389	1.0824
CNY	8.2262	8.1201	7.5833	7.7875
JPY	184.0900	169.0435	163.0600	163.8519
MXN	21.1180	21.6705	21.5504	19.8314

Argentina and Türkiye are in a hyperinflation environment. In 2022, the subsidiaries whose functional currency is the Argentine peso or the Turkish lira applied the accounting for hyperinflation economies in accordance with IAS 29 for the first time, with retroactive effect from 1 January 2022. The carrying amounts of non-monetary assets and liabilities, shareholders' equity and other comprehensive income are translated into the unit of measurement applicable at the balance sheet date and thus adjusted to reflect price changes. The financial statements are based on the concept of historical acquisition and/or production costs. The exchange rate as of 31 December 2025 was used for conversion into the reporting currency, the euro, for all items.

Gains and losses on the net monetary position are included in the financial result. In the 2025 financial year, the gain on the net monetary position amounts to €-2.6 million (previous year: €2.1 million). The amount also includes interest income from invested cash and cash equivalents in accordance with IAS 29.28.

The price index used for Türkiye as of 31 December 2025 was 3,513.9 (31 December 2024: 2,684.6) and is based on the consumer price index. The general price index used for Argentina as of 31 December 2025 was 10,097.2 (31 December 2024: 7,686.2).

ACCOUNTING AND VALUATION PRINCIPLES

FINANCIAL INSTRUMENTS

Financial instruments are classified and recognised in accordance with IFRS 9. Acquisitions and disposals of financial assets, with the exception of trade receivables, are initially recognised on the settlement date and are recorded at fair value.

For investments (equity instruments), IFRS 9 allows a measurement at fair value through other comprehensive income (FVOCI) under certain conditions. If these investments, however, are disposed of or adjusted in value, the gains and losses from these investments which were not realised up to this point are reclassified to retained earnings in accordance with IFRS 9.

DERIVATIVE FINANCIAL INSTRUMENTS/HEDGE ACCOUNTING

PUMA applied the provisions of IFRS 9 for Phase 3 hedge accounting for the first time as of 1 January 2024. Previously, the option of continuing to apply IAS 39 for hedge accounting was exercised. For reasons of materiality, PUMA did not restate comparative information for previous periods. Consequently, an adjustment was made to the opening balance sheet as of 1 January 2024. For existing Cash Flow hedge relationships, the hedging cost approach was applied retrospectively on a mandatory basis for options held as at the opening date and voluntarily for the components of forward exchange contracts excluded from the designation. This resulted in a correction of the opening balance sheet in the previous year in a high single-digit million euro amount, with the amount being withdrawn from retained earnings and allocated to other comprehensive income.

Derivative financial instruments are recognised at fair value at the time a contract is entered into and thereafter. At the time a hedging instrument is concluded, PUMA classifies the derivatives as hedges of a planned transaction and hedging variable interest flows from the promissory note loans (Cash Flow hedge accounting).

At the time when the transaction is concluded, the hedging relationship between the hedging instrument and the underlying transaction as well as the purpose of risk management and the underlying strategy are documented. In addition, assessments as to whether the derivatives used in the hedge accounting compensate effectively for a change in the Cash Flow of the underlying transaction are documented at the beginning of the hedging relationship and continuously thereafter.

In the PUMA Group, the spot component of currency forwards and the intrinsic value of currency and interest rate options are generally designated in a hedging relationship under IFRS 9. The effective cumulative changes in fair value resulting from the spot component or the intrinsic value are initially recognised directly in equity in the Cash Flow hedging reserve in other comprehensive income, taking into account deferred taxes.

When accounting for currency hedges as Cash Flow hedges, the time values of the option contracts as well as the forward components and the currency basis spreads of the forward exchange contracts are excluded from designation in a hedging relationship. For these components excluded from designation, the hedging cost approach is applied mandatorily for options and voluntarily for currency forwards.

When accounting for interest rate hedges as Cash Flow hedges, the time values of the option transactions are excluded from designation in a hedging relationship. The hedging cost approach is mandatory for these components excluded from designation. The effective cumulative changes in market value of the non-designated components are recognised as hedging costs in other comprehensive income as a separate item, taking into account deferred taxes.

In general, the changes in market value of the components designated in hedging relationships for foreign currency hedges accumulated in other comprehensive income are included in the acquisition costs when hedged non-financial assets are initially recognised or, in other cases, are reclassified to the income statement in the same period as the hedged item affects profit or loss. The adjustment of non-financial assets affects profit or loss in the same way and in the same periods as the affected non-financial items affect profit or loss. A corresponding disclosure is made both in the consolidated statement of comprehensive income and in the consolidated statement of changes in equity. In the case of interest rate hedges, the changes in market value accumulated in accumulated other equity are reclassified to interest expense. The components excluded from the designation are reclassified from other comprehensive income to the financial result.

In the unusual case for the PUMA Group that derivative financial instruments are not designated as hedging instruments, they are classified and measured at fair value through profit or loss.

The Group documents the existence of an economic relationship between the hedging instrument and the hedged underlying transaction on the basis of the key valuation parameters, such as the reference interest rate, the currency, the amount and the time of their respective Cash Flows (critical terms match method). The Group uses the cumulative dollar offset method to assess whether the derivative designated in each hedging relationship is expected to be prospectively effective and whether it was retrospectively effective in relation to offsetting changes in the Cash Flows of the hedged underlying transaction. All derivatives classified as hedging instruments are therefore linked to specific, committed and planned transactions. The economic relationship between the hedging instrument and the hedged underlying transaction can be determined qualitatively and quantitatively.

The main reason for ineffectiveness is the decline or loss of hedged transactions in these hedging relationships. A change in credit risk may also result in ineffectiveness.

The fair values of the derivative instruments are shown under Other current and non-current financial assets or liabilities.

PUMA AS LESSEE

The leases for which PUMA acts as a lessee are identified at the individual contract level. For these leases, PUMA recognises a right-of-use asset and a respective lease liability, with the exception of short-term leases (defined as leases with a term of no more than 12 months) and low-value lease agreements (with a value of less than €5,000 at contract conclusion). In the case of a short-term lease or low-value lease, the Group recognises the lease payments on a straight-line basis over the term of the lease agreement as other operating expense.

In addition, right-of-use assets are not recognised for intangible assets. PUMA has made use of the option and decided not to apply IFRS 16 with regard to leases for intangible assets.

Upon initial recognition, the lease liability is measured at the present value of the lease payments that are not paid at the inception date of the lease. The present value is calculated using the incremental borrowing rate, as the interest rate implicit in the lease is generally not known.

A number of lease agreements, particularly for real estate properties, contain extension and termination options. When determining agreement terms, all facts and circumstances are taken into account that offer a financial incentive to exercise the extension option or not to exercise the termination option. The changes in the term of a lease due to the exercise or non-exercise of such options are only taken into account for the agreement term if they are sufficiently certain.

The lease liability is recognised as a separate line item on the consolidated balance sheet.

The right-of-use assets comprise the respective lease liability as part of initial valuation. Lease instalments that are paid before or at the beginning of the lease are added. Lease incentives received from the lessor are deducted and initial direct costs are included. If dismantling obligations exist with regard to the leased assets, these are included in the valuation of the right-of-use assets. Subsequent measurement of the right-of-use assets is at historical cost less accumulated depreciation, amortisation and impairment losses.

The right-of-use assets are generally depreciated over the term of the lease. If the useful life of the asset underlying the lease is shorter, this limits the depreciation period accordingly. Depreciation starts with the commencement of the lease.

As part of the practical expedient, IFRS 16 permits dispensing with a separation between non-lease components and lease components. With regard to land and buildings, PUMA generally does not apply the practical expedient, meaning that the right-of-use assets relating to land and buildings only contain leasing components. With regard to other right-of-use assets (comprising technical equipment & machines and motor vehicles), the practical expedient is generally applied, the result of which is that the leasing components and non-leasing components are both recognised.

Right-of-use assets are recognised as a separate line item on the consolidated balance sheet.

The right-of-use assets are subject to the impairment regulations pursuant to IAS 36. As a general rule, the right-of-use assets are tested for impairment (impairment test) if there is any indication that the value of the asset could be impaired. The right-of-use assets, in particular in connection with the Group's own retail stores, are subjected to an impairment test if there are indicators or changes in planning assumptions that suggest that the carrying amount of the assets may not be recoverable. To this end, a triggering event test of all retail stores, each of which is a separate cash-generating unit, is carried out after preparation of the annual budget planning or on an ad-hoc basis.

For the purposes of the triggering event test, the recoverable amount of the respective retail stores is determined as a value in use using a simplified discounted Cash Flow method, taking partial account of Cash Flows attributable to other cash-generating units. The value in use is determined on the basis of the planned Cash Flows for the retail stores according to the budget, which is prepared on a bottom-up basis and approved by management. The forecast period is derived from the expected useful lives of the respective retail store and is reviewed annually. Following the bottom-up budget, revenue and cost developments are used as a basis for the remaining useful life, the growth rate of which is based on expected nominal retail growth. Growth rates in the single-digit percentage range are expected for all retail stores over the three-year detailed planning period. In calculating the value in use of retail stores, Cash Flows in non-inflationary countries were measured at a weighted cost of capital rate of between 6.4% and 32.3% (previous year: between 8.1% and 33.0%) and the Cash Flows of retail stores in the two hyperinflation countries with a weighted cost of capital between 23.3% and 54.4% (previous year: between 35.8% and 54.4%). This was based on a risk-free interest rate on equivalent term structures of 1.9% (previous year: 2.6%) and a market risk premium of 6.0% (previous year: 6.8%).

If, in the triggering event test, the carrying amount of the retail store assets exceeds the simplified value in use, the recoverable amount of this cash-generating unit is calculated with the discounted Cash Flow method using the above cost of capital rates. This is based on the individual planning of Cash Flows for the retail store. In some exceptional cases, the recoverable amount corresponds to a higher fair value less costs to sell, assuming alternative subletting, which is determined according to Level 3 of IFRS 13 "Fair value measurement". If an impairment arises, the right-of-use asset is impaired first.

If there are indications that retail stores for which impairment has been recorded in the past have been able to achieve a turnaround or that their fair value has increased and that their right-of-use assets are therefore recoverable, the impairment is reversed up to a maximum of the amount of amortised costs.

If there is an impairment loss or a reversal of an impairment loss, this is allocated to the central area in the segment reporting under IFRS 8. However, the impaired assets are reported in the relevant operating segments.

PUMA AS LESSOR

If PUMA acts as a lessor, it is determined at the beginning of the lease whether it is a finance lease or an operating lease. In order to classify the lease agreement, PUMA makes an overall assessment of whether the lease essentially transfers all the risks and benefits associated with ownership of the underlying asset. If this is the case, it is classified as a finance lease. If not, it is classed as an operating lease. Various indicators are taken into account as part of this assessment, such as whether the lease agreement is for the majority of the economic useful life of the underlying asset. At our discretion, the leases in which PUMA acts as an intermediate lessor are in most cases finance leases, as subletting always covers most of the term of the main lease. If PUMA acts as an interim lessor, the shares in the main lease contract and the sublease contract are accounted for separately.

In the case of finance leases, a net investment (receivable) equal to the discounted future rental payments to be received is recognised in the balance sheet and reported under other assets (without inclusion in working capital). The incremental borrowing rate is used to determine the discount rate, as the interest rate underlying the lease is generally unknown. Interest income from finance leases is reported in Cash Flow from investing activities.

If the lease is classified as an operating lease, the lease payments are immediately recognised in profit or loss as rental income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and balances with financial institutions. This also includes free holdings of liquid assets invested as time deposits with a term of up to three months. The total amount of cash and cash equivalents corresponds to the cash and cash equivalents (cash funds) in the statement of Cash Flows.

Cash and cash equivalents are measured at amortised cost. They are subject to the impairment requirements in accordance with IFRS 9 "Financial Instruments". PUMA monitors the credit risk of these financial instruments taking into account the economic situation, external credit rating and/or premiums for credit default swaps (CDS) of other financial institutions. The credit risk from cash and cash equivalents is classified as immaterial, due to the relatively short terms and the investment-grade credit rating of the counterparties, which signals a low probability of default for the financial instruments.

INVENTORIES

The Group procures inventories primarily from third parties and these are reported as goods within inventories. To a small extent, footwear and golf clubs are produced in-house, which are reported as finished goods together with the goods within the inventories.

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. The acquisition cost of merchandise is determined using an averaging method. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices.

TRADE RECEIVABLES

Trade receivables are initially measured at the transaction price and subsequently at amortised cost with deduction of value adjustments, in the form of a provision for risks.

When determining the provision for risks for trade receivables, PUMA uniformly applies the simplified method in order to determine the expected credit losses over the remaining lifetime of the trade receivables (called "lifetime expected credit losses") in accordance with the provisions of IFRS 9 "Financial Instruments". For this, trade receivables are classified by geographic region into suitable groups with shared credit risk characteristics. The expected credit losses are calculated using a matrix that presents the age structure of the receivables and maps a probability of default for the individual maturity bands of the receivables based on historical credit loss events and forward-looking factors. The percentage rates for the probabilities of default are checked regularly to ensure they are up to date. If objective indications of credit impairment are identified regarding the trade receivables of a specific customer, a detailed analysis of the specific credit risk of this customer is carried out and an individual provision for risks for trade receivables is recognised for this customer. If credit insurance exists, this is taken into account when determining the amount of the provision for risks.

The Group assumes that the credit risk of a financial asset has increased significantly if it is more than 30 days overdue.

OTHER FINANCIAL ASSETS

Other financial assets are classified based on the business model for control and the Cash Flows of the financial assets. In the Group, financial assets are generally held under a business model that provides for "holding" the asset until maturity, in order to collect the contractual Cash Flows. The second condition is that the terms and conditions of the financial asset result in Cash Flows at specified times, which exclusively represent repayments and interest payments on the outstanding nominal amount.

The "trading" business model is used for financial assets in the form of derivatives without a hedging relationship. These are valued at fair value through profit or loss (FVPL).

Non-current financial assets include rental deposits and other assets. Non-interest-bearing non-current assets are discounted to the present value if the resulting effect is significant.

INVESTMENTS

The investment recognised under non-current financial assets belongs to the category measured at "fair value through other comprehensive income" (FVOCI), since these investments are held over the long term for strategic reasons.

All purchases and disposals of investments are recorded on the settlement date. Investments are initially recognised at fair value plus transaction costs. They are also recognised at fair value in subsequent periods. Unrealised gains and losses are recognised in other comprehensive income, taking into account deferred taxes. The gain or loss on disposal of investments is transferred to retained earnings.

The category measured at "fair value through profit or loss" (FVPL) is not used with regard to investments.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at acquisition cost, net of accumulated depreciation. The depreciation period depends on the expected useful life of the respective item. The straight-line method of depreciation is applied. The useful life depends on the type of the assets involved. Buildings are subject to a useful life of between ten and fifty years, and a useful life of between three to ten years is assumed for movable assets.

Repair and maintenance costs are recorded as an expense as of the date on which they were incurred. Substantial improvements and upgrades are capitalised to the extent that the criteria for recognition of an asset item apply.

INVESTMENT PROPERTY

Investment property is accounted for in the same way as property, plant and equipment in accordance with the cost model, with their acquisition or production costs less scheduled depreciation and any necessary impairment losses. Depreciation is carried out on a straight-line basis and the useful lives are generally equivalent to those of property, plant and equipment used in-house.

OTHER INTANGIBLE ASSETS (NOT INCLUDING GOODWILL)

Acquired intangible assets largely consist of concessions, intellectual property rights and similar rights. These are measured at acquisition cost, net of accumulated amortisation. The useful life of intangible assets is between three and ten years. Scheduled depreciation is done on a straight-line basis.

There are also trademark rights acquired for a fee in relation to Cobra Golf. Cobra Golf, founded in 1978, has a brand history spanning over 40 years in golf. The Cobra brand represents the core of the Golf business area and is continued through ongoing marketing investments by the PUMA Group in the Cobra brand. Due to the stability of the golf market and the continuation of the brand by PUMA, an indefinite useful life is assumed for the Cobra brand.

IMPAIRMENT OF ASSETS

Intangible assets with an indefinite useful life are not amortised according to schedule but are subjected to an annual impairment test. Property, plant and equipment, right-of-use assets, and other intangible assets with finite useful lives are tested for impairment if there is any indication of impairment in the value of the asset concerned. In order to determine whether there is a requirement to record the impairment of an asset, the recoverable amount of the respective asset (the higher amount of the fair value less costs to sell and value in use) is compared with the carrying amount of the asset. If the recoverable amount is lower than the carrying amount, the difference is recorded as an impairment loss. The test for impairment is performed, if possible, at the level of the respective individual asset, otherwise at the level of the cash-generating unit. Goodwill, on the other hand, is tested for impairment only at the level of a group of cash-generating units. If it is determined within the scope of the impairment test that an asset needs to be impaired, then the goodwill, if any, of the group of cash-generating units is written down initially and, in a second step, the remaining amount is distributed proportionately over the remaining assets within the application scope of IAS 36. If the reason for the recorded impairment no longer applies, a reversal of impairment loss is recorded to the maximum amount of the amortised costs. There is no reversal of an impairment loss for goodwill.

The recoverable amount is primarily calculated using the discounted Cash Flow method. For determining the fair value less costs to sell and value in use, the expected Cash Flows are based on corporate planning data. Expected Cash Flows are discounted using an interest rate in line with market conditions. As part of the fair value determination less cost to sell, no special synergies of cash-generating units are taken into account, and corporate planning data is adjusted to the assumptions of market participants, if required. Moreover, there is a difference between the fair value less costs to sell and the value in use because the costs to sell are also taken into account.

Trademarks with an indefinite useful life are subjected to an impairment test based on the relief from royalty-method during the financial year or when the occasion arises. If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the relief-from-royalty method, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined.

See Chapter 11 for further details, in particular regarding the assumptions used for the calculation.

BORROWINGS, OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

In general, these items are recognised at fair value, taking into account transaction costs, and subsequently recognised at amortised cost. Non-interest or low-interest-bearing liabilities with a term of at least one year are recognised at present value, taking into account an interest rate in line with market conditions, and are compounded until their maturity at their repayment amount.

The "trading" business model is used for financial liabilities in the form of derivatives without a hedge relationship. These are valued at fair value through profit or loss (FVPL).

Current borrowings also include those long-term loans that have a maximum residual term of up to one year.

PROVISION FOR PENSIONS AND SIMILAR OBLIGATIONS

In addition to defined benefit plans, some companies apply defined contribution plans, which do not result in any additional pension commitment other than the current contributions. The pension provision under defined benefit plans is generally calculated using the projected unit credit method. This method takes into account not only known pension benefits and pension rights accrued as of the reporting date, but also expected future salary and pension increases. The defined benefit obligation (DBO) is calculated by discounting expected future cash outflows at the rate of return on senior, fixed-rate corporate bonds. The currencies and maturity periods of the underlying corporate bonds are consistent with the currencies and maturity periods of the obligations to be satisfied. In some of the plans, the obligation is accompanied by a plan asset. In that case, the pension provision shown is reduced by the plan asset.

Details regarding the assumed life expectancy, the mortality tables used and other assumptions are shown in Chapter 15.

OTHER PROVISIONS

Provisions for the expected expenses from warranty obligations pursuant to the respective national sales contract laws are recognised at the time of sale of the relevant products, according to the best estimate in relation to the expenditure needed in order to fulfil the Group's obligation.

Provisions are also recognised for onerous contracts. An onerous contract is considered to exist where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Provisions for restructuring measures are recognised where a detailed formal restructuring plan has been prepared which has raised a valid expectation in those affected, by starting to implement the plan or announcing its material components, that the restructuring measures will be carried out.

MANAGEMENT INCENTIVE PROGRAMMES

PUMA uses cash-settled share-based payments, share-based payments settled in cash or equities as well as key performance indicator-based long-term incentive programmes. Share-based payments settled in cash or equities are accounted for in the same way as cash-settled share-based payments.

Detailed information on the management incentive programmes is presented in Chapter 18.

RECOGNITION OF SALES

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. Amounts collected on behalf of third parties (such as VAT) are not included in sales. The Group records sales at the time when PUMA fulfils its performance obligation to customers and has transferred the right of disposal over the product to customers.

The Group sells footwear, apparel and accessories both to wholesalers and directly to customers through its own retail activities and online sales channels. Meanwhile, the sales-related warranty services cannot be purchased separately and do not lead to services that go beyond the assurance of the specifications at the time of the transfer of risk. Accordingly, the Group records warranties in the balance sheet in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets".

In the case of sales of products to wholesalers, the sales revenue is recorded at the date on which the right of disposal over the products is transferred to customers, in other words, when the products have been shipped to the specific location of the wholesaler (delivery). After delivery, the wholesaler bears the inventory risk and has full right of disposal over the manner and means of distribution and the selling price of the products. In the case of sales to end customers in the Group's own retail stores, the sales are recorded at the date when the right of disposal over the products is transferred to the end customer, in other words, the date on which the end customer buys the products in the retail store. The payment of the purchase price is due immediately upon the purchase of the goods by the customer. In the case of sales of goods via the Group's own online distribution channels, sales are realised when the end customers have accepted the goods and the right of disposal over the goods has passed to the end customer. The payment terms applied correspond to the customary payment terms in the industry for each country.

Under certain conditions and according to the contractual stipulations, customers have the option to exchange products or return them for a credit. The amount of the expected returns is estimated on the basis of past experience and is deducted from sales in the form of a liability based on refund obligations. The asset value of the right arising from the product return claim is recorded under inventories and leads to a corresponding reduction of cost of sales.

ROYALTY AND COMMISSION INCOME

The Group recognises license and commission income from the out-licensing of trademark rights to third parties in accordance with IFRS 15 Revenue from contracts with customers. Income from royalties is recognised in the income statement in accordance with the invoices to be submitted by the licensees. In certain cases, values must be estimated in order to permit accounting on an accrual basis. Commission income is invoiced if the underlying purchase transaction is classified as realised.

ADVERTISING AND PROMOTIONAL EXPENSES

Advertising expenses are recognised in the income statement at the time they are incurred. In general, promotional expenses stretching over several years are recognised as an expense over the contractual term on an accrual basis. Any expenditure surplus exceeding the economic benefit that results from this allocation of expenses after the balance sheet date is recognised in the financial statements in the form of an impairment of assets and, if necessary, a provision for anticipated losses. If promotional and advertising contracts provide for additional payments when predefined targets are achieved (e.g. medals, championships), which cannot be predicted exactly in terms of time and amount, they are recognised in full in profit or loss at the relevant date.

FINANCIAL RESULT

The financial result includes interest income from financial investments and interest expenses from loans, along with interest income and expenses in connection with derivative financial instruments. The financial result also includes interest expenses from lease liabilities as well as discounted non-current liabilities and those arising from the valuation of pension commitments, in addition to interest income from finance leases.

Exchange rate effects that can be directly allocated to an underlying transaction are shown in the respective income statement item.

INCOME TAXES

Current income taxes are determined in accordance with the tax regulations of the respective countries where the individual Group companies conduct their operations.

PUMA management regularly assesses individual tax issues to determine whether there is scope for interpretation in view of existing tax regulations. If appropriate, these issues are taken into account in income tax liabilities or deferred taxes. The income tax assessment is generally carried out at the level of the individual case, taking into account any possible interactions. Appropriate balance sheet provisions have been made for potential risks from uncertain tax positions, taking into account IFRIC 23.

DEFERRED TAXES

Deferred taxes resulting from temporary valuation differences between the IFRS and tax balance sheets of individual Group companies and from consolidation procedures, which are levied by the same taxation authority and can be offset, are netted for each taxable entity and reported as either deferred tax assets or liabilities.

In addition, deferred tax assets may include tax reduction claims resulting from the expected utilisation of existing loss carryforwards in subsequent years, the realisation of which is probable. Furthermore, deferred tax assets or liabilities may result from accounting transactions recognised outside profit or loss.

Deferred tax assets are recognised only to the extent that the respective tax advantage is likely to materialise.

ESTIMATION UNCERTAINTY

The preparation of the consolidated financial statements requires some assumptions and estimates that have an impact on the measurement and presentation of the recognised assets and liabilities, income and expenses, and contingent liabilities. The assumptions and estimates are based on premises, which in turn are based on currently available information. In individual cases, the actual values may deviate from the assumptions and estimates made. Consequently, future periods involve a risk of adjustment to the carrying amount of the assets and liabilities concerned. If the actual development differs from the expectation, the premises and, if necessary, the carrying amounts of the relevant assets and liabilities are adjusted with an effect on profit or loss.

All assumptions and estimates are continuously reassessed. They are based on historical experiences and other factors, including expectations regarding future global and industry-related trends that appear reasonable under the current circumstances. Assumptions and estimates mainly relate to the valuation of goodwill and trademarks, inventories, liabilities from refund obligations, taxes and leases in which PUMA is the lessee. The most significant forward-looking assumptions and sources of estimation and uncertainty as of the reporting date concerning the above-mentioned items are discussed below.

Goodwill and brands

A review of the impairment of goodwill is based on the calculation of the value in use as a leading valuation concept. In order to calculate the value in use, the Group must estimate the future Cash Flows from those cash-generating units to which the goodwill is allocated. To this end, the data used were from the three-year plan, which is based on forecasts of the overall economic development and the resulting industry-specific consumer behaviour. Another key assumption concerns the determination of an appropriate interest rate for discounting the Cash Flow to the present value (discounted Cash Flow method). The relief-from-royalty method is used to value brands. See Chapter 11 for further details, in particular regarding the assumptions used for the calculation.

Inventories

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices. Further details on the inventory valuation are provided in Chapter 4.

Liabilities from refund obligations

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. As customers have the opportunity to exchange goods under certain conditions and in accordance with the contractual agreements, the amount of expected return deliveries is estimated on the basis of experience. The accrual of sales takes place via the liability from refund obligations.

Taxes

Tax items are determined taking into account the various prevailing local tax laws and the relevant administrative opinions and, due to their complexity, may be subject to different interpretations by persons subject to tax on the one hand and the tax authorities on the other hand. Differing interpretations of tax laws may result in subsequent tax payments for past years; these are included based on the assessment of the management, using the most probable amount or the expected value for the individual case.

The recognition of deferred taxes requires that estimates and assumptions be made concerning future tax planning strategies as well as expected dates of occurrence and the amount of future taxable income. The taxable income from the relevant corporate planning is derived for this assessment. It takes into account the past financial position and the business development expected in the future. Deferred tax assets are recorded in the event of companies incurring a loss only if it is highly probable that future positive results will be achieved. See Chapter 8 for further information.

PUMA as lessee

The measurement of lease liabilities under leases in which PUMA is the lessee is based on assumptions for the discount rates used, the lease term and the determination of fixed lease payments. To determine the present value of future minimum lease payments, PUMA uses country- and currency-specific interest rates on borrowings with compatible terms. The fixed lease payments also include firmly agreed upon minimum amounts for agreements with a predominantly variable lease amount.

Significant assumptions are made in the subsequent valuation of rights of use for retail stores in the context of assessing the existence of an impairment and determining the impairment requirement. Among other things, assumptions are made about the duration of the lease, the future economic development and profitability of the retail stores in relation to the value in use or the fair value of the right of use for retail stores at brand-relevant locations, and also the underlying interest rate. See Chapter 10 for further information.

DISCRETIONARY DECISIONS

The preparation of the consolidated financial statements requires discretionary decisions relating to the application of accounting methods and the amounts of assets, liabilities, income and expenses reported as well as the presentation of discontinued operations. Information on the application of accounting policies that have the most material impact on the amounts recorded in the financial statements can be found in the following notes:

Evaluation of the control of companies with non-controlling interests

The determination as to whether the Group controls the companies with non-controlling interests is presented in Chapter 29, Information on non-controlling interests.

PUMA as lessee

The accounting for leases in which PUMA is the lessee includes discretionary decisions, in particular in relation to the term of the lease agreements with regard to determining whether the exercise of extension options is sufficiently certain. In addition to the basic lease period, the Group includes extension options in the determination of the lease term if management is sufficiently certain that such options will be exercised after taking into account all facts and circumstances.

Some real estate leases contain extension options that can only be exercised by PUMA and not by the lessor. If possible, the Group seeks to include extension options when concluding new leases in order to ensure operational flexibility. On the date of provision, the Group assesses whether it is sufficiently certain that the extension options will be exercised. The assessment is carried out individually for each contract and takes into account the amount of the company's own investments and the possibility of changing macroeconomic conditions in the future. If significant events or significant changes occur during the term of the contract that are within PUMA's control, it will be reassessed as to whether it is sufficiently certain that the extension option will be exercised.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

3. CASH AND CASH EQUIVALENTS

As of 31 December 2025, the Group has cash and cash equivalents of €290.0 million (previous year: €368.2 million). This comprises balances with credit institutions including short-term financial investments with an original maturity of up to three months. The average effective interest rate on financial investments amounted to 1.5% (previous year: 1.8%) for countries without hyperinflation. In hyperinflationary countries, the average effective interest rate on financial investments amounted to 23.0% (previous year: 62.4%).

4. INVENTORIES

Inventories are broken down into the following major groups:

T.11 INVENTORIES (IN € MILLION)

	2025	2024
Goods/inventory and finished goods		
Footwear	824.0	672.4
Apparel	480.0	473.2
Accessories/Others	195.5	211.2
Raw materials, consumables and supplies	24.4	34.5
Prepayments made	1.5	0.3
Goods in transit	463.8	576.0
Inventory adjustments related to returns	70.8	46.1
Total	2,060.0	2,013.7

The raw materials, consumables and supplies mainly relate to raw materials for the production of golf clubs and footwear.

The table shows the carrying amounts of the inventories net of value adjustments. Of the value adjustments in the amount of €205.9 million (previous year: €111.4 million) approx. 71.3% in financial year 2025 (previous year: approx. 67.2%) were recognised in profit or loss in cost of sales.

The amount of inventories recognised as an expense during the period corresponds essentially to the cost of sales shown in the consolidated income statement.

Inventory adjustments related to returns represent the historical costs of the inventories for which a return is expected.

5. TRADE RECEIVABLES

The trade receivables are broken down as follows:

T.12 TRADE RECEIVABLES (IN € MILLION)

	2025	2024
Trade receivables, gross	968.4	1,308.5
Less provision for risks	-55.0	-61.9
Trade receivables, net	913.4	1,246.5

The change in the provision for risks for financial assets in the "trade receivables" class measured at amortised cost relates to receivables in connection with sales from contracts with customers and has developed as follows:

T.13 CHANGE OF RISK PROVISIONS FOR TRADE RECEIVABLES (IN € MILLION)

	2025	2024
Status of provision for risks as of 1 January	61.9	65.0
Foreign exchange differences	-2.1	-0.6
Net reassessment of risk provisions	29.9	1.9
Utilisation	-34.7	-4.3
Status of provision for risks as of 31 December	55.0	61.9

The age structure of trade receivables is as follows:

T.14 AGE STRUCTURE 2025 (IN € MILLION)

			Past due			
2025	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Trade receivables, gross	968.4	753.5	94.3	55.5	26.4	38.6
Provision for risks	-55.0	-14.5	-2.0	-6.2	-2.8	-29.5
Trade receivables, net	913.4	739.0	92.3	49.3	23.6	9.1
Expected loss rate		1.9%	2.1%	11.2%	10.6%	76.4%

T.15 AGE STRUCTURE 2024 (IN € MILLION)

			Past due			
2024	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Trade receivables, gross	1,308.5	1,053.2	84.5	79.6	28.6	62.6
Provision for risks	-61.9	-16.2	-2.3	-3.8	-3.5	-36.2
Trade receivables, net	1,246.5	1,037.0	82.2	75.9	25.0	26.4
Expected loss rate		1.5%	2.7%	4.7%	12.4%	57.8%

With respect to the net carrying amounts of trade receivables, PUMA assumes that the debtors will satisfy their payment obligations or that, in the event of a default, the net carrying amount will be covered by existing credit insurance. There are no significant risk concentrations as the customer base is very broad and there are no correlations.

Trade receivables are derecognised when, in the context of factoring agreements, essentially all risks and opportunities relating to these receivables have been transferred to a third party. As of 31 December 2025, receivables in the amount of €59.7 million (previous year: €269.7 million) were derecognised as a result of factoring agreements. In the reporting year 2025, this relates mainly to PUMA India and PUMA Japan. The purchase price corresponds to the nominal amount of the respective receivable, less the deductions granted by PUMA (e.g. cash discounts), as well as the factoring fee and interest. The Cash Flows are categorised as cash inflow from operating activities in the consolidated statement of Cash Flows.

6. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets are broken down as follows:

T.16 OTHER CURRENT FINANCIAL ASSETS (IN € MILLION)

	2025	2024
Fair value of derivative financial instruments	42.1	147.1
Lease receivables	8.8	12.4
Remaining financial assets	34.9	168.8
Total	85.8	328.3

The amount shown is due within one year. The fair value corresponds to the carrying amount.

7. OTHER CURRENT ASSETS

Other current assets are broken down as follows:

T.17 OTHER CURRENT ASSETS (IN € MILLION)

	2025	2024
Prepaid expense relating to the subsequent period	118.8	102.1
Other receivables	198.9	158.7
Total	317.7	260.9

The amount shown is due within one year. The fair value corresponds to the carrying amount.

Other receivables mainly include receivables relating to VAT of €123.0 million (previous year: €100.0 million) and other taxes of €54.0 million (previous year: €35.3 million).

8. DEFERRED TAXES

Deferred taxes refer to the items presented below:

T.18 DEFERRED TAXES (IN € MILLION)

	2025	**2024**
Tax loss carry-forwards	49.2	56.3
Inventories	46.5	62.0
Remaining current assets	8.1	12.8
Non-current assets	6.5	48.4
Lease liabilities (current and non-current)	144.7	286.9
Provisions and other liabilities	113.0	124.4
Deferred tax assets (before netting)	368.0	590.7
Current assets	16.1	47.3
Intangible assets	1.8	41.7
Right-of-use assets	129.2	243.5
Remaining non-current assets	10.8	26.9
Provisions and other liabilities	4.2	1.8
Deferred tax liabilities (before netting)	162.1	361.2
Deferred tax assets, net	205.9	229.5

As of 31 December 2025, tax loss carry-forwards totalled €756.4 million (previous year: €417.2 million). Deferred tax assets on these items are recognised at the amount for which the realisation of the associated tax benefits through future taxable profits is probable. In the 2025 financial year, no deferred taxes were recognised for loss carry-forwards amounting to €465.2 million (previous year: €143.6 million); of this amount, €401.7 million (previous year: €136.4 million) are non-forfeitable. The remaining tax loss carry-forwards for which no deferred tax assets were recognised, amounting to €63.5 million (previous year: €7.2 million), will expire within the next six years.

In addition, no deferred tax items were recognised for temporary differences in the amount of € 541.3 million (previous year: €20.7 million) because they were not expected to be realised as of the balance sheet date.

For Group companies that achieved a negative tax result in this or the previous financial year, a total of deferred tax assets in the amount of €116.8 million were recognised after deduction of any deferred tax liabilities (previous year: €190.5 million) as sufficiently positive tax results can be expected in the future on the basis of the relevant projections. These deferred tax assets are attributable in particular to the companies in Germany and Mexico.

No deferred taxes on retained profits at subsidiaries were recognised where these gains are to be reinvested on an ongoing basis and there is no intention to make a distribution in this respect.

Deferred tax assets and liabilities are netted if they relate to a taxable entity and can in fact be netted. Accordingly, they are shown in the balance sheet as follows:

T.19 DEFERRED TAX ASSETS AND LIABILITIES (IN € MILLION)

	2025	2024
Deferred tax assets	211.0	243.6
Deferred tax liabilities	5.2	14.2
Deferred tax assets, net	205.9	229.5

The development of deferred tax assets, net is as follows:

T.20 MOVEMENT OF DEFERRED TAXES (IN € MILLION)

	2025	2024
Deferred tax assets, net as of 1 January	229.5	283.7
Recognition in the consolidated income statement	-48.7	-15.0
Adjustment related to remeasurements of the net defined benefit liability, recognised in other comprehensive income	-0.6	0.7
Adjustment related to the cash flow hedge reserve, recognised in other comprehensive income	33.2	-35.0
Adjustment related to the reserve for hedging costs – options, recognised in other comprehensive income	-0.1	-0.2
Adjustment related to the reserve for hedging costs – forward contracts, recognised in other comprehensive income	3.2	1.3
Foreign exchange effects	-10.6	-6.2
Deferred tax assets, net as of 31 December	205.9	229.5

9. PROPERTY, PLANT AND EQUIPMENT

The development of property, plant and equipment is shown in the following tables:

T.21 MOVEMENTS OF PROPERTY, PLANT & EQUIPMENT 2025 (IN € MILLION)

	Real estate	Technical equipment and machinery	Other equipment, furniture and fixture	Assets under construction	Total
Costs as of 1 January 2025	220.6	315.9	842.6	41.7	1,420.7
Additions	1.7	21.0	75.6	40.4	138.7
Disposals	-1.8	-16.9	-75.4	-8.0	-102.2
Transfers	-1.0	4.0	19.8	-25.5	-2.7
Effect of foreign exchange rates	-10.0	-16.2	-52.2	-2.5	-81.0
As of 31 December 2025	209.4	307.7	810.4	45.9	1,373.4
Accumulated depreciation as of 1 January 2025	-70.4	-69.0	-515.6	0.0	-655.0
Depreciation	-5.1	-17.5	-99.0	0.0	-121.6
Disposals	1.7	12.6	71.2	0.0	85.5
Transfers	1.4	-0.0	0.1	0.0	1.5
Impairment losses	-8.6	0.0	-1.9	0.0	-10.5
Effect of foreign exchange rates	4.0	4.1	31.0	0.0	39.1
As of 31 December 2025	-77.0	-69.9	-514.2	0.0	-661.1
Net carrying amount as of 31 December 2025	132.4	237.9	296.1	45.9	712.3

T.22 MOVEMENTS OF PROPERTY, PLANT & EQUIPMENT 2024 (IN € MILLION)

	Real estate	Technical equipment and machinery	Other equipment, furniture and fixture	Assets under construction	Total
Costs as of 1 January 2024	189.5	222.5	753.2	94.8	1,260.0
Additions	2.5	30.4	112.8	40.3	185.9
Disposals	-3.3	-3.9	-64.9	-2.2	-74.3
Transfers	9.4	56.9	23.7	-94.6	-4.7
Effect of foreign exchange rates	22.5	10.0	17.8	3.4	53.7
As of 31 December 2024	220.6	315.9	842.6	41.7	1,420.7
Accumulated depreciation as of 1 January 2024	-56.0	-49.7	-468.7	-0.0	-574.4
Depreciation	-6.5	-17.9	-97.8	0.0	-122.3
Disposals	1.9	3.4	61.1	0.0	66.4
Transfers	0.0	-0.3	0.4	0.0	0.1
Impairment losses	-8.8	0.0	-0.6	0.0	-9.4
Effect of foreign exchange rates	-0.9	-4.5	-10.0	0.0	-15.3
As of 31 December 2024	-70.4	-69.0	-515.6	0.0	-655.0
Net carrying amount as of 31 December 2024	150.2	246.9	326.9	41.7	765.7

The Group owns office space in Argentina (Latin America segment) which is classified as investment properties. As of 31 December 2025, these are reported with a carrying amount of €15.4 million (previous year: €27.7 million) in property, plant and equipment under real estate. The fair value of investment properties as of 31 December 2025 is €15.4 million (previous year: €20.9 million). This was determined by external, independent valuers who have relevant professional qualifications and current experience with the location and type of properties to be valued. The fair value was determined on the basis of the market-comparative approach, which reflects the most recent transaction prices for similar properties. In the current financial year, impairment losses of €8.6 million (previous year: €8.8 million) were recognised in financial expenses for investment properties based on fair value. In the previous year, the write-down was based on the calculation of the value in use, taking into account the cost of capital rate of 3.8%. The affected asset is reported in the segment reporting in the Latin America region. The Group intends to sell these investment properties in 2026.

Rental income generated by the group from investment property amounted to €1.0 million in the financial year (previous year: €1.4 million). Direct operating expenses for the investment property, all of which generated rental income in the reporting year, amounted to €0.0 million (previous year: €0.0 million).

10. LEASES

PUMA AS LESSEE

The Group rents and leases offices, warehouses, facilities, technical equipment and machinery, motor vehicles and sales rooms for its own retail business. As a rule, the lease agreements have a term of between one and fifteen years. Some agreements include renewal options and price adjustment clauses.

The carrying amounts of the right-of-use assets recognised in the statement of financial position refer to the following classes of assets:

T.23 RIGHT-OF-USE ASSETS 2025 (IN € MILLION)

	Real estate – retail stores	Real estate – warehouses & offices	Other	Total
Depreciation	122.9	95.6	13.3	231.9
Additions	140.4	199.0	6.7	346.1
Net carrying amount as of 31 December 2025	478.3	580.3	45.2	1,103.8

T.24 RIGHT-OF-USE ASSETS 2024 (IN € MILLION)

	Real estate – retail stores	Real estate – warehouses & offices	Other	Total
Depreciation	117.4	87.9	13.5	218.7
Additions	147.6	67.5	11.9	227.0
Net carrying amount as of 31 December 2024	528.9	522.5	65.4	1,116.8

The item “Others” includes technical equipment and machinery, as well as motor vehicles.

The following recognised lease liabilities result:

T.25 LEASE LIABILITIES (IN € MILLION)

	2025	2024
Current lease liabilities	217.6	220.6
Non-current lease liabilities	1,011.2	1,010.0
Total	1,228.9	1,230.6

The amounts recognised in the consolidated income statement are:

T.26 RECOGNISED IN INCOME STATEMENT (IN € MILLION)

	2025	2024
Depreciation of right-of-use assets incl. impairment losses and reversal of impairment losses (included in operating expenses)	261.7	196.6
Interest expenses (included in financial expenses)	55.7	51.1
Expenses for short-term leases (included in operating expenses)	9.3	10.0
Expenses for leases of low-value assets (included in operating expenses)	1.1	1.0
Expenses for variable lease payments (included in operating expenses)	34.1	36.6
Total	361.8	295.2

Variable lease payments are incurred in connection with the Group's own retail stores. These are based on the sales amount and are therefore dependent on the overall economic development.

Total cash outflows from lease liabilities in 2025 amounted to €303.4 million (previous year: €273.6 million).

Due to reduced earnings prospects based on updated financial planning and estimates, impairment losses in the total amount of €19.6 million were recorded right-of-use assets in connection with own retail stores in financial year 2025 (previous year: €7.3 million). To determine the impairment, the recoverable amount was calculated for the individual retail stores. The recoverable amount for the impaired retail stores is €84.9 million (previous year: €16.7 million), of which €84.9 million was determined on the basis of the value in use (previous year: €15.4 million). In the financial year under review, reversals of impairment losses amounting to a total of €1.3 million (previous year: €29.4 million) were recorded for retail stores. There were no impairment losses or impairment reversals in the other categories of right-of-use assets.

Furthermore, an impairment loss totalling €11.5 million was recognised for the cash-generating unit PUMA Canada within the North America segment. This was due to reduced earnings prospects for the following annual periods. Assumptions for the impairment test performed in this regard can be found in Chapter 11.

In 2025, PUMA entered into lease agreements that had not yet commenced by year-end. As a result, no lease liabilities and no corresponding right-of-use assets were recognised as of 31 December 2025. Future lease payments in connection with these agreements amount to €5.0 million (previous year: €16.0 million) for the next year, €20.6 million (previous year: €75.9 million) for years two to five and €20.5 million (previous year: €97.1 million) for the period thereafter. The lease terms amount to up to 10 years (previous year: 12 years).

The maturity analysis of lease liabilities is as follows:

T.27 MATURITY ANALYSIS OF LEASE LIABILITIES (IN € MILLION)

	2025	2024
Due within one year	265.0	265.0
Due between one and five years	685.1	678.9
Due after more than five years	501.0	502.5
Total (undiscounted)	1,451.1	1,446.5
Interest expense (not yet realised)	-222.2	-215.9
Total	1,228.9	1,230.6

PUMA AS LESSOR

PUMA rents out properties owned and leased as a lessor. From the lessor's point of view, these (sub)leases are classified as operating or finance leases.

The net investments from finance leases are shown as receivables in the balance sheet and are reduced by the repayment portion included in the lease payment. The interest portion included in the lease payment is reported as interest income in the financial result.

The maturities of the existing receivables on lease payments against third parties classified as finance leases are as follows:

T.28 MATURITY ANALYSIS OF LEASE RECEIVABLES (IN € MILLION)

	2025	2024
Due within one year	10.0	13.9
Due between one and five years	10.8	16.5
Due after more than five years	0.3	2.1
Total (undiscounted)	21.2	32.5
Interest income (not yet realised)	-3.2	-4.0
Provision for risks	-0.2	-0.3
Total	17.8	28.2

The following income was recognised in the consolidated income statement in connection with leases:

T.29 RECOGNISED IN INCOME STATEMENT (IN € MILLION)

	2025	2024
Operating leases		
Fixed rental income	1.4	1.8
Finance leases		
Variable rental income	1.0	1.6
Total rental income (included in other operating income)	2.4	3.4
Selling loss (profit) (included in other operating income)	-0.4	2.5
Interest income (included in financial income)	1.7	2.5

Future lease payments from operating leases for the coming year amount to €1.6 million (previous year: €1.8 million) and for years two to five to €3.6 million (previous year: €7.4 million).

11. INTANGIBLE ASSETS

Intangible assets mainly include goodwill, intangible assets with indefinite useful lives (e.g. brands), assets associated with the Company's own retail activities and software licenses.

The development of intangible assets is shown in the following table:

T.30 MOVEMENTS OF INTANGIBLE ASSETS 2025 (IN € MILLION)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Costs as of 1 January 2025	283.5	154.5	408.4	846.5
Changes in the scope of consolidation	-1.9	0.0	0.0	-1.9
Additions	0.0	0.0	67.1	67.1
Disposals	0.0	-17.6	-11.9	-29.6
Transfers	0.0	0.0	1.5	1.5
Effect of foreign exchange rates	-7.2	-15.9	-4.4	-27.4
As of 31 December 2025	274.5	121.1	460.7	856.2
Accumulated amortisation as of 1 January 2025	-46.3	-17.6	-196.8	-260.7
Amortisation	0.0	0.0	-37.6	-37.6
Disposals	0.0	17.6	8.7	26.3
Transfers	0.0	0.0	-0.2	-0.2
Impairment losses	-41.4	0.0	-0.8	-42.2
Effect of foreign exchange rates	2.0	0.0	3.4	5.4
As of 31 December 2025	-85.7	0.0	-223.2	-309.0
Net carrying amount as of 31 December 2025	188.8	121.1	237.4	547.2

T.31 MOVEMENTS OF INTANGIBLE ASSETS 2024 (IN € MILLION)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Costs as of 1 January 2024	285.3	146.3	397.5	829.1
Additions	0.0	0.0	74.2	74.2
Disposals	0.0	0.0	-67.8	-67.8
Transfers	0.0	0.0	4.2	4.2
Effect of foreign exchange rates	-1.7	8.2	0.5	6.9
As of 31 December 2024	283.5	154.5	408.4	846.5
Accumulated amortisation as of 1 January 2024	-46.3	-17.6	-234.5	-298.2
Amortisation	0.0	0.0	-29.2	-29.2
Disposals	0.0	0.0	67.0	67.0
Transfers	0.0	0.0	0.3	0.3
Effect of foreign exchange rates	-0.1	0.0	-0.5	-0.5
As of 31 December 2024	-46.3	-17.6	-196.7	-260.7
Net carrying amount as of 31 December 2024	237.2	136.9	211.7	585.8

The item Other intangible assets includes advance payments in the amount of €24.2 million (previous year: €20.7 million).

Current depreciation of intangible assets in the amount of €37.6 million (previous year: €29.2 million) is included in other operating expenses. Of this amount, €10.9 million is attributable to sales and distribution expenses (previous year: €7.7 million), €0.0 million to expenses for product management/merchandising (previous year: €0.0 million) and €26.7 million to administrative and general expenses (previous year: €21.5 million).

DISCLOSURES ON PLANNING ASSUMPTIONS FOR IMPAIRMENT TESTS

Goodwill and intangible assets with indefinite useful lives are not amortised according to schedule. Impairment tests with regard to goodwill were performed in the past financial year using the discounted Cash Flow method. The data from the three-year plan for the respective cash-generating unit or group of cash-generating units was used as a basis for this. Planning on the level of the cash-generating units was thereby derived from the PUMA Group's three-year plan. The following key assumptions have been made for the PUMA Group plans:

Based on the Group's planning and the fundamental assumptions regarding overall economic development, it is assumed that geopolitical tensions will not increase further. Under these conditions, we expect sales in the reporting currency, the euro, to increase in the mid to high single-digit percentage range in the following financial years, after a slight percentage decline in 2026. The planned sales growth results from the implementation of the corporate strategy and the increase in PUMA's brand desirability.

Furthermore, PUMA expects an improvement in the EBIT margin in the medium term to a percentage slightly above a mid-single-digit percentage range. The improvement in the EBIT margin in the planning period results, alongside sales growth, from an increase in the gross profit margin, for example due to a higher share of own retail sales as a result of the disproportionate growth of the E-commerce distribution channel. Furthermore, the slightly weaker percentage increase in other operating income and expenses compared to sales growth is expected to contribute to the improvement of the EBIT margin, as, for example, the operational prerequisites for the planned sales growth in the coming years are essentially in place and economies of scale can be realised as a result. In addition, the “nextlevel” efficiency programme is intended to contribute to realising cost savings and achieving operating leverage.

The planning of investments and working capital is based on historical experience and is carried out in accordance with strategic objectives.

The future tax payments are based on current tax rates in the respective countries.

For periods beyond the three-year plan, an annual growth rate is determined and used to forecast future Cash Flows beyond the three-year period. The assumed growth rate is based on long-term expectations of inflation rates and does not exceed the long-term average growth rates for the business area in which the respective cash-generating unit, or group of cash-generating units, operates.

The recoverable amount for the respective cash-generating unit or group of cash-generating units was determined on the basis of value in use. In the financial year 2025, this resulted in an impairment loss on goodwill of the cash-generating units PUMA Japan and PUMA Canada totalling €41.4 million (previous year: no impairment loss), which is included in other operating expenses.

INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

In connection with the Golf business unit (CPG – Cobra PUMA Golf), the Cobra brand exists as an intangible asset with an indefinite useful life amounting to €121.1 million (previous year: €136.9 million). The carrying amount of the Cobra brand is significant in comparison to the overall carrying amount of the intangible assets with an indefinite useful life. It was assigned to the North America business segment, where the headquarters of Cobra PUMA Golf is located. The recoverable amount of the Cobra brand was determined using the relief-from-royalty method (level 3 – see explanation in Chapter 14). A discount rate of 9.4% p.a. (previous year: 10.0% p.a.), a royalty rate of 6.0% (previous year: 6.0%) and a sustainable 2.0% growth rate (previous year: 2.0%) were used. Cobra or CPG’s three-year plan shows average revenue growth in the low-to-mid double-digit percentage range. The management’s key assumptions about improvement in the EBIT margin in Cobra’s or CPG’s three-year plan are essentially in line with the fundamental assumptions in the plans at Group level. The estimated recoverable amount of the Cobra brand exceeds its carrying amount by approximately €15.0 million (previous year: approx. €19.9 million).

A reduction of the royalty rate to approximately 5.4% (previous year: approx. 5.2%) or a reduction of the average planned sales revenues by approximately 20.8% (previous year: approx. 13.2%) would not result in any impairment requirement for the Cobra brand, and the recoverable amount would correspond to the carrying amount.

If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the “Relief-from-Royalty Method”, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined. In 2025, there were no indications of this.

GOODWILL

Goodwill is allocated to the Group's identifiable groups of cash-generating units (CGUs) according to the countries where the activities are carried out. Summarised by regions, goodwill is allocated as follows:

T.32 COMPOSITION OF GOODWILL (IN € MILLION)

	2025	**2024**
PUMA UK[1]	8.6	1.7
Genesis[1]	0.0	7.4
Subtotal Europe	8.6	9.1
PUMA Canada	0.0	9.5
PUMA United NA	0.0	2.1
Subtotal North America	0.0	11.6
PUMA Argentina	14.9	16.8
PUMA Chile	0.5	0.5
PUMA Mexico	10.8	10.6
Subtotal Latin America	26.2	27.9
PUMA China	2.5	2.5
PUMA Taiwan	12.1	13.2
Subtotal Greater China	14.6	15.6
PUMA Japan	0.0	33.6
Subtotal Rest of Asia-Pacific	0.0	33.6
stichd	139.4	139.4
Total	188.8	237.2

1 In the context of an intragroup business transfer, all assets, incl. the goodwill of Genesis, were transferred to PUMA UK.

The following table contains the assumptions for the performance of the impairment tests in 2025:

T.33 ASSUMPTIONS IMPAIRMENT TEST 2025

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
Europe	25.0%	11.8%	9.6%
North America[1]	26.3%	11.7%	8.9%
Latin America	27.0%–35.0%	14.8%–43.7%	10.9%–36.6%
Greater China	20.0%–25.0%	11.6%	9.0%–9.6%
Rest of Asia-Pacific[1]	38.1%	15.6%	9.3%
stichd[1]	25.0%	11.3%	8.8%

1 The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

The tax rates used for the impairment test correspond to the actual tax rates in the respective countries. The weighted average cost of capital (WACC) was derived on the basis of the weighted average cost of total capital, taking into account a standard market capital structure (ratio of debt to equity) and including the most important listed competitors (peer group).

In addition, a growth rate of 2.0% (previous year: 2.0%) is generally assumed. A growth rate of less than 2.0% (previous year: less than 2.0%) was applied only in justified exceptional cases, where the long-term expectations on inflation rate for the country in which the cash-generating unit operates were lower than the assumed growth rate; this applies, in particular, to the UK, China, Japan and Taiwan.

The cash-generating unit stichd includes goodwill of €139.4 million (previous year: €139.4 million), which is significant in comparison to the overall carrying amount of goodwill. The recoverable amount was determined by a value-in-use calculation with a discount rate of 8.8% p.a. (previous year: 9.7% p.a.) and a growth rate of 2.0% (previous year: 2.0%). The three-year plan of stichd shows sales growth in the mid single-digit percentage range. The three-year plan of stichd illustrates that the company expects a stronger improvement in the EBIT margin compared to the Group, something that stichd has already achieved in the past, and a return to its historical profitability is expected. The estimated recoverable amount of stichd exceeds the carrying amount by €78.7 million (previous year: €186.0 million). An increase in the discount rate to approx. 10.3% or a reduction in the average planned operating result (EBIT) over the three-year period of approx. 16.5% would not lead to any impairment requirement for the goodwill of stichd, and the recoverable amount would correspond to the carrying amount.

The cash-generating unit PUMA UK includes goodwill of €8.6 million (previous year: €1.7 million). The goodwill of Genesis was transferred to PUMA UK following the acquisition. The three-year plan for PUMA UK shows sales growth in the low single-digit percentage range. In the three-year plan for PUMA UK, an improvement in the EBIT margin is expected in line with the Group planning. The estimated recoverable amount of PUMA UK exceeds the carrying amount by €24.6 million (previous year: €78.4 million). An increase in the discount rate to approximately 11.3% or a reduction in the average planned operating result (EBIT) over the three-year period of approximately 17.4% would not lead to any impairment requirement for the goodwill of PUMA UK and the recoverable amount would correspond to the carrying amount.

The cash-generating unit PUMA Argentina includes goodwill of €14.9 million (previous year: €16.8 million). The three-year plan for PUMA Argentina shows sales growth in the mid double-digit percentage range. In the three-year plan for PUMA Argentina, an improvement in the EBIT margin in line with Group planning is expected. The estimated recoverable amount of PUMA Argentina exceeds the carrying amount by €9.8 million (previous year: €248.6 million). An increase in the discount rate to approx. 42.7% or a reduction in the average planned operating result (EBIT) over the three-year period of approx. 7.9% would not lead to any impairment requirement regarding the goodwill of PUMA Argentina and the recoverable amount would correspond to the carrying amount.

The cash-generating unit PUMA Japan contains goodwill of €0.0 million (previous year: €33.6 million). The existence of an indication of impairment resulted in an impairment loss of €32.4 million in the first half of 2025 due to the reduction in earnings prospects in the calculation of the recoverable amount. The recoverable amount of €128.6 million was determined by a value-in-use calculation using a discount rate of 9.3% p.a. and a growth rate of 1.4%. The underlying medium-term planning for "Japan" shows sales growth in the mid to high single-digit percentage range and an improvement in the EBIT margin from a low to a mid single-digit percentage.

The cash-generating unit PUMA Canada includes goodwill of €0.0 million (previous year: €9.5 million). The calculation of the recoverable amount resulted in an impairment loss of €20.5 million, of which €9.0 million relates to goodwill and €11.5 million to right-of-use assets (see also Chapter 10). The recoverable amount of €83.0 million was determined by a value in use calculation using a discount rate of 8.9% p.a. and a growth rate of 2.0%. The underlying medium-term planning for "Canada" shows a sales decline in the low single-digit percentage range and an improvement in the EBIT margin to a mid single-digit percentage.

The impairment is included in the consolidated financial statements in the item Other operating income and expenses and in the explanatory comments in the combined management report in the item One-off costs in the consolidated income statement.

The following table contains the assumptions for the performance of the impairment tests in the previous year:

T.34 ASSUMPTIONS IMPAIRMENT TEST 2024

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
Europe	25.0%	13.3%–13.4%	10.4%
North America[1]	26.2%	12.7%	9.8%
Latin America	27.0%–35.0%	15.2%–56.0%	11.7%–50.8%
Greater China	20.0%–25.0%	12.6%–12.7%	9.9%–10.3%
Rest of Asia-Pacific[1]	38.1%	15.6%	10.1%
stichd[1]	25.0%	12.5%	9.7%

[1] The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

12. OTHER NON-CURRENT ASSETS

Other non-current financial and non-financial assets break down as follows:

T.35 OTHER NON-CURRENT ASSETS (IN € MILLION)

	2025	2024
Investments	19.6	18.5
Fair value of derivative financial instruments	2.4	28.0
Lease receivables	9.0	15.8
Remaining financial assets	29.2	33.1
Total of other non-current financial assets	60.2	95.4
Other non-current non-financial assets	49.7	28.1
Other non-current assets, total	109.9	123.5

The investments relate to the 5.32% shareholding in Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien (BVB) with registered office in Dortmund, Germany. According to the audited IFRS consolidated financial statements 2023/2024 of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, equity as at 30 June 2025 amounts to €326.3 million (30 June 2024: €327.0 million) and the profit or loss for the last financial year amounts to €6.5 million (previous year: €44.3 million).

Remaining financial assets mainly comprise rent deposits amounting to €26.9 million (previous year: €29.8 million). Other non-current non-financial assets mainly comprise prepayments in connection with promotion and advertising contracts.

13. LIABILITIES

The residual terms of liabilities are as follows:

T.36 2025 (IN € MILLION)

		2025 Residual term					
	Total	**2026**	**2027**	**2028**	**2029**	**2030**	**2031 and later**
Borrowings	1,353.5	929.3	64.2	150.0	147.0	0.0	63.0
Trade payables	1,271.4	1,271.4	0.0	0.0	0.0	0.0	0.0
Other liabilities[1]							
Liabilities from other taxes	100.6	100.6	0.0	0.0	0.0	0.0	0.0
Liabilities relating to social security	10.1	10.1	0.0	0.0	0.0	0.0	0.0
Payables to employees	102.3	102.3	0.0	0.0	0.0	0.0	0.0
Liabilities from refund obligations	302.1	302.1	0.0	0.0	0.0	0.0	0.0
Liabilities from derivative financial instruments	112.4	109.0	3.4	0.0	0.0	0.0	0.0
Remaining other liabilities	44.3	43.4	0.7	0.2	0.0	0.0	0.0
Total	3,296.6	2,868.2	68.3	150.2	147.0	0.0	63.0

1 The maturity analysis on lease liabilities is presented in Chapter 10.

Current borrowings in the amount of €929.3 million include the current portion of promissory note loans in the amount of €206.5 million (previous year: €70 million) as well as other current borrowings from banks in the amount of €722.8 million (previous year: €61.6 million). The increase in other current borrowings from banks by €661.2 million is mainly due to a higher utilisation of the syndicated loan concluded in 2024 in the amount of €650.0 million. The credit line of the syndicated loan has a total volume of €1.2 billion and a term until 2029. The current utilisation of the syndicated loan will be largely refinanced in 2026 by utilising the bridge financing. Non-current borrowings include the non-current portion of the promissory note loans.

T.37 LIABILITIES 2024 (IN € MIO.)

		2024 Residual term					
	Total	**2025**	**2026**	**2027**	**2028**	**2029**	**2030 and later**
Borrowings	488.0	131.6	206.5	0.0	149.9	0.0	0.0
Trade payables	1,893.5	1,893.5	0.0	0.0	0.0	0.0	0.0
Other liabilities[1]							
Liabilities from other taxes	111.2	111.2	0.0	0.0	0.0	0.0	0.0
Liabilities relating to social security	12.0	12.0	0.0	0.0	0.0	0.0	0.0
Payables to employees	121.8	121.8	0.0	0.0	0.0	0.0	0.0
Liabilities from refund obligations	213.5	213.5	0.0	0.0	0.0	0.0	0.0
Liabilities from derivative financial instruments	21.8	19.9	1.9	0.0	0.0	0.0	0.0
Remaining other liabilities	40.9	38.8	1.6	0.3	0.1	0.1	0.1
Total	2,902.5	2,542.2	210.0	0.3	150.0	0.1	0.1

[1] The maturity analysis on lease liabilities is presented in Chapter 10.

The liabilities from refund obligations result from contracts with customers and essentially comprise obligations from customer return rights.

INFORMATION REGARDING SUPPLIER FINANCING AGREEMENTS

PUMA offers its suppliers a programme to finance supplier invoices. The largest programme, the PUMA Vendor Financing Programme (PVFP), enables suppliers to pre-finance their invoices to PUMA from one of the partner banks significantly before the agreed payment date in return for an interest discount. The financing terms are linked to the achievement of sustainability targets by the suppliers. Participation in this programme is voluntary. This supplier financing programme has no impact on PUMA; the payment date, payment methods and the original contractual conditions remain unchanged. In the balance sheet, liabilities are accordingly still shown as trade payables and cash outflows are included in the Cash Flow statement under Cash Flow from operating activities.

There are also some individual programmes with local suppliers. These too are intended to give suppliers the opportunity to pre-finance their invoices prior to the agreed payment dates, and in return, PUMA is granted partially extended payment periods; however, this is at the sole discretion of the financing partners. As PUMA does not incur any additional interest for the payment of supplier liabilities to the partner banks and, from the Group's point of view, the extended payment periods do not differ significantly from normal payment periods in the countries concerned, the liabilities are still reported as trade payables in the balance sheet and cash outflows are included in the Cash Flow statement under Cash Flow from operating activities in this case.

T.38 INFORMATION ON SUPPLIER FINANCING AGREEMENTS

	2025		2024	
	PVFP	**Other programmes**	**PVFP**	**Other programmes**
Carrying amount of trade payables subject to supplier finance arrangements *(in € million)*				
Presented as trade payables	311.5	30.8	352.3	42.9
Of which suppliers have received payment from the bank	91.2	26.5	139.1	17.7
Range of payment terms *(in days)*[1]				
Trade payables that are part of supplier finance arrangements	90	90–120	90.0	90–120
Trade payables that are not part of supplier finance arrangements	90	60–120	90.0	60–120

1 The above-mentioned ranges of payment dates for the other programmes include ranges from multiple different countries. Under a supplier financing agreement, payment periods are extended by a maximum of 30 days, with the extended payment periods still not differing significantly from normal payment periods in the countries concerned.

14. FINANCIAL INSTRUMENTS

CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND ALLOCATION TO VALUATION CATEGORIES

T.39 CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND THEIR FAIR VALUE (IN € MILLION)

	Measurement categories under IFRS 9	Carrying amount 2025	Fair value 2025	Level 1	Level 2	Level 3	Carrying amount 2024	Fair value 2024	Level 1	Level 2	Level 3
Financial assets											
Cash and cash equivalents	[1]AC	290.0					368.2				
Trade receivables	AC	913.4					1,246.5				
Other current financial assets											
Derivatives – hedge accounting	n/a	31.3	31.3		31.3		102.9	102.9		102.9	
Derivatives – no hedge accounting	[2]FVPL	10.8	10.8		10.8		44.1	44.1		44.1	
Lease receivables	n/a	8.8					12.4				
Remaining current financial assets	AC	34.9					168.8				
Other non-current financial assets											
Derivatives – hedge accounting	n/a	2.4	2.4		2.4		28.0	28.0		28.0	
Investments	[3]FVOCI	19.6	19.6	19.6			18.5	18.5	18.5		
Lease receivables	n/a	9.0					15.8				
Remaining non-current financial assets	AC	29.2					33.1				
Financial liabilities											
Current borrowings											
Borrowings from banks	AC	722.8					61.6				
Promissory note loans (PNL)	AC	206.5	206.8		206.8		70.0	69.9		69.9	
Trade payables	AC	1,271.4					1,893.5				
Current lease liabilities	n/a	217.6					220.6				
Other current financial liabilities											
Derivatives – hedge accounting	n/a	53.3	53.3		53.3		13.7	13.7		13.7	
Derivatives – no hedge accounting	FVPL	55.7	55.7		55.7		6.2	6.2		6.2	
Remaining current financial liabilities	AC	35.1					27.2				
Non-current borrowings (PNL)	AC	424.2	430.4		430.4		356.4	361.0		361.0	
Non-current lease liabilities	n/a	1,011.2					1,010.0				
Other non-current financial liabilities											
Derivatives – hedge accounting	n/a	3.4	3.4		3.4		1.9	1.9		1.9	
Remaining non-current financial liabilities	AC	0.3					1.0				
Total financial assets at amortised cost		1,267.5					1,816.6				
Total financial liabilities at amortised cost		2,660.2					2,409.6				
Total financial assets at fair value through profit or loss		10.8					44.1				
Total financial liabilities at fair value through profit or loss		55.7					6.2				
Total financial assets at FVOCI		19.6					18.5				

[1] AC = at amortised cost

[2] FVPL = fair value through PL

[3] FVOCI (fair value through OCI) = equity instruments at fair value through other comprehensive income

Financial instruments that are measured at fair value in the balance sheet were determined using the following hierarchy:

Level 1: Use of prices quoted on active markets for identical assets or liabilities.

Level 2: Use of input factors that do not involve the quoted prices stated under level 1, but can be observed for the asset or liability either directly (i.e. as the price) or indirectly (i.e. derived from the price).

Level 3: Use of factors for the valuation of the asset or liability that are based on non-observable market data.

Reclassification between different levels of the fair value hierarchy are recorded at the end of the reporting period in which the change occurred.

The fair value of the investments held for strategic reasons only refers to equity instruments of the category "fair value through OCI" (FVOCI) and is determined on the basis of level 1. The market values of the derivative assets and liabilities as well as the fair value of the promissory note loans were determined in accordance with level 2.

The following table shows the measurement techniques used for determining Level 2 fair values for financial instruments.

T.40 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – LEVEL 2

Type	Measurement technique	Material, non-observable input factors	Connection between material, non-observable input factors and fair value measurement
Foreign exchange forward contracts	The fair values are determined on the basis of current market parameters, i.e., reference prices observable on the market, taking into account forward premiums and discounts. The discounted result of the comparison of the forward price on the reporting date with the forward price of the valuation date is included in the measurement. The fair values are also checked for the counterparty's non-performance risk. In doing this, PUMA calculates credit value adjustments (CVA) or debt value adjustments (DVA) on the basis of an up/down method, taking current market information into account, in particular the creditworthiness of the company's business partners. No material deviations were found, so that no adjustments were made to the fair value determined.	Not applicable	Not applicable
Currency options	The valuation is based on Garman Kohlhagen model, an extended version of the Black Scholes model.	Not applicable	Not applicable
Promissory note loans	The valuation takes into account the cash value of expected payments, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

Type	Measurement technique	Material, non-observable input factors	Connection between material, non-observable input factors and fair value measurement
Interest rate options	The valuation is based on the Black Scholes model.	Not applicable	Not applicable
Interest rate swaps	The valuation is carried out on the basis of the present value method, whereby the future cash flows of the fixed and variable interest components are discounted using current market interest rates.	Not applicable	Not applicable

Of the fair value of the derivatives with a hedge relationship with positive market values of €33.7 million (previous year: €131.0 million), €30.4 million (previous year: €125.4 million) related to the valuation of the spot component. Of the fair value of the derivatives with a hedge relationship with negative market values of €56.7 million (previous year: €15.5 million), €67.0 million (previous year: €13.0 million) related to the valuation of the spot component.

Cash and cash equivalents, trade receivables and other receivables have short maturities. Accordingly, as of the reporting date, the carrying amount approximates fair value. Receivables are stated at nominal value, taking into account deductions for credit risk.

The fair values of other financial assets correspond to their carrying amount, as the interest calculation occurs at the prevailing market interest rates on the balance sheet date. Other (current and non-current) financial assets include €35.4 million (previous year: €38.9 million) that were pledged as rental or other deposits at usual market rates.

Trade payables have short residual maturities. The recognised amounts therefore approximate fair value.

The remaining financial liabilities have short residual maturities; the recognised amounts therefore approximate fair value.

NET PROFIT OR LOSS BY MEASUREMENT CATEGORY

The following table shows the net profit or loss by measurement category:

T.41 NET GAINS/LOSSES FROM FINANCIAL INSTRUMENTS (IN € MILLION)

	2025	2024
Financial assets at amortised cost (AC)	-25.0	13.6
Financial liabilities at amortised cost (AC)	-61.8	-148.6
Derivatives without hedging relationship measured at fair value through profit or loss (FVPL)	-36.3	63.4
Financial assets measured at fair value through other comprehensive income (FVOCI)	1.2	-2.4

The net result was determined by taking into account interest income and expense, dividends, currency exchange effects, changes in provisions for risks as well as gains and losses from disposals. It also includes effects from the fair value measurement of derivatives without a hedging relationship.

The net result includes interest income of €11.5 million (previous year: €29.4 million) and interest expenses of €55.2 million (previous year: €64.4 million) according to the effective interest method.

General administrative expenses include changes in risk provisions for receivables.

DISCLOSURES RELATING TO FINANCIAL RISKS

The PUMA Group is exposed to the following risks from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

These risks and the principles of risk management are explained below.

PRINCIPLES OF RISK MANAGEMENT

The Management Board of PUMA SE is responsible for developing and monitoring risk management in the PUMA Group. To this end, the Management Board has set up a Risk Management Committee that is responsible for designing, reviewing and adapting the risk management system. The Risk Management Committee regularly reports to the Management Board on its work.

The guidelines for the risk management system define the responsibilities, tasks and processes of the risk management system. The guidelines for the risk management system and the risk management system itself are reviewed regularly in order to be able to pick up on any changes in market conditions and PUMA's activities and incorporate them accordingly.

The Audit Committee, on the one hand, monitors the Management Board's compliance with the guidelines and the Group risk management processes. On the other hand, the Audit Committee monitors the effectiveness of the risk management system with regard to the risks to which the PUMA Group is exposed.

The Internal Audit department supports the Audit Committee in its monitoring tasks. To this end, regular audits and ad hoc audits are also carried out by the Internal Audit department. Their results are reported directly to the Audit Committee.

CREDIT RISK

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables and from other contractual financial obligations of the counterparty, such as cash and cash equivalents and derivative financial instruments.

Without taking into account any existing credit insurance policies or other guarantees received, the maximum credit risk is equal to the carrying amount of the financial assets.

At the end of financial year 2025, there was no relevant concentration of credit risk by customer type or region. Credit risk is mainly influenced by individual customer characteristics. In accordance with our credit guidelines, new customers are checked for creditworthiness before we offer them our regular payment and delivery terms. In addition, we set specific receivables limits for each customer. In particular, the international credit insurance programme that PUMA has concluded for all major subsidiaries contributes to risk mitigation. The creditworthiness of our customers and the limits on receivables are monitored on an ongoing basis, which also includes requests for individual credit limits from credit insurance providers for all customers who have external accounts that exceed a certain value limit. The credit insurer's response to such credit limit requests always includes information on the creditworthiness. Customers with a credit rating that does not meet the minimum requirements set may, as a rule, only acquire products against advance payment.

Further activities to reduce credit risk include retention of title clauses, and also in individual cases the selective sale of trade receivables (without recourse) and the obtaining of bank guarantees or parent company guarantees for our customers.

At the end of the financial year 2025, no individual customers accounted for more than 10% of trade receivables.

The central Treasury department has a comprehensive overview of the banks involved in currency hedging instruments and the management of cash and cash equivalents. Business with banks is focused on core banks with the appropriate credit rating (currently a minimum rating of BBB+ or better), while maximum risk amounts are specified for banks that have also been engaged in addition to this. The counterparty risks resulting from this are reviewed at least once every six months.

In the year 2025, PUMA held derivative financial instruments with a positive market value of €44.5 million (previous year: €175.1 million). The maximum credit risk exposure to any single bank from such assets amounted to €9.8 million (previous year: €34.6 million).

In accordance with IFRS 7, the following table contains further information on the offsetting options for derivative financial assets and liabilities. Most agreements between financial institutions and PUMA include a mutual right to offsetting; the right to offsetting is only enforceable in the event of the credit of a business partner. Therefore, the criteria for offsetting in the balance sheet are not met.

The carrying amounts of the derivative financial instruments affected by the aforementioned offsetting agreements are shown in the following table:

T.42 OFFSETTING POSSIBILITIES OF DERIVATIVE FINANCIAL INSTRUMENTS (IN € MILLION)

	2025	**2024**
Assets		
Gross amounts of financial assets recognised in the balance sheet	44.5	175.1
Financial instruments that qualify for offsetting	0.0	0.0
Net book value of financial assets	44.5	175.1
Offsettable on the basis of framework agreements	-41.8	-21.7
Total net value of financial assets	2.7	153.5

	2025	**2024**
Liabilities		
Gross amounts of financial liabilities recognised in the balance sheet	112.4	21.8
Financial instruments that qualify for offsetting	0.0	0.0
Net book value of financial liabilities	112.4	21.8
Offsettable on the basis of framework agreements	-41.8	-21.7
Total net value of financial liabilities	70.6	0.1

LIQUIDITY RISK

Liquidity risk is the risk that the Group may not be able to meet its financial liabilities by delivering cash or other financial assets in accordance with the agreement. The objective of the Group in managing liquidity is to ensure that, as far as possible, sufficient cash and cash equivalents are always available in order to meet the payment obligations upon maturity, under both normal and strained conditions.

PUMA aims to maintain the amount of cash, cash equivalents and fixed loan commitments at a level that also covers the effects of an assumed downside scenario. This scenario simulates a sales slump combined with a significant drop in the gross profit margin, which in turn leads to an increase in inventories. Furthermore, increased trade receivables and increased investment volumes are assumed. The financial effects are also determined for this downside scenario, particularly regarding the necessary borrowing, which must be covered accordingly by free, confirmed credit lines.

PUMA has confirmed credit lines totalling €2,562.8 million (previous year: €1,842.9 million), of which €1,202.2 million (previous year: €1,360.2 million) had not been utilised as of 31 December 2025. The increase in confirmed credit lines by €719.9 million compared to the previous year primarily results from taking out bridge financing in the amount of €500.0 million and two promissory note loan transactions in 2025 totalling €275.0 million, while the last tranche of €70.0 million of the second promissory note loan was repaid upon maturity in January 2025. As of 31 December 2025, €3.0 million (previous year: €0.0 million) in borrowings were utilised from credit lines granted only until further notice. The effective interest rate of the current and non-current borrowings was 3.6% (previous year: 4.7%). As is customary in the credit market, the financing instruments may be subject to a limitation on the disposal of fixed assets, maximum limits for secured liabilities as well as "cross-default" and "change-of-control" clauses. Furthermore, with the exception of the bridge financing, there are no additional covenants or material conditions.

The promissory note loan transactions concluded in 2025 refer to a transaction successfully placed in May 2025 totalling €210.0 million with a term of four (€147.0 million) to six years (€63.0 million). Furthermore, an additional promissory note loan of €65.0 million with a term of two years was issued in November 2025.

The bridge financing of €500.0 million was granted in the form of an initially undrawn facility with an initial term of 12 months with two optional extension options to be exercised unilaterally by PUMA for six months each (maximum until February 2028). It is fully guaranteed by Santander CIB S.A. The disbursement is scheduled for the first quarter of 2026 and serves to refinance drawdowns from the syndicated credit already concluded in 2024 in order to create more liquidity headroom within this facility. The provisions in the credit agreement are largely based on those of the syndicated credit in order to ensure uniform, conflict-free compliance with the contractual frameworks. Typical for bridge financing – in addition to the term of up to two years – there is, however, in addition to the covenants already mentioned above, an early repayment obligation for the respective equivalent value if subscribed capital is increased, new financing instruments are issued, sales of assets exceeding an equivalent value of €10.0 million occur or dividend payments are made. The margin of the planned disbursements above EURIBOR increases over the up to two-year term each quarter and is initially between 0.9% and 1.2% and after 21 months between 2.6% and 2.9%.

All conditions of all loan agreements are met as at the balance sheet date. The management board continues to assume that it will be able to meet these in the future as well.

PUMA also participates in supplier financing agreements (for further explanations see Chapter 13), the main purpose of which is to allow suppliers to pre-pay their invoices via a bank on a voluntary basis. Programmes are offered by PUMA's central sourcing company (PUMA International Trading GmbH) for suppliers exporting goods to PUMA subsidiaries worldwide and by individual local PUMA subsidiaries for local deliveries from local suppliers. The financing partners involved in all of these programmes are international banks from among the PUMA's international core banks with an appropriate credit rating. From the Group's point of view, the supplier financing agreements do not extend the payment terms or do not extend them significantly. Any extension of payment periods is at the sole discretion of the financing partners. For this reason, and in view of the balanced distribution of the programmes across five of the Group's core banks, PUMA faces no additional liquidity risk.

The following table shows the future cash outflows from the financial liabilities existing as at the reporting date, as well as the contractual Cash Flows in connection with derivatives with a negative market value. These are non-discounted gross amounts including expected interest payments, but exclude presentation of the effects of offsetting:

T.43 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2025 (IN € MILLION)

	Total	2026	2027	2028 et seq.
Non-derivative financial liabilities				
Borrowings[1]	-1,408.3	-949.2	-79.6	-379.5
Trade payables	-1,271.4	-1,271.4		
Other liabilities	-35.3	-35.1	-0.2	-0.1
Derivative financial liabilities	-106.7	-106.8	0.1	0.0
Cash inflow derivative financial liabilities	2,395.3	2,041.7	353.6	
Cash outflow derivative financial liabilities	-2,501.9	-2,148.4	-353.5	0.0

1 The repayment of borrowings in 2026 relates, in addition to the repayment of the current portion of the promissory note loan, essentially to the repayment of the current utilisation of the syndicated loan. The credit line of the syndicated loan has a total amount of €1.2 billion and a term until 2029. The current utilisation of the RCF will be refinanced to a large extent in 2026 through the utilisation of the bridge financing.

The following values were determined for the previous year:

T.44 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2024 (IN € MILLION)

	Total	2025	2026	2027 et seq.
Non-derivative financial liabilities				
Borrowings	-523.7	-144.7	-217.9	-161.1
Trade payables	-1,893.5	-1,893.5		
Other liabilities	-28.2	-27.2	-0.9	-0.1
Derivative financial liabilities	-29.8	-25.6	-3.9	-0.3
Cash inflow derivative financial liabilities	798.0	726.9	71.1	
Cash outflow derivative financial liabilities	-827.8	-752.5	-75.0	-0.3

MARKET RISK

Market risk is the risk that market prices, such as exchange rates, share prices or interest rates, may change, thereby affecting the income of the Group or the value of the financial instruments held.

The aim of market risk management is to manage and control market risk within acceptable margins while optimising returns.

To manage market risks, PUMA acquires and sells derivatives and also enters into financial liabilities. All transactions are carried out within the framework of the Group's risk management regulations.

CURRENCY RISK

PUMA is exposed to transactional foreign currency risks such that the quoted currencies used for acquisition, disposal and credit transactions and for receivables do not match the functional currency of the Group companies.

In the financial year 2025, PUMA designated currency hedges in the Cash Flow hedge accounting in order to hedge the amount payable of purchases denominated in USD, and converted to EUR, as well as for other currency risks resulting from internal resale to PUMA subsidiaries.

Furthermore, foreign currency risks may arise from intra-group loans issued for financing purposes. To hedge currency risks associated with converting intra-group loans denominated in foreign currencies into the functional currencies of the Group companies (EUR), currency swaps and foreign exchange forward contracts are used.

The estimated foreign currency risks are initially subjected to a quantitative materiality test, while simultaneously taking hedging costs into account. Material risks are then hedged, in accordance with the Group directive, up to a hedging ratio of up to 95% of the estimated foreign currency risks from expected acquisition and disposal transactions over the next 12 to 15 months. Forward exchange contracts and currency options, usually with a term of around 12 months from the reporting date, are used to hedge the foreign currency risk. For significant risks that are subject to large hedging costs, high hedging ratios can only be achieved over shorter terms.

The summarised quantitative information about the Group's currency risk is as follows:

T.45 CURRENCY RISK 2025 (IN € MILLION)

As of 31 December 2025	USD	MXN	JPY
Risk from forecast transactions	-1,231.0	103.0	169.7
Balance sheet risk	-519.7	191.8	4.1
Gross risk	-1,750.7	294.8	173.8
Hedged with currency options	340.4	0.0	-1.4
Hedged with foreign exchange forward contracts	1,369.4	-207.0	-135.5
Net risk	-40.9	87.8	36.9

T.46 CURRENCY RISK 2024 (IN € MILLION)

As of 31 December 2024	USD	MXN	JPY
Risk from forecast transactions	-1,698.5	248.4	185.7
Balance sheet risk	-753.9	87.4	8.1
Gross risk	-2,452.4	335.7	193.8
Hedged with currency options	221.4	0.0	-39.9
Hedged with foreign exchange forward contracts	2,318.2	-155.2	-112.2
Net risk	87.2	180.5	41.7

Forward exchange contracts and the risk from forecast transactions were calculated on a one-year basis.

The nominal amounts of open exchange rate-hedging transactions refer primarily to forward exchange contracts in a total amount of €3,177.3 million (previous year: €4,135.4 million).

The market values of open exchange rate-hedging transactions on the balance sheet date consist of:

T.47 MARKET VALUE OF EXCHANGE RATE HEDGING CONTRACTS (IN € MILLION)

	2025	**2024**
Foreign exchange forward contracts	43.1	161.0
Currency options	0.3	14.1
Currency hedging contracts, assets	43.4	175.1
Foreign exchange forward contracts	107.4	21.0
Currency options	5.0	0.0
Currency hedging contracts, liabilities	112.4	21.0
Net	-69.0	154.1

The net risk position and the average hedged interest rate are as follows:

T.48 AVERAGE HEDGING RATES

	2025		**2024**	
	Current	**Non-current**	**Current**	**Non-current**
Currency risk				
Net risk position *(€ million)*	976.9	441.3	1,403.8	496.1
Foreign exchange forward contracts				
Average EUR/USD exchange rate	1.147	1.190	1.113	1.117
Average EUR/MXN exchange rate	22.501	–	21.969	–
Average EUR/JPY exchange rate	159.361	–	157.814	155.475
Currency options				
Average EUR/USD exchange rate (Put/Call)	1.124/1.1193	–	1.060/1.126	1.110/1.162
Average EUR/MXN exchange rate (Put/Call)	–	–	–	–
Average EUR/JPY exchange rate (Put/Call)	177.450/180.000	176.589/180.000	145.990/159.979	–

Currency sensitivity analysis

To represent market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes in relevant risk variables on earnings and equity. The periodic effects are determined by applying hypothetical changes in risk variables to the portfolio of financial instruments as of the reporting date. It is assumed that the portfolio as of the reporting date is representative of the entire year.

Currency risks as defined by IFRS 7 arise on account of financial instruments that are denominated in a currency which differs from the functional currency and are monetary in nature. Differences resulting from the conversion of the individual financial statements to the group currency are not taken into account. All non-functional currencies in which PUMA employs financial instruments are generally considered to be relevant risk variables.

The currency sensitivity analysis is based on the net balance sheet risk denominated in foreign currencies. This also includes intra-group monetary assets and liabilities. In addition, outstanding currency derivatives are revalued as part of the sensitivity analysis.

The following table shows the increase or decrease of profit or loss or Cash Flow hedging reserve in equity in the event of a 10% appreciation or depreciation against the euro spot price. It is assumed that all other influencing factors, including interest rates and commodity prices, remain constant. The effects of the forecasted operating Cash Flows are also ignored.

T.49 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2025 (IN € MILLION)

As of 31 December 2025	USD	MXN	JPY
Nominal amounts of outstanding hedge contracts	1,818.8	-207.0	-135.5
	EUR +10%	EUR +10%	EUR +10%
Equity	-94.5	9.6	-7.4
Profit or loss	-0.2	-0.4	-0.2
	EUR -10%	EUR -10%	EUR -10%
Equity	200.6	-5.4	-33.6
Profit or loss	0.3	0.5	0.3

T.50 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2024 (IN € MILLION)

As of 31 December 2024	USD	MXN	JPY
Nominal amounts of outstanding hedge contracts	2,710.0	-155.2	-161.9
	EUR +10%	EUR +10%	EUR +10%
Equity	-286.1	10.1	10.7
Profit or loss	2.5	-1.0	-0.1
	EUR -10%	EUR -10%	EUR -10%
Equity	99.6	-16.8	-23.8
Profit or loss	-3.1	1.2	0.1

Currency risks and other risk and opportunity categories are discussed in greater detail in the Combined Management Report in the Risk and Opportunity Report.

INTEREST RATE RISK

The interest rate risk in the PUMA Group is primarily attributable to variable-interest borrowings. Interest rate management is carried out centrally by the Treasury division on the basis of specified limits. Within this framework, the division manages and monitors interest rate risk through the use of interest rate derivatives. Transactions are only concluded with counterparties that are creditworthy. Derivative financial instruments must not be used for speculative purposes, but only to hedge risks related to underlying transactions.

As of 31 December 2025, €354.0 million (previous year: €153.0 million) of the promissory note loans with a fixed term were subject to variable interest, for which maturity-matched interest rate hedges were concluded. A further €715.5 million in current bank loan drawdowns are also subject to variable interest. Since €100.0 million have already been refinanced at a fixed interest rate for two years at the end of January 2026 subsequent to the balance sheet date, and this is planned for a further €400.0 million in the short term, the remaining interest rate risk is immaterial.

For the variable-rate promissory note tranches totalling €150.0 million in May 2023, interest rate collars were also entered into in the same amount and with the same term to hedge the interest rate risk. In addition, further variable-rate promissory note loans totalling €204.0 million were hedged in 2025 by entering into interest rate swaps.

There is an economic relationship between the underlying and hedging transactions, since the terms of the interest rate collars and interest rate swaps correspond to those of the floating rate loans. This applies to the nominal amount, maturity, payment and interest adjustment dates. The underlying risk of interest rate collars and interest rate swaps is identical to that of the hedged risk components. A hedge ratio of 1:1 has therefore been established for the hedging relationship.

The net risk position and the average hedged interest rate are as follows:

T.51 AVERAGE HEDGED INTEREST RATE

	2025		2024	
	Current	**Non-current**	**Current**	**Non-current**
Interest rate risk				
Net risk position *(€ million)*	0.0	0.0	3.0	
Average hedged interest rate in % based on current fixing (Cap/Floor)	4.8%/1.5%	4.7%/1.5%		4.7%/1.5%
Average hedged interest rate in % based on current fixing (swaps)		2.2%		

Interest sensitivity analysis

The result in the Group depends on the development of the market interest rate level. A change in the interest rate level would have an impact on the Group's income and equity. The analysis carried out includes all interest-bearing financial instruments that are subject to interest rate risk.

A change in the interest rate level of 100 basis points would have the following effects on profit or loss and the Cash Flow hedging reserve in equity:

T.52 SENSITIVITY ANALYSIS FOR INTEREST RATE RISK (IN € MILLION)

	2025		2024	
	+1.0%	**-1.0%**	**+1.0%**	**-1.0%**
Equity	5.7	-6.1	0.0	0.0
Profit or loss	0.0	0.0	0.4	-1.5

DISCLOSURES ON HEDGING INSTRUMENTS DESIGNATED IN A HEDGE RELATIONSHIP

On the balance sheet date, the amounts relating to items designated as hedged underlying transactions were as follows:

T.53 DESIGNATED HEDGED ITEMS (IN € MILLION)

	Change in value used for calculating hedge ineffectiveness	Cash flow hedge reserve	Reserve for hedging costs	Balance remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied
As of 31 December 2025				
Currency risk – sales transactions	-50.7	23.4	-6.6	0.0
Currency risk – sourcing transactions	-114.0	-44.3	13.8	0.0
Interest rate risk	1.2	0.9	0.0	0.0
As of 31 December 2024				
Currency risk – sales transactions	-13.1	5.3	-4.3	0.0
Currency risk – sourcing transactions	175.3	81.1	4.4	0.0
Interest rate risk	0.0	0.0	-0.3	0.0

The amounts relating to items designated as hedging instruments have the following effects on the consolidated statement of financial position and consolidated income statement:

T.54 DESIGNATED HEDGE INSTRUMENTS (IN € MILLION)

	Nominal value	Carrying amount						
		Assets	Liabilities	Line item in the balance sheet where the hedging instrument is included	Changes in the value of the hedging instrument, recognised in other comprehensive income	Amount from hedging reserve transferred to cost of inventory	Amount reclassified from the cash flow hedge reserve to the income statement	Line item in the income statement affected by the reclassification
						in the financial year 2025		
As of 31 December 2025								
Currency risk – sales transactions	806.6	28.6	-8.4	other current/	50.7	–	24.9	Sales
Currency risk – sourcing transactions	1,763.5	0.5	-58.7	non-current financial	114.0	44.0	–	Cost of sales
Interest rate risk	354.0	1.1	0.0	assets/liabilities	-1.2	–	0.0	Financial expenses
						in the financial year 2024		
As of 31 December 2024								
Currency risk – sales transactions	1,139.7	14.3	-13.0	other	13.1	–	29.3	Sales
Currency risk – sourcing transactions	2,374.3	111.0	0.0	current/non-current financial	-175.3	-5.9	–	Cost of sales
Interest rate risk	150.0	0.0	0.0	assets/liabilities	0.0	–	0.0	Financial expenses

The following table shows the reconciliation of the changes in equity in relation to hedging reserves:

T.55 CHANGES IN THE HEDGING RESERVES (IN € MILLION)

	2025		2024	
	Cash flow hedge reserve	**Reserve for hedging costs**	**Cash flow hedge reserve**	**Reserve for hedging costs**
Reserve as of 31 December	86.4	-0.2	-3.9	0.0
Transition effect IFRS 9				4.9
Reserve as of 1 January	86.4	-0.2	-3.9	4.9
Changes in the fair value				
Thereof currency risk[1]	-164.7	27.9	162.2	12.3
Thereof interest rate risk	1.2	0.4	0.0	0.6
Amount included in the acquisition cost of non-financial assets	44.0	0.0	-5.9	0.0
Amount reclassified to the income statement				
Thereof currency risk[2]	-24.3	-18.6	-29.3	-20.3
Thereof interest rate risk	0.0	0.0	0.0	0.0
Tax effect	37.4	-2.2	-36.8	2.4
Reserve as of 31 December	-20.2	7.2	86.4	-0.2

1 The changes in the fair value of the reserve for hedging costs of €27.9 million (previous year: €12.3 million) relate to sales transactions in the amount of €-19.5 million (previous year: €-22.4 million) and to procurement transactions in the amount of €47.4 million (previous year: €34.7 million).

2 Of the amounts reclassified from the hedging reserve to the income statement, €19.7 million (previous year: €25.8 million) were incurred in connection with sales transactions and €-38.3 million (previous year: €-46.1 million) in connection with sourcing transactions.

The change in the fair values of options or the change in the forward components and the currency basis spreads of the forward exchange contracts are recorded as cost of a transaction-related hedging separately under equity in the reserve for hedging costs and are recognised in the financial result through profit or loss when the underlying transaction occurs.

A small portion of the originally planned sourcing and sales volume in foreign currencies did not transpire, leading to an excess of hedging transactions. Hedge accounting was terminated for those sourcing and sales transactions that were no longer expected to transpire, and the fair value was transferred as a profit or loss from the Cash Flow hedging reserve to the consolidated income statement. As soon as any highly likely sourcing or sales transaction is no longer expected to transpire, an offsetting transaction is concluded. Across all currency pairs, an amount of €-23.8 million (previous year: €0.1 million) was recorded in the financial result through profit or loss (see also Chapter 21).

15. PENSION PROVISIONS

Pension provisions result from employees' claims and, if applicable, their survivors, for benefits which are based on the statutory or contractual regulations applicable in the respective country in the event of invalidity, death or when a certain retirement age has been reached. Pension commitments in the PUMA Group include both benefit- and contribution-based pension commitments and include both obligations from current pensions and rights to pensions payable in the future. The pension commitments are partially financed by external plan assets.

The risks associated with the pension commitments mainly concern the usual risks of benefit-based pension plans in relation to possible changes in the discount rate and inflation trends, and recipient longevity. In order to limit the risks of changed capital market conditions and demographic developments, plans with the maximum obligations were agreed or insured for new hires a few years ago in Germany and Great Britain. The specific risk of obligations based on salary is low within the PUMA Group. The introduction of an annual cap for pensionable salary in the Great Britain plan in 2016 covers this risk for the highest obligations. The Great Britain plan is therefore classified as a non-salary obligation.

T.56 PRESENT VALUE OF PENSION OBLIGATION 2025 (IN € MILLION)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation as of 31 December 2025				
Salary-based obligations				
Annuity	0.0	0.0	11.9	11.9
One-off payment	0.0	0.0	11.7	11.7
Non-salary based obligations				
Annuity	53.2	28.3	0.0	81.5
One-off payment	8.5	0.0	0.0	8.5
Total	61.7	28.3	23.6	113.6

The following values were determined for the previous year:

T.57 PRESENT VALUE OF PENSION OBLIGATION 2024 (IN € MILLION)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation as of 31 December 2024				
Salary-based obligations				
Annuity	0.0	0.0	11.5	11.5
One-off payment	0.0	0.0	10.9	10.9
Non-salary based obligations				
Annuity	50.4	31.4	0.0	81.8
One-off payment	8.3	0.0	0.0	8.3
Total	58.7	31.4	22.4	112.5

The material pension plans are described in the following:

The general pension scheme of PUMA SE essentially provides for pension payments to a maximum amount of €127.82 per month and per eligible employee. It was closed for new members beginning in 1996. In addition, PUMA SE provides individual commitments (fixed sums in different amounts) as well as contribution-based individual benefits (in part from salary conversion). The contribution-based individual benefits are insured plans. There are no statutory minimum funding requirements. The volume of domestic benefit obligations amounts to €61.7 million as of the end of 2025 (previous year: €58.7 million) and thus accounts for 54.3% (previous year: 52.2%) of the total obligation. The fair value of the plan assets for the domestic obligations is €54.2 million (previous year: €51.0 million), while the corresponding pension provision amounts to €7.5 million (previous year: €7.7 million).

The defined benefit plan in Great Britain has been closed to new entrants since 2006. These are salary- and service-dependent commitments for retirement, disability and surviving dependents' pensions. In 2016, a growth cap of 1% p.a. on the pensionable salary was introduced. Partial capitalisation of the retirement pension is permitted. Statutory minimum funding requirements apply. The liability for the benefit entitlements under the defined benefit plan in the Great Britain amounted to €28.3 million at the end of 2025 (previous year: €31.4 million) and represents 24.9% (previous year: 27.9%) of the total liability. The liability is covered by assets of €29.2 million (previous year: €28.9 million). The asset resulting from the surplus amounts to €0.9 million (previous year: provision of €2.5 million).

The present value of the pension obligation has developed as follows:

T.58 DEVELOPMENT OF PRESENT VALUE OF PENSION OBLIGATION (IN € MILLION)

	2025	**2024**
Present value of pension obligation as of 1 January	112.5	107.3
Cost of the pension obligation earned in the reporting year	2.0	2.1
Past service costs	1.2	0.0
Gains (-) and losses from plan settlement	0.3	0.0
Interest expense on pension obligation	4.4	4.8
Employee contributions	3.0	0.8
Benefits paid	-4.7	-4.3
Effects from transfers	0.0	0.1
Actuarial gains (-) and losses	-2.8	0.5
Currency exchange effects	-2.3	1.2
Present value of pension obligation as of 31 December	113.6	112.5

Plan assets developed as follows:

T.59 DEVELOPMENT OF PLAN ASSETS (IN € MILLION)

	2025	**2024**
Plan assets as of 1 January	85.6	85.2
Interest income on plan assets	3.4	3.8
Actuarial gains and losses (-)	-0.4	-3.0
Employer contributions	2.0	0.8
Employee contributions	3.0	0.8
Benefits paid	-2.8	-3.2
Currency exchange effects	-1.6	1.2
Plan assets as of 31 December	89.2	85.6

The pension provisions for the group are derived as follows:

T.60 PENSION PROVISION (IN € MILLION)

	2025	**2024**
Present value of pension obligation from benefit plans	113.6	112.5
Fair value of plan assets	-89.2	-85.6
Financing status	24.4	26.9
Pension provision as of 31 December	24.4	26.9
Thereof assets	1.2	0.4
Thereof liabilities	25.6	27.3

In 2025, the benefits paid amounted to €4.7 million (previous year: €4.3 million). Payments of €11.5 million are expected for 2026. Of this, €1.1 million is expected to be paid directly by the employer. The employer contributions to external plan assets in 2025 amounted to €2.0 million (previous year: €0.8 million).

Employer contributions of €2.3 million are expected for 2026.

The present value of the pension obligation has developed as follows:

T.61 DEVELOPMENT OF THE PENSION PROVISION (IN € MILLION)

	2025	**2024**
Pension provision as of 1 January	26.9	22.1
Pension expense	4.5	3.1
Actuarial gains (-) and losses recorded in other comprehensive income	-2.5	3.5
Employer contributions	-2.0	-0.8
Direct pension payments made by the employer	-1.9	-1.1
Transfer values	0.0	0.1
Currency exchange differences	-0.6	0.0
Pension provision as of 31 December	24.4	26.9
Thereof assets	1.2	0.4
Thereof liabilities	25.6	27.3

The expense in connection with the company pension scheme in the financial year 2025 is composed as follows:

T.62 EXPENSES FOR DEFINED BENEFIT PLANS (IN € MILLION)

	2025	2024
Cost of the pension obligation earned in the reporting year	2.0	2.1
Past service costs	1.2	0.0
Income (-) and expenses from plan settlements	0.3	0.0
Interest expense on pension obligation	4.4	4.8
Interest income on plan assets	-3.4	-3.8
Administration costs	0.0	0.0
Expenses for defined benefit plans	4.5	3.1
Thereof personnel costs	3.5	2.1
Thereof financial costs	1.0	1.0

In addition to the defined benefit pension plans, PUMA also makes contributions to contribution plans. Payments for financial year 2025 amounted to €22.9 million (previous year: €21.3 million).

Actuarial gains and losses recorded in Other comprehensive income:

T.63 GAINS AND LOSSES RECORDED IN OTHER COMPREHENSIVE INCOME (IN € MILLION)

	2025	2024
Revaluation of pension commitments	-2.8	0.5
Actuarial gains (-) and losses resulting from changes in demographic assumptions	0.1	-0.1
Actuarial gains (-) and losses resulting from changes in financial assumptions	-3.7	-0.5
Actuarial gains (-) and losses due to adjustments based on experience	0.7	1.1
Revaluation of plan assets	0.4	3.0
Amounts not recorded due to the maximum limit applicable to assets	0.0	0.0
Adjustment of administration costs	0.0	0.0
Total revaluation amounts recorded directly in other comprehensive income	-2.5	3.5

Plan assets investment classes:

T.64 PLAN ASSETS INVESTMENT CLASSES (IN € MILLION)

	2025	2024
Cash and cash equivalents	1.4	1.2
Equity instruments	4.4	6.1
Bonds	13.7	7.0
Investment funds	3.3	3.5
Derivatives	5.9	7.8
Real estate	1.0	3.2
Insurance	54.2	51.3
Other	5.3	5.5
Total plan assets	89.2	85.6

Of which asset classes with a quoted market price:

T.65 PLAN ASSETS WITH A QUOTED MARKET PRICE (IN € MILLION)

	2025	2024
Cash and cash equivalents	1.4	1.2
Equity instruments	4.4	6.1
Bonds	13.7	7.0
Investment funds	3.3	3.5
Derivatives	5.9	7.8
Real estate	0.0	2.4
Insurance	0.0	0.0
Other	5.0	5.4
Plan assets with a quoted market price	33.7	33.4

Plan assets still do not include the Group's own financial instruments or real estate used by Group companies.

The plan assets are used solely to fulfil the defined benefit obligations. In some countries, there are legal requirements for the type and amount of funds to be selected, while in others (e.g. Germany), the financing of pension obligations is on a voluntary basis. In Great Britain, a trustee board comprising representatives of the company and employees is responsible for asset management. The investment strategy aims for long-term gains with tolerable volatility. The investment strategy was revised in 2025. Investment risks were reduced due to the improved funding of the plan. The trustees will continue to monitor the investment strategy.

The following assumptions were used to determine pension obligations and pension expenses:

T.66 ASSUMPTIONS USED TO DETERMINE THE PENSION OBLIGATIONS

	2025	2024
Discount rate	4.29%	4.17%
Future pension increases	1.82%	2.00%
Future salary increases	2.32%	2.24%

The indicated values are weighted average values. A standard interest rate of 3.75% was applied for the eurozone (previous year: 3.50%).

The 2018 G Heubeck guideline tables were used as mortality tables for Germany. For Great Britain, the mortality was assumed based on basic table series S4 taking into account life expectancy projections in accordance with CMI2024 with a long-term trend of 1%.

The following overview shows how the present value of pension obligations from benefit plans would have been affected by changes to significant actuarial assumptions.

T.67 SENSITIVITY ANALYSIS FOR PENSION OBLIGATION (IN € MILLION)

	2025	2024
Effect on present value of pension obligations if		
the discount rate were 50 basis points higher	-3.6	-3.9
the discount rate were 50 basis points lower	4.1	4.3

Salary and pension trends have only a negligible effect on the present value of pension obligations due to the structure of the benefit plans.

The weighted average duration of pension obligations is around 11 years (previous year: around 12 years).

16. OTHER PROVISIONS

T.68 OTHER PROVISIONS (IN € MILLION)

	2024					2025		2024
Provisions for:		Currency changes, transfers	Additions	Utilisation	Reversals		Thereof non-current	Thereof non-current
Warranties	2.1	-0.1	1.4	-0.9	-0.3	2.1	0.0	0.0
Purchasing risks	3.9	0.0	0.6	0.0	-2.0	2.4	0.0	0.0
Legal risks	14.0	-0.5	3.3	-2.0	-2.2	12.6	6.3	6.0
Dismantling obligations	16.4	-1.2	4.6	-2.1	-1.1	16.5	13.0	13.4
Personnel provisions	19.2	0.4	6.0	-9.3	-3.6	12.7	7.3	9.9
Provisions of termination of the employments	0.0	-0.1	25.1	0.0	0.0	25.1	0.0	0.0
Other	12.8	-0.5	6.3	-5.1	-2.0	11.5	0.0	0.0
Total	68.2	-1.9	47.2	-19.3	-11.3	83.0	26.5	29.3

The warranty provision is determined on the basis of the historical value of sales generated during the past six months. It is expected that the majority of these expenses will fall due within the first six months of the next financial year. Purchasing risks relate primarily to materials and moulds that are required for the manufacturing of shoes and result in cash outflows in the subsequent period.

The provisions relating to dismantling obligations are predominantly long-term and are incurred in connection with the retail stores, warehousing areas and office space rented by the Group. They are established on the basis of the expected settlement values and the agreed rental periods. Estimates are made in relation to costs and the actual amount of time that such properties are in use.

Personnel provisions mainly relate to non-current variable compensation components. The litigation risks relate to any form of legal dispute, including those relating to trademark and patent rights.

The provisions for termination of employment comprise expenses for benefits granted within the scope of a voluntary severance programme. The corresponding commitment was recognised at the time when the entity was legally or constructively bound to the severance offer and could no longer unilaterally withdraw it.

Other provisions exist for other risks, particularly in connection with procurement.

Current provisions are expected to be paid out in the following year, non-current provisions are expected to be paid out in a period of up to ten years. There are no significant compounding effects. The recognition and valuation of provisions is based on past experience of similar transactions. All events until the preparation of the consolidated financial statements are taken into account here.

17. EQUITY

SUBSCRIBED CAPITAL

The subscribed capital corresponds to the subscribed capital of PUMA SE.

As of the balance sheet date, the subscribed capital amounts to €148,007,926.00 in accordance with the Articles of Incorporation (previous year: €149,698,196.00) and is divided into 148,007,926 (previous year: 149,698,196) voting no-par-value shares. This corresponds to a notional value of €1.00 per share.

In financial year 2025, the registered share capital was reduced by €1,690,270.

All shares grant the same rights. The shareholders are entitled to receive the agreed dividends and have one voting right per share at the Annual General Meeting. This does not apply to treasury shares held by the Company, which do not grant the Company any rights.

Changes in the outstanding shares:

T.69 CHANGE IN OUTSTANDING SHARES

	2025	2024
Outstanding shares as of 1 January, share	148,824,413	149,844,544
Repurchase of treasury stock, share	-1,687,753	-1,128,961
Issue of treasury shares, share[1]	72,245	108,830
Outstanding shares as of 31 December, share	147,208,905	148,824,413

[1] The issue of treasury shares relates to compensation in connection with promotional and advertising agreements as well as remuneration for members of management.

AUTHORISED CAPITAL

As of 31 December 2025, the Company's Articles of Association provide for authorised capital totalling €30,000,000.00:

Pursuant to § 4.2 of the Articles of Incorporation, the Management Board is authorised, with approval of the Supervisory Board, to increase the share capital of the Company by up to €30,000,000.00 by issuing, once or several times, up to 30,000,000 new no-par-value bearer shares against contributions in cash and/or kind until 20 May 2030 (Authorised Capital 2025). In case of capital increases against contributions in cash, the new shares may be acquired by one or several banks, designated by the Management Board, subject to the obligation to offer them to the shareholders for subscription (indirect pre-emption right). Shareholders generally have a subscription right. However, the Management Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the cases specified in § 4.2 of the Articles of Incorporation.

The Management Board of PUMA SE did not make use of the existing authorised capital in the current reporting period.

CONDITIONAL CAPITAL

By resolution of the Annual General Meeting of 11 May 2022, the Management Board was authorised until 10 May 2027, with the consent of the Supervisory Board, through one or more issues, altogether or in parts and in various tranches at the same time, to issue bearer or registered convertible and/or option bonds, profit-sharing rights or participation bonds or a combination of these instruments with or without a term limitation in a total nominal amount of up to €1,500,000,000.00.

The share capital is conditionally increased by up to €15,082,464.00 by issue of up to €15,082,464 new no-par value bearer shares (Conditional Capital 2022). The conditional capital increase shall only be implemented to the extent that conversion/option rights are exercised, or the conversion/option obligations are performed, or tenders are carried out and to the extent that other forms of performance are not applied.

No use has been made of this authorisation to date.

TREASURY STOCK

The resolution adopted by the Annual General Meeting on 7 May 2020 authorised the Company to purchase treasury shares up to a value of 10% of the share capital until 6 May 2025. By resolution of the Annual General Meeting of 5 May 2021, the Supervisory Board was authorised to issue the acquired shares to the members of the Management Board of the Company, excluding the shareholders' subscription rights. By resolution of the Annual General Meeting of 11 May 2022, the Management Board was, moreover, authorised to issue the acquired shares, excluding the shareholders' subscription rights, as part of the Company's or its affiliated companies' share-based payments or employee share programmes to individuals currently or formerly in an employment relationship with the Company or one of its affiliated companies or to members of the management of one of the Company's affiliated companies. If purchased through the stock exchange, the purchase price per share must not exceed 10% or fall below 20% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

On the basis of the aforementioned authorisation of 7 May 2020/5 May 2021, the Management Board of PUMA SE approved a share buyback programme on 29 February 2024. The first tranche provides for the repurchase of treasury shares with a total purchase price of up to €100 million and began on 6 March 2024 for the period until 6 May 2025. In accordance with the authorisation granted by the Annual General Meeting 2020, the repurchased shares will be cancelled.

By resolution of the Annual General Meeting on 22 May 2024, the aforementioned authorisation to acquire and utilise treasury shares was revoked and the Company was again authorised to acquire treasury shares of up to ten percent of the share capital until 21 May 2029. Furthermore, the Supervisory Board was authorised to issue the acquired shares to the members of the Management Board of the Company, excluding the shareholders' subscription rights. In addition, the Management Board was authorised to issue the acquired shares, excluding the shareholders' subscription rights, as part of the Company's or its affiliated companies' share-based payments or employee share programmes to individuals currently or formerly in an employment relationship with the Company or one of its affiliated companies or to members of the management of one of the Company's affiliated companies. If purchased through the stock exchange, the purchase price per share must not exceed 10% or fall below 20% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

As of the balance sheet date, the Company holds a total of 799,021 PUMA shares in its own portfolio, which corresponds to 0.54% of the subscribed capital.

REPURCHASE OF TREASURY SHARES

Based on the abovementioned authorisation dated 7 May 2020/5 May 2021 the Management Board of PUMA SE decided to initiate a share repurchase programme on 29 February 2024. The first tranche provided for the buyback of treasury shares at a total purchase price of up to €100 million and started in March 2024 for a period ending on 6 May 2025.

On 31 March 2025, PUMA SE completed the acquisition of shares under the share repurchase programme. Under the share buy-back, a total of 1,687,753 shares were repurchased in the financial year 2025. This corresponded to approx. 1.13% of the subscribed capital of the Company (based on €149,698,196.00). The average purchase price per share paid on the stock exchange amounted to €29.63. The total price of the acquired shares amounted to €50,000,005.59.

The repurchased shares were redeemed as announced by the Company. PUMA SE has withdrawn 1,690,270 units of the repurchased shares by resolution of the Board of Management dated 7 August 2025.

Further information on the repurchase of treasury shares can be found in the following table.

T.70 REPURCHASE OF TREASURY SHARES IN THE FINANCIAL YEAR

Month	Number of shares	Total price in €	Average purchase price per share in €	Share of subscribed capital in €	Share of subscribed capital in %
January	411,990	15,008,721.36	36.43	411,990	0.28%
February	644,207	18,914,949.36	29.36	644,207	0.43%
March	631,556	16,076,334.87	25.46	631,556	0.42%
April	–	–	–	–	–
May	–	–	–	–	–
June	–	–	–	–	–
July	–	–	–	–	–
August	–	–	–	–	–
September	–	–	–	–	–
October	–	–	–	–	–
November	–	–	–	–	–
December	–	–	–	–	–
Total	1,687,753	50,000,005.59	29.63	1,687,753	1.13%

DIVIDEND

The amounts eligible for distribution relate to the retained earnings of PUMA SE, which is determined in accordance with German commercial law.

The Management Board and the Supervisory Board will propose to the Annual General Meeting that, from the retained earnings of PUMA SE for financial year 2025, no dividend (previous year: €0.61) be distributed, as the consolidated net result as of 31 December 2025 is negative.

T.71 PROPOSED APPROPRIATION OF THE RETAINED EARNINGS OF PUMA SE

	2025	2024
Retained earnings of PUMA SE as of 31 December, € *million*	185.2	510.5
Retained earnings available for distribution, € *million*	155.4	510.5
Dividend per share, €	0.00	0.61
Number of outstanding shares, share[1]	147,208,905	148,824,413
Total dividend, € *million*[1]	0.0	89.8
Carried forward to the new accounting period, € *million*[1]	185.2	420.8

[1] Previous year's values adjusted to the outcome of the Annual General Meeting

RESERVES

The equity reserves are broken down as follows:

CAPITAL RESERVES

The capital reserve includes the premium from issuing shares, as well as amounts from the grant, conversion and expiry of share options.

Revenue reserves incl. retained earnings

The revenue reserves incl. retained earnings include the net earnings of the financial year as well as the earnings achieved in the past by the companies included in the consolidated financial statements to the extent that it was not distributed. In addition, the valuation effects from the pension provision recognised in other comprehensive income are recognised in retained earnings, together with fees paid for the repurchase of treasury shares that exceed the nominal amount.

Difference from foreign currency translation

The equity item for currency translation serves to record the foreign exchange differences from the translation of the financial statements of subsidiaries with non-euro accounting.

Cash flow hedging reserve

The position of "Cash Flow hedging reserve" comprises the fair value of Cash Flow hedges (intrinsic value for options and the spot component for forward contracts) in relation to hedged transactions that have not yet occurred.

Reserve for hedging costs – options

The position includes the fair value of costs of hedging for Cash Flow hedges according to the "cost of hedging" approach (time value component).

Reserve for hedging costs – forward contracts

The position includes the fair value of costs of hedging for Cash Flow hedges according to the "cost of hedging" approach (time value component).

NON-CONTROLLING INTERESTS

This item comprises non-controlling interests. The composition is shown in Chapter 29.

CAPITAL MANAGEMENT

The Group's objective is to retain a strong equity base in order to maintain both investor and market confidence, and to strengthen future business performance.

Capital management relates to the consolidated equity of PUMA. This is presented in the consolidated statement of financial position and in the consolidated statement of changes in equity.

18. MANAGEMENT INCENTIVE PROGRAMMES

In order to retain Management with a long-term incentive effect PUMA uses cash-settled virtual shares as well as further global long-term incentive programmes.

The current programmes are described below:

EXPLANATION OF "VIRTUAL SHARES", TERMED "MONETARY UNITS" (FULL TERM: MONETARY UNITS PLAN – MUP)

In the 2013 financial year, the Company started granting "monetary units" on an annual basis as part of a management incentive plan for its Management Board members. Such "monetary units" are based on PUMA share performance. Each of these monetary units entitles the holder to a cash payment at maturity. Such granted cash payment measures the PUMA share performance by comparing the average virtual stock appreciation rights of the last thirty trading days prior to the beginning of the year of issue with the virtual stock appreciation rights of the last thirty trading days of the exercise date. The maximum stock appreciation rights are capped at 300 per cent of the amount allotted. These "monetary units" are subject to a vesting period (lock-up period) of three years followed by an exercise period of thirty days beginning on each quarterly report release date and expiring thirty days thereafter in which participants may freely choose to exercise their rights over a period of two years. The number of such monetary units is reduced on a pro rata basis, should a Management Board member withdraw from office at any time during the vesting period. This plan expired to be replaced by the performance share plan 2021. Against that backdrop, the Company ceased to issue any shares in connection with this plan in the 2025 financial year.

EXPLANATION OF "VIRTUAL SHARES" (FULL TERM: PERFORMANCE SHARE PLAN 2021 – PSP 21)

Virtual shares were granted on an annual basis to members of the Management Board beginning in 2021 as part of a management incentive programme. The virtual shares are based on the PUMA share performance. Each of these virtual shares entitles the holder to a cash payment at the end of the term. However, the Supervisory Board reserves the right to make the payment in PUMA shares instead of cash. This cash payout is based on the PUMA closing prices for the last thirty trading days before the exercise date, increased by the accumulated dividends of the performance period. The final number of virtual shares is between 50% and 150%, depending on the relative "Total Shareholder Returns" (TSR) compared to the MDAX index. The PUMA and MDAX index TSRs are calculated using the arithmetic means of each of the TSR values on the 30 trading days before the start and end of the performance period. The averages calculated in this way for PUMA and the MDAX index are then compared with each other. The difference in percentage points between the PUMA TSR and the MDAX index TSR is then calculated (= TSR outperformance in percentage points). The maximum increase in value (cap) is limited to 300% of the amount allocated. Virtual shares are subject to a vesting period of four years. They are generally paid out within the first quarter of the fifth year after their issue. Virtual shares are reduced on a "pro rata" basis in the event of withdrawal during the vesting period. For the programmes issued in financial years 2021 and 2022, the DAX acts as the basis for calculating virtual shares, while the MDAX index is used starting financial year 2023. The programme expired in financial year 2025 in favour of the Performance Share Plan 2025. Therefore, no shares were issued from this programme in financial year 2025.

EXPLANATION OF "VIRTUAL SHARES" (FULL TERM: PERFORMANCE SHARE PLAN 2025 – PSP 25)

In the 2025 financial year, the Company started granting virtual shares on an annual basis as part of a management incentive plan for its Management Board members. Such virtual shares are based on PUMA share performance (50%), the average consolidated net income (30%) and the achievement of sustainability targets (20%). Each of these virtual shares entitles the holder to a cash payment at maturity. The Supervisory Board, however, reserves the right to effect pay-out in form of PUMA shares and not in cash. Such granted cash payment is based upon the PUMA closing prices of the last thirty trading days prior to the exercise date, increased by the accumulated dividends of the performance period. The number of virtual shares finally allocated ranges between 0% and 200%, depending on the weighted target achievement of the three components. 50% of the total target achievement depends on the relative "total shareholder return" (TSR) in relation to the MDAX stock index. Calculation of the PUMA and the MDAX stock index TSRs is in each case based on the arithmetic average of the TSRs of the last thirty trading days prior to the beginning and expiry of the performance period. The average values so determined for PUMA and the MDAX stock index are then compared with one another to determine the difference in percentage terms between the PUMA TSR and the MDAX stock index TSR (TSR outperformance in percentage points). 30 per cent of the total target achievement depends on the average consolidated net income. For this purpose, a target value is defined at the beginning of the performance period based on the medium-term planning of the PUMA Group. At the end of the performance period, this target value is compared against the average consolidated net income actually achieved in the performance period. 20% of the total target achievement depends on the achievement of sustainability targets. These are defined specifically for this purpose by the Supervisory Board. At the end of the performance period, the Supervisory Board evaluates the degree of achievement of the sustainability targets. The maximum increase in value of the virtual shares (Cap) is capped at 300% of the amount allotted. These virtual shares are subject to a blocking period (= vesting period + holding period) of four years. This consists of a three-year vesting period followed by a one-year holding period. In general, pay-out is effected within the first quarter of the fifth year after their issue. The number of such virtual shares is reduced on a "pro rata" basis, should a Management Board member withdraw from office at any time during the vesting period.

In the 2025 financial year, additions of €0.6 million (previous year: €1.3 million) were made to the provision based on commitments under employment contracts to the members of the Management Board, and €0.7 million (previous year: €0.0 million) were reversed.

T.72 VIRTUAL SHARES, MEMBERS OF THE MANAGEMENT BOARD

Plan	**MUP**	**PSP 21**	**MUP**	**PSP 21**	**PSP 21**	**PSP 21**	**PSP 25**	
Issue date	**1/1/2021**	**1/1/2021**	**1/1/2022**	**1/1/2022**	**1/1/2023**	**1/1/2024**	**1/1/2025**	
Term	5	4.25	5	4.25	4.25	4.25	4.25	Years
Vesting period	3	4	3	4	4	4	4	Years
Base price PUMA share at issue	86.23	86.23	106.95	106.95	51.86	54.92	45.18	EUR/share
Reference value PUMA share at the end of the financial year	0	0	19.74	19.74	21.76	21.44	15.01	EUR/share
Weighted share price at the time of exercise	21.47	45.21	0.00	0.00	0.00	0.00	0.00	EUR/share
Participants in the year of issue	3	2	1	3	4	5	5	Persons
Participants at the end of the financial year	0	0	1	3	4	5	5	Persons
Number of monetary units/virtual shares as of 1 January 2025	25,606	7,070	10,323	13,629	69,082	72,368	74,744	Shares
Number of monetary units/virtual shares exercised in the financial year	-25,350	-6,556	0	0	0	0	0	Shares
Number of monetary units/virtual shares expired in the financial year	-256	-514	-104	-857	-1,273	-4,322	0	Shares
Final number of monetary units/virtual shares as of 31 December 2025	0	0	10,219	12,772	67,809	68,046	74,744	Shares

This commitment consisting of share-based remuneration transactions with cash compensation is recorded as personnel provisions and remeasured at fair value on every balance sheet date, provided it has not been exercised yet. The expenses are recorded pro rata over the vesting period. Based on the valuation of external experts at fair value and taking into account exercises and reversals during the year in 2025, the provision for these programmes amounts to €4.3 million at the end of the fiscal year (previous year: €5.3 million). Included therein is a fixed amount of €0.9 million, which was granted to former members of the Management Board in the financial year for the settlement of pro rata entitlements to the 2025 tranche.

EXPLANATION OF THE "GAME CHANGER 2.0" PROGRAMME

In 2018, the long-term incentive programme (LTIP) "Game Changer 2.0" was launched. The participants in this programme consist primarily of top executives reporting to the Management Board, as well as special key functions within PUMA Group. The aim of this programme is to tie this group of employees to the Company in the long term and to offer them a share in the medium-term success of the Company.

The LTIP "Game Changer 2.0" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The performance period of the Performance Cash Plan is three years and is based on the average medium-term targets of the PUMA Group in terms of EBIT, sales and Cash Flow or working capital as a percentage of sales. Payment is made in cash after the end of the performance period and is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan uses virtual shares to manage the incentive. The term is up to five years. This is divided into a three-year performance period and a two-year exercise period in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the value of a virtual share. The payout is limited to a maximum of 300% of the pro-rata Target Amount granted and will only be paid out if the defined exercise hurdle (if applicable) has been reached at least once during the Performance Period.

The payment is subject to the condition that the individual participants are in an active, unterminated employment relationship with a PUMA Group company on the specified date.

EXPLANATION OF THE "GAME CHANGER 2.0 – 2023" PROGRAMME

In 2020, the global programme "Game Changer 2.0 – 2023" was launched as presented above. The Performance Cash Plan is based on the targets EBIT (70%), Cash Flow (15%) and Sales (15%). Within the framework of the performance share component, the payout is limited to a maximum of 300% of the granted pro rata target amount (cap). In the reporting year, an amount of €0.2 million (of which €0.2 million from the Performance Share portion) was paid out to the group of participants. In the reporting year, no further expenses were added for this programme, and €0.1 million (previous year: €0.0 million) was reversed. There is no longer a provision for the programme (previous year: €0.1 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2024" PROGRAMME

In 2021, the global programme "Game Changer 2.0 – 2024" was launched, which is subject to the same parameters as described above. The performance cash plan is based on targets in terms of EBIT (45%), working capital in per cent of net sales (15%), and net sales (40%). Pay-out of the performance share component is capped at a maximum of 300 per cent of the granted pro rata target bonus. Moreover, the programme is contingent upon an unbroken employment relationship until 31 December 2023. In the reporting year, a total of €0.2 million (of which €0.2 million from the performance share component) was paid out to the group of participants. Further, a total of €0.2 million (previous year: €0.8 million) was reversed and no expenses were allotted for this programme. The provision for this programme amounts to €0.1 million at the end of the financial year (previous year: €0.3 million). The performance share component accounts for €0.1 million (previous year: €0.3 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2026" PROGRAMME

In 2023, the global "Game Changer 2.0 – 2026" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), Cash Flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2025 is required. In the reporting year, a prorated amount of €0.0 million (previous year: €1.5 million) was set aside and €0.7 million was released as a provision for this programme (previous year: €0.1 million). The provision for this programme amounts to €2.3 million at the end of the financial year (previous year: €3.1 million). The Performance Share Plan portion accounted for €1.0 million (previous year: €1.5 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2027" PROGRAMME

In 2024, the global "Game Changer 2.0 – 2027" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), Cash Flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2026 is required. In the reporting year, a prorated amount of €0.4 million (previous year: €1.0 million) was set aside for this programme. The provision for this programme amounts to €0.9 million at the end of the financial year (previous year: €1.0 million). The Performance Share Plan portion accounted for €0.5 million (previous year: €0.4 million).

EXPLANATION OF THE "ROAD 2 10B" PROGRAMME

In 2022, the "Game Changer 2.0" programme was replaced by the one-time "Road 2 10B" long-term incentive programme (LTIP). The participants in this programme consist of key specialists and managers of the PUMA Group. The aim of this programme is to retain these employees in the long term and to allow them to participate in the medium-term success of the company.

The LTIP "Road 2 10B" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The Performance Cash Plan is focused on the following targets: EBIT, sales and working capital as a percentage of sales based on the three-year plan set by the Management Board of PUMA SE. For participants in the programme with an employment relationship at Group level, the target achievement is based on the following Group targets: EBIT (45%), sales (40%), and working capital as a percentage of sales (15%). For participants in the programme with an employment relationship at the national or regional level, 50% of the target achievement is based on achieving the Group targets. The remaining 50% is based on achieving the following targets at the national or regional level: EBIT (22.5%), sales (20%) and working capital as a percentage of sales (7.5%). Payment is made after the end of a three-year performance period and is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan is based on the performance of the PUMA share price. The term is up to five years, divided into a three-year performance period and a subsequent two-year exercise period, in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the payout value of a virtual share. The payout is limited to a maximum of 300% of the granted prorated target amount (cap) and is only made if an exercise hurdle of +10% share-price appreciation is exceeded once during the performance period.

The programme expired in the reporting year and no further expenses were added (previous year: €2.0 million). There is no longer a provision for this (previous year: €7.6 million). An amount of €8.4 million (of which €0.0 million from the performance share portion) was paid out to the group of participants. In the reporting year, €0.1 million was reversed for this programme (previous year: €0.5 million).

EXPLANATORY COMMENTS ON "RETENTION PLAN RESET 2028" PROGRAMME

In 2025, the "Game Changer 2.0" programme was replaced on a one-off basis by the Long-Term Incentive Programme (LTIP) "Retention Plan Reset". Participants in this programme consist mainly of top executives reporting to the Management Board and individual key positions in the PUMA Group. The objective of this programme is to retain these employees in the Company on a long-term basis. Participants receive an allocation amount determined at the start of the programme. The vesting period is three years and ends on 31 December 2027. Payout is conditional upon the individual participants being in an active, unterminated employment relationship with a PUMA Group entity until the end of the vesting period. The payout takes place after the end of the vesting period.

€1.4 million was allocated on a pro rata basis for this programme in the year under review. That resulted in provisions in the amount of €1.4 million for this programme at the end of the financial year.

T.73 VIRTUAL SHARES, NON-MANAGEMENT BOARD MEMBERS

Plan	**Game Changer 2023**	**Game Changer 2024**	**Road 2 10B**	**Game Changer 2026**	**Game Changer 2027**	
Issue date	**1/1/2020**	**1/1/2021**	**1/1/2022**	**1/1/2023**	**1/1/2024**	
Term	5	5	5	5	5	Years
Vesting period	3	3	3	3	3	Years
Base price at programme start	67.69	86.23	106.95	51.86	54.92	EUR/share
Reference value at the end of the financial year	0	19.74	0	22.42	22.15	EUR/share
Weighted share price at the time of exercise	45.21	45.21	0	0	0	EUR/share
Participants in the year of issue	60	76	486	84	59	Persons
Participants at the end of the financial year	0	13	0	70	49	Persons
Number of virtual shares as of 1 January 2025	3,316	7,379	88,027	50,784	44,838	Shares
Number of virtual shares expired in the financial year	0	-824	-88,027	-6,757	-9,640	Shares
Number of virtual shares added in the financial year (new participants)	0	0	0	0	0	Shares
Number of virtual shares exercised in the financial year	-3,316	-1,907	0	0	0	Shares
Final number of virtual shares as of 31 December 2025	0	4,648	0	44,027	35,198	Shares

NOTES TO THE CONSOLIDATED INCOME STATEMENT

19. SALES

Sales result from contracts with customers. The following tables show the breakdown by distribution channel and product division:

T.74 BREAKDOWN BY DISTRIBUTION CHANNEL (IN € MILLION)[1]

	2025	2024
Wholesale	4,935.0	5,972.6
Direct-to-consumer (DTC)	2,361.1	2,425.4
Total	7,296.2	8,398.0

T.75 BREAKDOWN BY PRODUCT DIVISION (IN € MILLION)[1]

	2025	2024
Footwear	4,113.8	4,733.6
Apparel	2,328.5	2,703.7
Accessories	853.9	960.7
Total	7,296.2	8,398.0

[1] This information is part of PUMA's 2025 Sustainability Statement in accordance with ESRS 2 SBM-1.

20. OTHER OPERATING INCOME AND EXPENSES

According to the respective functions, other operating income and expenses include personnel, advertising, sales and distribution expenses as well as rental and leasing expenditure, travel costs, legal and consulting expenses and other general expenses. Rental and lease expenses associated with the Group's own retail stores include revenue-based rental components.

Other operating income and expenses are allocated based on functional areas as follows:

T.76 OTHER OPERATING INCOME AND EXPENSES (IN € MIO.)

	2025	**2024**
Sales and distribution expenses	2,908.0	2,880.8
Product management/merchandising	100.1	87.8
Research & development	83.6	92.4
Administrative and general expenses	643.2	485.0
Other operating expenses	3,734.8	3,545.9
Other operating income	-5.5	-8.3
Total	3,729.3	3,537.7
Thereof personnel expenses	988.1	967.6
Thereof depreciation and amortisation	391.2	370.2
Thereof impairment losses	75.1	7.9
Thereof reversals of impairment losses	-1.3	-29.4

Within the sales and distribution expenses, marketing/retail expenses account for a large proportion of the operating expenses. In addition to advertising and promotional expenses, they also include expenses associated with the Group's own retail activities. Other sales and distribution expenses include logistics expenses and other variable sales and distribution expenses.

The expenses for product management/merchandising consist of personnel and material costs for the preparation of product range plans, provision of product guidelines and market research.

Research and development expenses include all costs incurred in connection with global or local development activities.

Administrative and general expenses mainly include personnel and material costs from the human resources, IT, finance, law and general administration/management functional areas.

Impairment losses in the reporting year amounted to €31.2 million for right-of-use assets (previous year: €7.3 million), €1.9 million for property, plant and equipment (previous year: €0.6 million) and €42.2 million (previous year: €0.0 million) for intangible assets. In contrast, there were reversals of impairment losses on right-of-use assets amounting to €1.3 million (previous year: €29.4 million).

In the consolidated financial statements of PUMA SE, fees of €2.8 million (previous year: €2.7 million) are recognised as operating expenses for the auditor of the consolidated financial statements, i.e. KPMG AG Wirtschaftsprüfungsgesellschaft, Nuremberg, Germany. The audit fee consists of fees for audit services related to the annual and consolidated financial statements as well as to the review of the half-year report in the amount of €2.5 million (previous year: €2.1 million), other assurance services in the amount of €0.3 million (previous year: €0.4 million), in particular for the assurance of the non-financial (group) report (by fully applying the first set of the ESRS as a framework) as well as other services in the amount of €0.0 million (previous year: €0.2 million), which services related to the CSRD/ESG sustainability readiness in anticipation of a future audit of sustainability reporting as well as, to a minor extent, quality assurance in the implementation of regulatory requirements. In addition to the expenses for PUMA SE, the fees also include the fees for the domestic and foreign subsidiaries directly audited by the auditor of the consolidated financial statements.

In financial year 2025, government grants amounted to a mid-single-digit million amount. Government grants are deducted from the corresponding expenses.

Other operating income comprises income from the sale of fixed assets in the amount of €3.1 million (previous year: €2.3 million), capital gains from finance leases totalling €0.0 million (previous year: €2.5 million) and rental income in the amount of €2.4 million (previous year: €3.4 million).

In total, other operating expenses include personnel costs composed as follows:

T.77 PERSONNEL COSTS (IN € MILLION)

	2025	2024
Wages and salaries	782.6	740.6
Social security contributions	109.1	107.7
Expenses from share-based payments with cash compensation	-0.8	4.4
Expenses for retirement pension and other personnel expenses	97.1	114.9
Total	988.1	967.6

In addition, cost of sales includes personnel costs in the amount of €14.4 million (previous year: €17.7 million).

T.78 THE AVERAGE NUMBER OF EMPLOYEES FOR THE YEAR WAS AS FOLLOWS: EMPLOYEES

	2025	2024
Marketing/retail/sales	13,661	13,564
Research & development/product management	1,348	1,435
Administrative and general units	3,494	3,669
Total annual average	18,503	18,668

As of the end of the year, a total of 18,488 individuals were employed (previous year: 19,599).

21. FINANCIAL RESULT

The financial result is composed as follows:

T.79 FINANCIAL RESULT (IN € MILLION)

	2025	2024
Interest income	11.4	28.9
Interest income – lease receivables	1.7	2.5
Other financial income	62.0	105.9
Financial income	75.0	137.3
Interest expense	-56.1	-65.6
Interest expense – lease liabilities	-55.7	-51.1
Interest expense of valuation of pension plans	-1.0	-1.0
Loss from foreign exchange differences, net	-16.4	-88.5
Other financial expenses	-111.4	-80.1
Financial expenses	-240.7	-286.3
Financial result	-165.6	-149.0

Interest income comprises interest income from bank balances in the amount of €9.3 million (previous year: €24.5 million) and other interest income in the amount of €2.0 million (previous year: €4.5 million).

The item "Other financial income" amounting to €62.0 million (previous year: €105.9 million) includes forward and time components recognised in profit or loss in connection with currency derivatives in the amount of €55.8 million (previous year: €65.8 million) as well as hedging gains from stand-alone derivatives amounting to €5.9 million (previous year: €39.8 million), and dividend income amounting to €0.4 million (previous year: €0.4 million) from the investment in Borussia Dortmund GmbH & Co. KGaA (BVB).

In addition to €44.7 million (previous year: €40.0 million) in interest expense in connection with borrowings, the item "Interest expense" also includes €11.5 million (previous year: €25.5 million) in interest expense for factoring and other matters.

The item "Other financial expenses" includes expenses from the forward component and the time value in connection with currency derivatives of €36.5 million (previous year: €51.7 million), hedging losses from free standing derivatives of €58.5 million (previous year: €2.2 million), the loss on net monetary position in connection with hyperinflation of €7.8 million (previous year: €17.4 million), and the impairment of investment property of €8.6 million (previous year: €8.8 million).

22. INCOME TAXES

T.80 INCOME TAXES (IN € MILLION)

	2025	2024
Current income taxes	72.0	104.1
Deferred taxes	48.7	15.0
Total	120.7	119.0

Current income taxes include €4.4 million in out-of-period income (previous year's income: €4.6 million). Deferred taxes include tax expense of €43.8 million (tax income in previous year: €5.0 million), which is attributable to the occurrence or reversal of temporary differences.

In general, PUMA SE and its German subsidiaries are subject to corporate income tax, plus a solidarity surcharge and trade tax. Thus, a weighted mixed tax rate of 27.22% continued to apply for the financial year. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised, the tax loss carryforward or interest carryforward utilised or the liability is settled. Here, the gradual reduction of the corporate income tax rate in Germany from 15% to 10% has been taken into account, which begins from the 2028 assessment period. The amount of €11.7 million from changes in tax rates shown in the tax reconciliation is mainly attributable to the reduction of corporate income tax in Germany planned from 2028.

Reconciliation of theoretical tax expense to effective tax expense:

T.81 TAX RATE RECONCILIATION (IN € MILLION)

	2025	2024
Earnings before income tax	-522.9	399.7
Theoretical tax expense		
Tax rate of the SE = 27.22% (previous year: 27.22%)	-142.3	108.8
Tax rate difference with respect to other countries	-1.8	-1.2
Other tax effects:		
Income tax for previous years	-3.1	-7.3
Losses and temporary differences for which no tax claims were recognized	216.1	11.0
Changes in tax rates	11.7	3.0
Current tax expense related to global minimum top-up tax	2.1	5.4
Non-deductible expenses for tax purposes and non-taxable income and other effects	38.0	-0.7
Effective tax expense	120.7	119.0
Effective tax rate	-23.1%	29.8%

For the financial year 2025, the total tax benefit from previously unrecognised tax losses, tax credits or temporary differences from prior years that led to a reduction in deferred tax expense amounts to €0.1 million (previous year: €0.0 million). The deferred tax expense resulting from a write-down of deferred tax assets amounts to €216.2 million in the financial year (previous year: €10.7 million).

The PUMA Group falls within the scope of application of the global minimum taxation under the Pillar 2 tax legislation. The PUMA Group makes use of the exemption for the recognition of deferred taxes that result from the introduction of global minimum taxation and recognises it as a current tax as soon as it is incurred. Hong Kong, the United Arab Emirates and Singapore have adopted new tax legislation that provides for the introduction of local minimum taxation from 1 January 2025. As a result, from 2025, the relevant local subsidiaries will be responsible for the minimum tax on their business activities rather than the parent company, PUMA SE.

The tax effect resulting from items that were directly included in other comprehensive income can be found in Chapter 8.

23. EARNINGS PER SHARE

The earnings per share are determined in accordance with IAS 33 by dividing the consolidated annual surplus (consolidated net earnings) attributable to the shareholders of the parent company by the weighted average number of outstanding shares.

The calculation is shown in the following table:

T.82 EARNINGS PER SHARE 2025

	Continuing operations	Discontinued operations	Total
Consolidated net income attributable to the shareholders of PUMA SE *(€ million)*	-643.6	28.4	-615.2
Net income attributable to non-controlling interests *(€ million)*	-0.7	-29.6	-30.3
Net income attributable to the shareholders *(€ million)*	-644.2	-1.3	-645.5
Weighted average number of outstanding shares *(shares)*	147,405,155	147,405,155	147,405,155
Earnings per share (€)	-4.37	-0.01	-4.38
Consolidated net income for calculating the diluted earnings per share *(€ million)*	-644.2	-1.3	-645.5
Weighted average number of outstanding shares *(shares)*	147,405,155	147,405,155	147,405,155
Dilutive effect from share-based payments *(shares)*	127,986	127,986	127,986
Weighted average number of outstanding shares, diluted *(shares)*	147,533,141	147,533,141	147,533,141
Earnings per share (€) – diluted	-4.37	-0.01	-4.38

T.83 EARNINGS PER SHARE 2024

	Continuing operations	Discontinued operations	Total
Consolidated net income attributable to the shareholders of PUMA SE *(€ million)*	280.7	61.7	342.3
Net income attributable to non-controlling interests *(€ million)*	0.4	-61.0	-60.7
Net income attributable to the shareholders *(€ million)*	281.0	0.6	281.6
Weighted average number of outstanding shares *(shares)*	149,320,990	149,320,990	149,320,990
Earnings per share (€)	1.88	0.01	1.89
Consolidated net income for calculating the diluted earnings per share *(€ million)*	281.0	0.6	281.6
Weighted average number of outstanding shares *(shares)*	149,320,990	149,320,990	149,320,990
Dilutive effect from share-based payments *(shares)*	54,858	54,858	54,858
Weighted average number of outstanding shares, diluted *(shares)*	149,375,848	149,375,848	149,375,848
Earnings per share (€) – diluted	1.88	0.01	1.89

OTHER DISCLOSURES

24. DISCONTINUED OPERATIONS

As of 31 October 2025, PUMA sold its majority shares in PUMA United North America LLC, USA, and PUMA United Canada ULC, Canada, to its previous partner. In the course of this, the appointed PUMA executive bodies and managers resigned their mandates.

PUMA United was a partnership between PUMA and United Legwear that focused primarily on the sale of socks and underwear in the US and Canadian market. As part of the ongoing restructuring measures and efforts to optimise the distribution network, PUMA has decided to switch from the partnership model to a license model with the existing partner in 2025.

PUMA United was fully integrated into the “North America” operating segment until disposal. PUMA United is classified as a discontinued operation effective Q4 2025. The previous year’s figures in the Consolidated Income Statement were adjusted accordingly to present the discontinued operation separately from continuing operations.

Since the Group continues to receive license income from the discontinued operation and purchases goods there to a minor extent after the disposal, the purchases and license income carried out prior to the disposal are included in continuing operations.

T.84 PROFIT FROM DISCONTINUED OPERATIONS, NET OF TAX (IN € MILLION)

	2025	**2024**
Sales	278.3	427.9
Elimination of inter-segment sales	-10.0	-8.7
External Sales	268.3	419.2
Expenses	-247.2	-365.3
Elimination of expenses related to inter-segment sales	49.7	73.1
External Expenses	-197.5	-292.1
Result from continuing operations	31.1	62.6
Income tax	-1.2	-0.9
Result from continuing operations after tax	29.9	61.7
Loss on sale of discontinued operation	-1.6	0.0
Income tax on the loss from the disposal of discontinued operations	0.0	0.0
Profit from discontinued operations, net of tax	28.4	61.7

The loss from the sale of the discontinued operation in the amount of €1.6 million and the related tax effect is fully attributable to the shareholders of PUMA SE.

T.85 CASH FLOW FROM DISCONTINUING OPERATIONS (IN € MILLION)

	2025	**2024**
Cash flows from operating activities	-11.9	80.3
Cash flows from investing activities	0.0	0.0
Cash flows from financing activities	11.9	-80.3

The following assets and liabilities were derecognized by the group in connection with the disposal:

T.86 ASSETS AND LIABILITIES (IN € MILLION)

	2025
Cash and cash equivalents	0.0
Inventories	81.1
Trade receivables	2.4
Other current financial assets	75.7
Other current assets	7.4
Intangible assets	1.9
Other current financial liabilities	55.0
Trade payables	72.5
Other current liabilities	15.3
Non-controlling interests	13.1

25. SEGMENT REPORTING

Segment reporting is based on geographical areas of responsibility in accordance with the PUMA internal reporting structure, with the exception of stichd. The geographical area of responsibility corresponds to the business segment. Sales, the operating result (EBIT), earnings before taxes (EBT) and other segment information are allocated to the corresponding geographical areas of responsibility according to the registered office of the respective Group company.

The internal management reporting includes the following reporting segments: Europe, MEA&I (Middle East, Africa, India), North America, Latin America, Greater China, Japan, Korea, Southeast Asia and Oceania, and stichd. The operating segments Greater China, Japan, Korea, Southeast Asia and Oceania, and stichd do not meet the quantitative thresholds for reportable segments; however, the Management Board continues to consider these operating segments as important, so that these will continue to be shown separately for external segment reporting. The segment Japan, Korea, as well as Southeast Asia and Oceania are combined and reported under "Rest of Asia-Pacific".

The PUMA United business unit, which was sold as of 31 October 2025 and classified as discontinued operations, is no longer included in the North America operating segment. Comparative segment information has been restated retroactively with the exception of the prior-year balance sheet items.

The reconciliation includes information on assets, liabilities, expenses and income in connection with centralised functions that do not meet the definition of business segments in IFRS 8. Central expenses and income include in particular central sourcing, central treasury, central marketing, impairment losses on non-current assets and other global functions of the Company headquarters.

The Company's main decision-maker is defined as the entire Management Board of PUMA SE.

The external sales presented in the segment reporting are generated in each segment by the sale of footwear, apparel and accessories. They include both wholesale revenues and revenues from own retail activities. The percentage breakdown of sales revenues by wholesale business and own retail activities per segment essentially corresponds to the group-wide breakdown (see Chapter 19). The Greater China segment is an exception, with wholesale revenue accounting for around 30% of its sales (previous year: around 50%).

Business relations between the companies of the segments are based on prices that would also be agreed with third parties. With the exception of stichd's sales of goods in the amount of €43.6 million (previous year: €57.8 million), there are no significant internal revenues, which is why they are not included in the presentation.

The most important earnings indicator for the management and allocation of resources by the Management Board is the operating result (EBIT) of the business segments, which is defined as gross profit less attributable other operating expenses plus licence and commission income and other operating income, but excluding central costs and central marketing expenses.

The external sales, operating result (EBIT), inventories and trade receivables of the business segments are regularly reported to the main decision-maker. Amounts recognised by the Group from the intra-group profit elimination on inventories in connection with intra-group sales are not allocated to the business segments in the way that they are reported to the main decision-maker. Investments, depreciation and non-current assets at the level of the business segments are not reported to the main decision-maker. The allocation of intangible assets to the business segments is presented in Chapter 11. Liabilities, the financial result and income taxes are not allocated to the business segments and are therefore not reported to the main decision-maker at the level of the business segments.

Non-current assets and depreciation and amortisation include the carrying amounts and the depreciation and amortisation of the past financial year of property, plant and equipment, right-of-use assets and intangible assets. Capital expenditure contains additions to property, plant and equipment and intangible assets.

Since PUMA is only active in the sporting goods industry business field, a further breakdown is made according to the footwear, apparel and accessories product divisions in accordance with the internal reporting structure.

BUSINESS SEGMENTS

T.87 BUSINESS SEGMENTS (IN € MILLION)

	Net sales (third parties)		**Gross Profit**		**Adjusted EBIT**	
	1–12/2025	**1–12/2024**	**1–12/2025**	**1–12/2024**	**1–12/2025**	**1–12/2024**
Europe[1]	2,204.0	2,426.4	1,020.2	1,159.6	253.2	384.7
MEA&I[1]	874.1	1,011.5	390.4	482.2	119.9	199.7
North America[2]	1,315.2	1,705.8	479.1	730.5	41.3	250.7
Latin America	1,173.4	1,342.4	519.4	625.4	125.8	254.0
Reportable segments	5,566.7	6,486.0	2,409.2	2,997.7	540.2	1,089.0
Greater China	488.4	604.0	246.3	328.0	26.9	98.0
Rest of Asia-Pacific[1]	750.8	789.9	348.8	380.1	62.0	105.3
stichd	467.0	497.1	227.8	266.5	27.0	66.8
Total business segments	7,272.9	8,377.1	3,232.1	3,972.2	656.1	1,359.1

1 Due to a change in the structure of the internal organisation, Oceania and Southeast Asia were assigned to the Rest of Asia/Pacific region, and Eastern Europe was assigned to the Europe region.

2 The PUMA United business unit, which was sold on 31 October 2025 and classified as a discontinued operation, is no longer included in the North America operating segment.

	Capital expenditure		Inventories		Trade receivables (third parties)	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Europe[1]	62.5	45.6	677.4	595.5	218.6	271.0
MEA&I[1]	6.5	19.1	239.4	317.7	149.3	235.9
North America	11.9	49.4	431.9	468.0	132.5	214.1
Latin America	47.4	51.8	412.5	314.7	239.2	227.0
Reportable segments	128.3	165.9	1,761.2	1,695.9	739.6	948.0
Greater China	10.4	13.8	141.0	150.4	37.7	71.6
Rest of Asia-Pacific[1]	11.5	14.8	172.7	148.4	72.9	127.1
stichd	12.0	24.3	122.4	134.0	52.8	93.8
Total business segments	162.2	218.7	2,197.2	2,128.7	903.0	1,240.6

1 Due to a change in the structure of the internal organisation, Oceania and Southeast Asia were assigned to the Rest of Asia/Pacific region, and Eastern Europe was assigned to the Europe region.

	Depreciation and amortisation		Non-current assets	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Europe[1]	84.1	74.5	641.6	542.9
MEA&I[1]	37.5	36.8	123.4	144.8
North America	87.6	87.2	642.1	815.5
Latin America	53.7	50.7	280.9	256.0
Reportable segments	263.0	249.2	1,688.1	1,759.1
Greater China	28.2	30.5	65.6	87.9
Rest of Asia-Pacific[1]	43.6	43.2	105.4	156.6
stichd	17.4	15.3	247.4	238.3
Total business segments	352.2	338.2	2,106.5	2,241.9

1 Due to a change in the structure of the internal organisation, Oceania and Southeast Asia were assigned to the Rest of Asia/Pacific region, and Eastern Europe was assigned to the Europe region.

T.88 PRODUCT NET SALES (THIRD PARTIES) (IN € MILLION) GROSS PROFIT MARGIN (IN %)

	Net sales (third parties)		Gross profit margin	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Footwear	4,113.8	4,733.6	44.3%	46.9%
Apparel	2,328.5	2,703.7	46.0%	48.6%
Accessories	853.9	960.7	45.5%	48.0%
Total	7,296.2	8,398.0	45.0%	47.6%

RECONCILIATIONS

T.89 RECONCILIATIONS (IN € MILLION)

	Net sales (third parties)		Gross Profit	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Total business segments	7,272.9	8,377.1	3,232.1	3,972.2
Central areas	23.3	20.9	47.6	25.6
Total	7,296.2	8,398.0	3,279.6	3,997.8

	Adjusted EBIT	
	1–12/2025	1–12/2024
Total business segments	656.1	1,359.1
Central areas	-305.7	-323.8
Central expenses marketing	-516.0	-486.6
Consolidation	0.0	0.0
Adjusted EBIT	-165.6	548.7
One-time effects	-191.6	0.0
Operating Result (EBIT)	-357.2	548.7
Financial result	-165.7	-149.0
Loss/Earnings before taxes (EBT)	-522.9	399.7

	Depreciation and amortisation		Non-current assets	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Total business segments	352.2	338.2	2,106.5	2,241.9
Central areas	39.0	32.0	256.8	226.3
Consolidation	0.0	0.0	0.0	0.0
Total	391.2	370.2	2,363.3	2,468.3

	Capital expenditure		Inventories		Trade receivables (third parties)	
	1–12/2025	1–12/2024	1–12/2025	1–12/2024	1–12/2025	1–12/2024
Total business segments	162.2	218.7	2,197.2	2,128.7	903.0	1,240.6
Central areas	43.5	41.4	0.0	3.7	10.4	6.0
Consolidation	0.0	0.0	-137.2	-118.6	0.0	0.0
Total	205.7	260.2	2,060.0	2,013.7	913.4	1,246.5

GEOGRAPHICAL INFORMATION

Sales revenue (with third parties) from continuing operations is reported in the geographical market in which it arises. Non-current assets are allocated to the geographical market based on the registered office of the relevant subsidiary, regardless of the segment structure.

T.90 GEOGRAPHICAL INFORMATION BY COUNTRY (IN € MILLION)

	Net sales (third parties)		Non-current assets	
	1–12/2025	**1–12/2024**	**1–12/2025**	**1–12/2024**
Germany, Europe	549.9	682.7	557.6	536.9
USA, North America	1,192.9	1,563.6	532.7	653.8
Other countries	5,553.3	6,151.7	1,273.1	1,277.6
Total	7,296.2	8,398.0	2,363.3	2,468.3

26. NOTES TO THE CASH FLOW STATEMENT

The Cash Flow statement was prepared in accordance with IAS 7 and is structured based on Cash Flows from operating, investing and financing activities. The indirect method is used to determine the cash outflow/inflow from operating activities. The Gross Cash Flow, derived from earnings before income tax and adjusted for non-cash income and expense items, is determined within Cash Flow from operating activities. Cash outflow/inflow from operating activities less investments in property, plant and equipment as well as intangible assets is referred to as Free Cash Flow.

The liquid fund considered in the statement of Cash Flows comprises all cash and cash equivalents shown in the statement of financial position under the item "Cash and cash equivalents", i.e. cash on hand, checks and current balances with credit institutions including current financial investments.

The following table shows the cash and non-cash changes in financial liabilities in accordance with IAS 7.44A:

T.91 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH FLOWS FROM FINANCING ACTIVITIES 2025 (IN € MILLION)

			Non-cash changes						
	Notes	**Balance 1/1/2025**	**Changes in the scope of consolidation**	**Effect of foreign exchange rates**	**IFRS 16 Lease obligations**	**Re-classification within financial liabilities**	**Other**	**Cash changes**	**Balance 31/12/2025**
Lease liabilities	10	1,230.6	0.0	-83.8	329.9	0.0	0.0	-247.8	1,228.9
Current borrowings	13	131.6	-55.0	-11.1	0.0	206.5	2.7	654.6	929.3
Non-current borrowings	13	356.4	0.0	0.0	0.0	-206.5	-0.7	275.0	424.2
Total		1,718.6	-55.0	-94.9	329.9	0.0	2.0	681.8	2,582.4

T.92 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH FLOWS FROM FINANCING ACTIVITIES 2024 (IN € MILLION)

			Non-cash changes						
	Notes	**Balance 1/1/2024**	**Changes in the scope of consolidation**	**Effect of foreign exchange rates**	**IFRS 16 Lease obligations**	**Re-classification within financial liabilities**	**Other**	**Cash changes**	**Balance 31/12/2024**
Lease liabilities	10	1,232.4	0.0	19.2	201.4	0.0	0	-222.5	1,230.6
Current borrowings	13	145.9	0.0	1.0	0.0	70.0	0.6	-86.0	131.6
Non-current borrowings	13	426.1	0.0	0.0	0.0	-70.0	0.3	0.0	356.4
Total		1,804.4	0.0	20.3	201.4	0.0	0.9	-308.5	1,718.6

Lease liabilities of €1,228.9 million (previous year: €1,230.6 million) are broken down into current lease liabilities of €217.6 million (previous year: €220.6 million) and non-current lease liabilities of €1,011.2 million (previous year: €1,010.0 million).

27. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

OTHER FINANCIAL OBLIGATIONS

The Company has other financial obligations associated with license, promotional and advertising agreements, which give rise to the following financial obligations as of the balance sheet date:

T.93 COMMITMENTS FROM LICENSE, PROMOTIONAL AND ADVERTISING AGREEMENTS (IN € MILLION)

	2025	**2024**
From license, promotional and advertising agreements:		
Due within one year	479.7	491.5
Due between one and five years	1,371.6	1,346.9
Due after more than five years	880.2	929.9
Total	2,731.6	2,768.3

As is customary in the industry, the promotional and advertising agreements provide for additional payments on reaching pre-defined goals (e.g. medals, championships). These are contractually agreed, but by their nature cannot be predicted exactly in terms of their timing and amount.

In addition, there are further other financial obligations amounting to €317.1 million (previous year: €278.8 million), of which €213.1 million (previous year: €153.3 million) are non-current. In addition to service contracts amounting to €317.0 million (previous year: €276.7 million), these also include other commitments amounting to €0.1 million (previous year: €2.2 million).

CONTINGENT LIABILITIES

Individual PUMA companies are involved in legal disputes arising from normal operating activities, e.g. relating to intellectual property rights and employee matters. If an outflow of resources from these legal disputes is classified as probable and the amount of the obligation can be reliably estimated, the risks arising from these legal disputes are included in the other provisions. However, if the probability of occurrence is classified as low, these legal disputes are recognised as contingent liabilities, which are estimated at €0.6 million in this financial year (previous year: €0.3 million).

Contingent liabilities also exist due to uncertainties in the appraisal of the facts by the tax and customs authorities in India and the tax authorities in the Netherlands as well as the tax authorities in Ukraine. Based on external reports, management assumes in these cases that the receivables of the tax and customs authorities will not result in any cash outflow.

Overall, the PUMA management considers that the impact of the total of the contingent liabilities on the net assets, financial position and results of operations of the Company is immaterial.

28. COMPENSATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Disclosures pursuant to § 314(1) 6 HGB (German Commercial Code [Handelsgesetzbuch]) in conjunction with § 315e HGB.

COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD

The total compensation of the members of the Management Board in financial year 2025 was €8.6 million (previous year: €10.2 million).

The total remuneration of the Management Board includes the share-based remuneration granted for the financial year with a fair value of €3.9 million (previous year: €4.5 million) and 102,362 (previous year: 81,382) issued performance shares or treasury shares.

TOTAL COMPENSATION OF FORMER MANAGEMENT BOARD MEMBERS

The total compensation of former members of the Management Board and their surviving dependants amounted to €8.2 million in financial year 2025 (previous year: €5.6 million).

There were performance-based pension obligations to former members of the Management Board and their widows/widowers amounting to €2.5 million (previous year: €2.5 million) as well as contribution-based pension commitments in connection with the deferred compensation of former members of the Management Board and Managing Directors amounting to €51.3 million (previous year: €47.3 million). Both items are recognised accordingly within pension provisions, unless offset against assets of the same amount.

COMPENSATION OF THE SUPERVISORY BOARD

The compensation paid to the Supervisory Board comprised fixed compensation and additional compensation for committee activities, and amounted to a total of €0.6 million (previous year: €0.5 million).

29. DISCLOSURES RELATING TO NON-CONTROLLING INTERESTS

The summarised financial information about subsidiaries of the Group in which non-controlling interests exist is presented below. This financial information relates to all companies with non-controlling interests in which the identical non-controlling shareholder holds an interest. The figures represent the amounts before intercompany eliminations.

Evaluation of the control of companies with non-controlling interests:

The Group held a 51% capital share in PUMA United North America LLC, PUMA United Canada ULC and Janed Canada LLC (inactive company). With these companies, there were profit-sharing arrangements in place which differed from the capital share for the benefit of the respective identical non-controlling shareholder. PUMA received higher license fees in exchange. The stated companies were sold at the end of October 2025 and the PUMA United partnership model was transferred to a pure licensing model.

Supplementary disclosures on changes in investments can be found in Chapter 24.

In addition, there was a shareholding in the capital and the result, amounting to 70%, in the company PUMA United Aviation North America LLC.

The contractual agreements with these companies respectively provided PUMA with a majority of the voting rights at the shareholder meetings, and thus the right of disposal regarding these companies. PUMA was exposed to fluctuating returns from the sales-based license fees and from variable earnings. The Group also controlled the key activities of these companies. The companies were accordingly included in the consolidated financial statements as subsidiaries with full consolidation with recognition of non-controlling interests.

As of the balance sheet date, there are no longer any non-controlling interests due to deconsolidation. Consequently, the carrying amount of these interests decreased to €0.0 million (previous year: €0.9 million).

The following tables show a summary of the financial information for subsidiaries with non-controlling interests:

T.94 ASSETS AND LIABILITIES (IN € MILLION)

	2025	2024
Current assets	0.0	235.5
Non-current assets	0.0	7.9
Current liabilities	0.0	235.5
Non-current liabilities	0.0	0.0
Net assets	0.0	7.9
Net assets attributable to non-controlling interests	0.0	0.9

T.95 TOTAL COMPREHENSIVE INCOME (IN € MILLION)

	2025	2024
Sales	278.3	427.9
Net income	29.9	61.7
Profit attributable to non-controlling interests	30.3	60.7
Other comprehensive income of non-controlling interests	-0.6	0.6
Total comprehensive income of non-controlling interests	29.7	61.3
Dividend distribution to non-controlling interests	15.8	89.4

T.96 STATEMENT OF CASH FLOWS (IN € MILLION)

	2025	2024
Cash flows from operating activities	-11.9	80.3
Cash flows from investing activities	5.7	0.0
Cash flows from financing activities	6.2	-80.3
Changes in cash and cash equivalents	0.0	0.0

30. RELATIONSHIPS WITH RELATED COMPANIES AND PERSONS

In accordance with IAS 24, relationships with related companies and persons that control or are controlled by the PUMA Group must be reported. All natural persons and companies that can be controlled by PUMA, that can exercise relevant control over the PUMA Group or that are under the relevant control of another related party of the PUMA Group are considered to be related companies or persons within the meaning of IAS 24.

As of 31 December 2025, there was an investment in PUMA SE that exceeded 20% of the voting rights. It was held by the Pinault family via several entities controlled by it (in order of proximity to the Pinault family: Financière Pinault S.C.A. and Artémis S.A.S.). As of 31 December 2025, Artémis S.A.S. holds 29.1% of the subscribed capital of PUMA SE (previous year: 28.7%; the increase in the investment results from the capital reduction in the reporting year as a consequence of the share repurchase programme). Since Artémis S.A.S. holds more than 20% of the voting rights in PUMA SE, there is a presumption of significant influence according to IAS 28.5 and IAS 28.6. It and all other entities directly or indirectly controlled by Financière Pinault S.C.A. that are not included in the consolidated financial statements of PUMA SE are considered as related parties in the following.

In addition, the disclosure obligation pursuant to IAS 24 extends to transactions with associated companies as well as transactions with other related companies and persons.

Transactions with related companies and persons largely concern sales of goods and licensing agreements under normal market conditions.

The following overview illustrates the scope of the business relationships:

T.97 DELIVERIES AND SERVICES RENDERED AND RECEIVED (IN € MILLION)

	Deliveries and services rendered		Deliveries and services received	
	2025	**2024**	**2025**	**2024**
Companies included in the Artémis Group	0.5	0.8	0.0	0.0
Other related companies and persons	0.0	0.0	0.0	0.0
Total	0.5	0.8	0.0	0.0

T.98 NET RECEIVABLES AND LIABILITIES (IN € MILLION)

	Net receivables from		Liabilities to	
	2025	**2024**	**2025**	**2024**
Companies included in the Artémis Group	0.1	0.2	0.0	0.0
Other related companies and persons	0.0	0.0	0.0	0.0
Total	0.1	0.2	0.0	0.0

Receivables from related companies and persons are not subject to value adjustments.

CLASSIFICATION OF THE REMUNERATION OF KEY MANAGEMENT PERSONNEL IN ACCORDANCE WITH IAS 24.17:

The members of key management personnel in accordance with IAS 24 are the Management Board and the Supervisory Board. These are counted as related parties.

In financial year 2025, the remuneration of the members of the Management Board of PUMA SE for short-term benefits amounted to €4.7 million (previous year: €5.7 million), for termination benefits to €7.5 million (previous year: €4.1 million) and the share-based payment €1.0 million (previous year: €2.4 million). Furthermore, as in the previous year, no remuneration was granted in the form of other long-term benefits or post-employment benefits in the financial year. Accordingly, total expenses for the financial year amounted to €13.2 million (previous year: €12.2 million).

In financial year 2025, the remuneration of the members of the Supervisory Board of PUMA SE for short-term benefits amounted to €0.6 million (previous year: €0.5 million).

31. CORPORATE GOVERNANCE

The Management Board and the Supervisory Board submitted the required compliance declaration with respect to the recommendations issued by the Government Commission German Corporate Governance Code pursuant to § 161 of the German Stock Corporation Act (AktG) and published it on the Company's website (https://about.puma.com/en/investor-relations/corporate-governance).

32. EVENTS AFTER THE BALANCE SHEET DATE

On 26 January 2026, PUMA completed a promissory note loan transaction of €100.0 million, which was disbursed on 29 January 2026. The promissory note loan has a term of two years with a standard market fixed interest rate. The promissory note loan documentation is closely based on the existing PUMA standard for promissory note loans. In order to enable the payment of the bridge facility agreed on 15 December 2025, by the end of February 2026, PUMA agreed to an adjustment from €500.0 million to €350.0 million on 20 February 2026. The amount was reduced due to the promissory note loan disbursed at the end of January 2026. The documentation had already been agreed as part of the original bridge facility. The bridge financing of €350.0 million and the promissory note loan of €100.0 million will continue to be used to reduce the drawdowns from the existing syndicated loan.

In January 2026, water damage occurred in the leased PUMA Flagship Store on 5th Avenue in New York, which led to damage to the building and fixtures. The store had to be closed for these reasons and is expected to remain closed for an extended period in 2026. A final evaluation of the damage and the amount of the insurance compensation is still pending. Accordingly, no conclusive estimate of the financial effect can be made at this time.

On 27 January 2026, it was announced that the Chinese sporting goods group Anta Sports and Artémis S.A.S. have entered into a contract regarding the transfer of shares in PUMA amounting to 29.1%. The transaction is subject to conditions precedent.

No further events took place after the balance sheet date that had a material impact on the net assets, financial position and results of operations of the PUMA Group.

33. DATE OF RELEASE

The Management Board of PUMA SE released the consolidated financial statements on 24 February 2026 for distribution to the Supervisory Board. The task of the Supervisory Board is to review the consolidated financial statements and state whether it approves them.

Herzogenaurach, 24 February 2026

The Management Board

Hoeld Valdes Neubrand Baeumer Hubert

APPENDIX 1 OF THE CONSOLIDATED FINANCIAL STATEMENT

COMPOSITION AND MANDATES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD AS OF DECEMBER 31, 2025

MEMBERS OF THE MANAGEMENT BOARD AND THEIR MANDATES

Arthur Hoeld (since 1 July 2025)
Chief Executive Officer (CEO)

Membership in other statutory supervisory boards in Germany: None.

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code]):

- ALDI Nord Holding Stiftung & Co. KG, Essen/Germany*

* Mandate at non-group listed company or comparable function within the meaning of recommendation C.5 of the GCGC.

Arne Freundt (until 11 April 2025)
Chief Executive Officer (CEO)

Markus Neubrand
Chief Financial Officer (CFO)

Maria Valdes
Chief Brand Officer (CBO)

Matthias Baeumer (since 1 April 2025)
Chief Commercial Officer (CCO)

Membership in other statutory supervisory boards in Germany:

- Borussia Dortmund GmbH & Co. KGaA, Dortmund/Germany*

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code]): None.

* Mandate at non-group listed company or comparable function within the meaning of recommendation C.5 of the GCGC.

Andreas Hubert (since 1 September 2025)
Chief Operating Officer (COO)

Membership in other statutory supervisory boards in Germany: None.

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code]):

- Member of the Advisory Board of Peek & Cloppenburg KG, Hamburg/Germany*

* Mandate at non-group listed company or comparable function within the meaning of recommendation C.5 of the GCGC.

MEMBERS OF THE SUPERVISORY BOARD AND THEIR MANDATES

Héloïse Temple-Boyer (first elected on 18 April 2019)
(Chairperson)
Paris, France

Deputy CEO of ARTÉMIS S.A.S., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code])*:

- Kering S.A., Paris/France**
- Christie's International Plc., London/United Kingdom**
- CAA LL.C., Los Angeles/USA**
- Giambattista Valli S.A.S., Paris/France
- Société d'exploitation de l'hebdomadaire le Point S.A., Paris/France
- Pinault Collection, Paris/France
- Royalement Vôtre Editions S.A.S., Paris/France

* All mandates are mandates within the ARTÉMIS/KERING-Group. Only Kering S.A. is a listed company.

** Mandate at non-group listed company or comparable function within the meaning of recommendation C.4 of the GCGC.

Jean-Marc Duplaix (first elected on 24 May 2023)
(Deputy Chairman)
Paris, France

Group Chief Operating Officer of Kering S.A., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code])*:

- Balenciaga S.A.S., Paris/France
- Yves Saint Laurent S.A.S., Paris/France
- Balenciaga Retail France S.A.S., Paris/France

* The mandates are mandates within the Kering-Group. Kering S.A. is a listed company. Balenciaga S.A.S., Yves Saint Laurent S.A.S., and Balenciaga Retail France S.A.S. are not listed.

Harsh Saini (first elected on 22 May 2024)
London, United Kingdom

Interim Chair of the Management Board (CEO) of Cascale, Inc.

Independent management consultant for non-profit organisations

Membership in other statutory supervisory boards in Germany: None.

Membership in comparable domestic and foreign supervisory bodies of commercial enterprises: None.

Roland Krueger (first elected on May 22, 2024)
Singapore

Member of the Board of Directors of Weybourne Holdings Pte. Ltd. (note: The Dyson Family Office), Singapore

Membership in other statutory supervisory boards in Germany: None.

Membership of comparable domestic and foreign supervisory bodies of commercial enterprises (disclosure pursuant to § 285 No. 10 HGB (Handelsgesetzbuch [German Commercial Code]):

- Weybourne Holdings Pte. Ltd.
- ELEMENT MATERIALS TECHNOLOGIES GROUP LIMITED*

* Mandate at non-group listed company or comparable function within the meaning of recommendation C.4 of the GCGC.

Fiona May (first elected on 18 April 2019)
Calenzano, Italy

Independent management consultant

Membership in other statutory supervisory boards in Germany: None.

Membership in comparable domestic and foreign supervisory bodies of commercial enterprises: None.

Martin Koeppel (first elected on 25 July 2011)
(Employees' Representative)
Adelsdorf, Germany

Chair of the Works Council of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign supervisory bodies of commercial enterprises: None.

Bernd Illig (first elected on July 9, 2018)
(Employees' Representative)
Bechhofen, Germany

Teamhead IT Endpoint Management of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign supervisory bodies of commercial enterprises: None.

SUPERVISORY BOARD COMMITTEES

Personnel Committee

- Héloïse Temple-Boyer *(Chairperson)*
- Roland Krueger
- Fiona May
- Martin Koeppel

Audit Committee

- Jean-Marc Duplaix *(Chairperson)*
- Roland Krueger
- Harsh Saini
- Fiona May
- Bernd Illig

Nominating Committee

- Roland Krueger *(Chairperson)*
- Héloïse Temple-Boyer
- Harsh Saini

Sustainability Committee

- Harsh Saini *(Chairperson)*
- Fiona May
- Martin Koeppel
- Bernd Illig

DECLARATION BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the group management report, which is combined with the management report of PUMA SE for the financial year 2025, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Herzogenaurach, 24 February 2026

The Management Board

Hoeld Neubrand Valdes Baeumer Hubert

INDEPENDENT AUDITOR'S REPORT

To PUMA SE, Herzogenaurach

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

OPINIONS

We have audited the consolidated financial statements of PUMA SE, Herzogenaurach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2025, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of PUMA SE for the financial year from January 1 to December 31, 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2025, and of its financial performance for the financial year from January 1 to December 31, 2025, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

REVENUE RECOGNITION CUT-OFF FOR WHOLESALE CUSTOMERS

Please refer to Sections 2 and 19 in the notes to the consolidated financial statements for further information on the accounting policies applied.

THE FINANCIAL STATEMENT RISK

The consolidated financial statements of PUMA SE for financial year 2025 report revenue of EUR7,296.2 million. Revenue includes revenue of EUR4,935.0 million from the sale of goods to wholesale customers.

The Group recognizes revenue from the sale of goods to wholesale customers when it fulfils a performance obligation through the transfer of a promised asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset. In accordance with the transfer of control, revenue from wholesale customers is recognized at a point in time in the amount to which the Group is entitled.

The Management Board of PUMA SE has defined the criteria for the recognition of revenue at a point in time in a group-wide accounting policy and implemented processes for correct recognition and cut-off.

In the final weeks prior to the reporting date, a range of transactions with wholesale customers take place with individual contractual agreements on the transfer of risk. In addition, there are internally defined and externally communicated revenue targets for the financial year, which represent a key benchmark for measuring corporate success.

There is the risk for the consolidated financial statements that revenue in the reporting year is overstated due to it being recognized in the wrong period or disclosed too late due to incomplete processing in the IT system, meaning that it is not recorded on an accrual basis.

OUR AUDIT APPROACH

In order to audit revenue recognition cut-off for wholesale customers, we assessed the design, setup and partially also the effectiveness of the internal controls relating to outgoing goods and the acceptance of goods and invoicing, in particular the determination and verification of the correct transfer of control. In addition, we reviewed the presentation of revenue recognition in the group-wide accounting policy to ensure compliance with IFRS 15.

Furthermore, we assessed revenue recognition cut-off for wholesale customers by reconciling invoices with the related orders, underlying contracts and external delivery records. This was based on revenue recognized at the end of December 2025 and selected using a mathematical/statistical procedure. We also verified the complete processing of all invoices in the IT system as of the reporting date.

OUR OBSERVATIONS

PUMA SE's approach to revenue recognition cut-off with wholesale customers is appropriate.

WERTHALTIGKEIT DER NUTZUNGSRECHTE FÜR EINZELHANDELSGESCHÄFTE (RIGHT-OF-USE-ASSETS)

For information on the accounting policies applied, please refer to Sections 2 and 10 in the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

As of December 31, 2025, right-of-use assets of EUR1,103.8 million are recognized in the consolidated financial statements of PUMA SE. A significant portion of the right-of-use assets is attributable to retail stores (EUR478.3 million). Right-of-use assets amount to 17.1% of the group's total assets and thus have a material influence on the Group's net assets.

Owing to the large number of leases and the resulting transactions, the Parent Company has set up group-wide processes and controls for the measurement of leases.

Right-of-use assets for retail stores are tested for impairment at the level of the individual retail stores as cash-generating units. The impairment test compares the carrying amount of the cash-generating unit with its recoverable amount. The Parent Company determines the recoverable amount for the retail stores indicating potential impairment by routinely using the discounted cash flow method. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized for the right-of-use asset of the cash-generating unit. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Impairment testing of right-of-use assets for retail stores based on the value in use is complex and based on a range of assumptions that require judgment. Among others, these include the business and earnings performance of the retail store for the next year, the assumed growth rates, the applied discount rate and the use of extension options. The Group recognized impairment losses in the amount of EUR19.6 million for right-of-use assets for retail stores during the financial year.

In particular, due to the judgments for measuring right-of-use assets for retail stores based on the value in use, there is the risk for the consolidated financial statements that an impairment of right-of-use assets may not be identified.

OUR AUDIT APPROACH

Using the information obtained during our audit, we assessed whether there were any indicators of impairment for right-of-use assets for retail stores. In doing so, we thoroughly examined the Parent Company's approach to determining the need to recognize impairment losses and, based on the information obtained in the course of our audit, assessed whether there were any indications of impairment that had not been identified by the Parent Company.

With the involvement of our valuation specialists, we then assessed (among other elements) the appropriateness of the Parent Company's calculation method for a sample of retail stores selected based on risk. For this purpose we discussed the expected business and earnings development for the retail stores selected in this sample and the assumed growth rates with those responsible for planning. Where accounting judgments were made for determining the lease term, we examined these judgments to determine whether the underlying assumptions were comprehensible in light of the prevailing market conditions and risks in the industry.

We also assessed the accuracy of the Parent Company's previous forecasts for the affected right-of-use assets by comparing the budgets from the previous financial year for the selected retail stores in the sample with the actual results, and we analyzed any deviations. Further, we compared the assumptions and data underlying the discount rates with our own assumptions and publicly available data. We also assessed whether the calculation method for the discount rate was appropriate.

We verified the computational accuracy of the carrying amount of the right-of-use assets determined by PUMA SE for the retail stores included in the sample.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, earnings performance and long-term growth rates on the value in use by calculating alternative scenarios for the selected sample and comparing these with the values stated by the Group (sensitivity analysis).

OUR OBSERVATIONS

The calculation method used for impairment testing of right-of-use assets for retail stores is appropriate and in line with the accounting policies to be applied.

The Parent Company's assumptions and data used for the measurement of the right-of-use assets for retail stores are appropriate.

OTHER INFORMATION

The Management Board and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the combined non-financial statement for the Company and the Group, which is contained in the combined management report,^

- the combined corporate governance statement for the Company and the Group referred to in the combined management report, and

- information extraneous to combined management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The Management Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.

- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the Management Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) HGB

OPINION

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the 'ESEF documents') contained in the electronic file EB5D442E546E4D1DB933BC927804C6B0BF439BD467E552F3B894C64BC9ECE296 made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ('ESEF format'). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2025, contained in the 'Report on the Audit of the Consolidated Financial Statements and the Combined Management Report' above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

BASIS FOR THE OPINION

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is described in the "Responsibilities of the Auditor of the Consolidated Financial Statements for the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR THE ESEF DOCUMENTS

The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control as it has considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

RESPONSIBILITIES OF THE AUDITOR OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE ESEF DOCUMENTS

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on May 21, 2025. We were engaged by the Supervisory Board on October 8, 2025. We have been the auditor of the consolidated financial statements of PUMA SE without interruption since financial year 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Matthias Koeplin.

Nuremberg, 25 February 2026

KPMG AG

Wirtschaftsprüfungsgesellschaft

Koeplin

Wirtschaftsprüfer
[German Public Auditor]

Sanetra

Wirtschaftsprüfer
[German Public Auditor]

B. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The following is an extract of the audited consolidated financial statements of the Target Group for the year ended 31 December 2024, which were prepared in accordance with IFRS, from the Target Group's Annual Report 2024 (pages 221 – 333).

Specific page/section references mentioned in the audited consolidated financial statements of the Target Group for the year ended 31 December 2024 are referred to in the Target Group's Annual Report 2024 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

T.01 CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF PUMA SE

	Notes	31/12/2024 € million	31/12/2023 € million
Assets			
Cash and cash equivalents	3	368.2	552.9
Inventories	4	2,013.7	1,804.4
Trade receivables	5	1,246.5	1,118.4
Income tax receivables	22	87.6	90.1
Other current financial assets	6	328.3	94.9
Other current assets	7	260.9	270.4
Current assets		4,305.2	3,931.1
Deferred tax assets	8	243.6	296.1
Property, plant and equipment	9	765.7	685.6
Right-of-use assets	10	1,116.8	1,087.7
Intangible assets	11	585.8	530.8
Other non-current financial assets	12	95.4	83.6
Other non-current assets	12	28.1	25.6
Non-current assets		2,835.4	2,709.3
Total assets		7,140.6	6,640.4

	Notes	31/12/2024 *€ million*	31/12/2023 *€ million*
Liabilities and equity			
Current borrowings	13	131.6	145.9
Trade payables	13	1,893.5	1,499.8
Income tax liabilities	22	69.1	79.3
Current lease liabilities	10	220.6	212.4
Other current provisions	16	39.0	27.7
Other current financial liabilities	13	47.1	78.6
Other current liabilities	13	470.0	493.4
Current liabilities		2,870.9	2,537.2
Non-current borrowings	13	356.4	426.1
Non-current lease liabilities	10	1,010.0	1,020.0
Deferred tax liabilities	8	14.2	12.4
Pension provisions	15	27.3	22.5
Other non-current provisions	16	29.3	27.3
Other non-current financial liabilities	13	2.9	11.4
Other non-current liabilities	13	1.1	1.3
Non-current liabilities		1,441.0	1,520.9
Subscribed capital	17	149.7	150.8
Capital reserve	17	94.8	93.8
Other reserves	17	2,602.5	2,330.4
Treasury stock	17	-19.3	-21.6
Equity attributable to the shareholders of PUMA SE		2,827.7	2,553.4
Non-controlling interests	17, 28	0.9	28.9
Total equity		2,828.6	2,582.3
Total liabilities and equity		7,140.6	6,640.4

CONSOLIDATED INCOME STATEMENT

T.02 CONSOLIDATED INCOME STATEMENT OF PUMA SE

	Notes	2024 *€ million*	2023 *€ million*
Sales	19, 24	8,817.2	8,601.7
Cost of sales	24	-4,639.2	-4,615.1
Gross profit	24	4,177.9	3,986.6
Royalty and commission income		24.3	38.5
Other operating income and expenses	20	-3,580.2	-3,403.5
Thereof impairment losses on trade receivables and other financial assets		*-1.9*	*-12.2*
Operating result (EBIT)		622.0	621.6
Financial income	21	137.3	112.7
Financial expenses	21	-297.0	-256.0
Financial result		-159.7	-143.3
Earnings before taxes (EBT)		462.3	478.3
Income taxes	22	-120.0	-117.8
Consolidated net income of the year		342.3	360.6
Attributable to:			
Non-controlling interests	17, 28	60.7	55.7
Net income attributable to the shareholders of PUMA SE		281.6	304.9

	Notes	**2024** *€ million*	**2023** *€ million*
Earnings per share *(€)*	23	1.89	2.03
Earnings per share *(€)* – diluted	23	1.89	2.03
Weighted average number of outstanding shares *(million shares)*	23	149.32	149.85
Weighted average number of outstanding shares, diluted *(million shares)*	23	149.38	149.87

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

T.03 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF PUMA SE

	Notes	2024 € million	2023 € million
Consolidated net income of the year		342.3	360.6
Currency translation differences		84.2	-87.6
Net gain/loss on cash flow hedges, net after tax	14	94.4	-18.0
Net gain/loss on cost of hedging reserve – options, net after tax	14	11.3	0.0
Net gain/loss on cost of hedging reserve – forward contracts, net after tax	14	-16.3	0.0
Items expected to be reclassified to the income statement in the future		173.7	-105.6
Remeasurements of the net defined benefit liability, net after tax	15	-2.8	-0.8
Neutral effects financial assets through other comprehensive income (FVOCI), net after tax	14	-2.8	-0.5
Items not expected to be reclassified to the income statement in the future		-5.5	-1.3
Other comprehensive income		168.1	-106.9
Comprehensive income		510.5	253.7
attributable to:			
Non-controlling interests		61.3	54.2
Shareholders of PUMA SE		449.2	199.6

CONSOLIDATED STATEMENT OF CASH FLOWS

T.04 CONSOLIDATED STATEMENT OF CASH FLOWS OF PUMA SE

	Notes	2024 € million	2023 € million
Operating activities			
Earnings before taxes (EBT)		462.3	478.3
Adjustments for:			
Depreciation and impairment losses	9, 10, 11	386.9	357.5
Reversal of impairment losses	9, 10, 11	-29.4	-11.9
Non-realized currency gains/losses, net		-57.4	60.1
Financial income	21	-31.7	-37.8
Financial expenses	21	128.4	100.7
Gains/losses from the sale of fixed assets		0.2	-3.9
Changes to pension provision	15	0.2	-1.5
Other non cash effected expenses/income		18.7	22.5
Gross cash flow	25	878.2	964.1
Changes in receivables and other current assets	5, 6, 7	-231.5	-153.4
Changes in inventories	4	-218.2	352.1
Changes in trade payables and other current liabilities	13	380.3	-327.9
Net cash from operational business activities		808.9	834.9
Dividends received	12	0.4	0.0
Income taxes paid	22	-114.4	-181.3
Net cash from operating activities	25	694.8	653.6
Investing activities			
Purchase of property and equipment	9, 11	-263.0	-300.4
Proceeds from sale of property and equipment		8.7	14.3
Payments for other assets	12	-7.6	-36.3
Interest received	21	31.4	37.8
Net cash used in investing activities		-230.5	-284.6

	Notes	2024 *€ million*	2023 *€ million*
Financing activities			
Repayment of lease liabilities	10	-222.5	-208.0
Repayment of current borrowings	13	-125.0	-59.1
Raising of current borrowings	13	39.0	0.0
Raising of non-current borrowings	13	0.0	299.6
Dividend payments to shareholders of PUMA SE	17	-122.8	-122.8
Dividend payments to non-controlling interests	17, 28	-89.4	-92.4
Repurchase of own shares	17	-50.0	0.0
Interest paid	21	-127.2	-94.3
Net cash used in financing activities	25	-697.8	-277.1
Exchange rate-related changes in cash and cash equivalents		48.8	-2.1
Change in cash and cash equivalents		-184.7	89.8
Cash and cash equivalents at the beginning of the financial year		552.9	463.1
Cash and cash equivalents at the end of the financial year	3, 25	368.2	552.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

T.05 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF PUMA SE (IN € MILLION)

	Subscribed capital	Capital reserve	Other reserves: Revenue reserves incl. retained earnings	Other reserves: Difference from currency conversion	Other reserves: Cash flow hedging reserve	Other reserves: Reserve for hedging costs – options	Other reserves: Reserve for hedging costs – forward contracts	Treasury stock	Shareholders' equity	Non-controlling interests	Total equity
1 January 2023	150.8	90.8	2,496.2	-256.8	14.2	0.0	0.0	-23.5	2,471.7	67.1	2,538.8
Consolidated net income of the year			304.9						304.9	55.7	360.6
Other comprehensive income			-1.3	-85.9	-18.1				-105.3	-1.5	-106.9
Comprehensive income	0.0	0.0	303.6	-85.9	-18.1	0.0	0.0	0.0	199.6	54.2	253.7
Dividend payments to shareholders of PUMA SE/non-controlling interests			-122.8						-122.8	-92.4	-215.3
Share-based payment and utilization/issue of treasury stock		3.0						1.9	4.9		4.9
Transaction with shareholders									0.0	0.1	0.1
31 December 2023	150.8	93.8	2,677.0	-342.7	-3.9	0.0	0.0	-21.6	2,553.4	28.9	2,582.3
31 December 2023	150.8	93.8	2,677.0	-342.7	-3.9	0.0	0.0	-21.6	2,553.4	28.9	2,582.3
Transition effect IFRS 9 (hedge accounting), net after tax			-4.9			-1.3	6.2		0.0		0.0
1 January 2024	150.8	93.8	2,672.1	-342.7	-3.9	-1.3	6.2	-21.6	2,553.4	28.9	2,582.3
Consolidated net income of the year			281.6						281.6	60.7	342.3
Other comprehensive income			-5.5	83.5	94.5	11.3	-16.3		167.5	0.6	168.1
Comprehensive income	0.0	0.0	276.1	83.5	94.5	11.3	-16.3	0.0	449.2	61.3	510.5
Hedging gains and losses transferred to cost of inventory					-4.3				-4.3		-4.3
Dividend payments to shareholders of PUMA SE/non-controlling interests			-122.8						-122.8	-89.4	-212.1
Share-based payment and utilisation/issue of treasury stock		-0.1						2.4	2.3		2.3
Repurchase of treasury shares								-50.0	-50.0		-50.0
Cancellation of treasury shares	-1.1	1.1	-49.9					49.9	0.0		0.0
Changes in the consolidation scope				-0.1					-0.1		-0.1
31 December 2024	149.7	94.8	2,775.6	-259.3	86.4	10.0	-10.1	-19.3	2,827.7	0.9	2,828.6

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Under the PUMA and Cobra Golf brand names, PUMA SE and its subsidiaries are engaged in the development and sale of a broad range of sports and sports lifestyle products, including footwear, apparel and accessories. The company is a European stock corporation (Societas Europaea/SE) and parent company of the PUMA Group; its registered office is on PUMA WAY 1, 91074 Herzogenaurach, Germany. The competent registry court is in Fürth (Bavaria), the register number is HRB 13085.

The consolidated financial statements of PUMA SE and its subsidiaries (hereinafter referred to in short as the "Group" or "PUMA") were prepared in accordance with the "International Financial Reporting Standards (IFRS)" accounting standards issued by the International Accounting Standards Board (IASB), as they are to be applied in the EU, and the supplementary accounting principles to be applied in accordance with Section 315e(1) of the German Commercial Code (HGB). All of the IASB standards and interpretations, as they are to be applied in the EU, which are mandatory for financial years as of 1 January 2024, have been applied.

The items contained in the financial statements of the individual Group companies are measured based on the currency that corresponds to the currency of the primary economic environment in which the Company operates. The consolidated financial statements are prepared in euros (EUR or €). The presentation of amounts in millions of euros with one decimal place may lead to rounding differences since the calculation of individual items is based on figures presented in thousands.

The cost of sales method is used for the consolidated income statement.

The following new or amended standards and interpretations have been used for the first time in the current financial year:

T.06 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Standard	Title
First-time adoption in the current financial year	
Amendments to IFRS 16	Lease liabilities as part of a sale and leaseback transaction
Amendments to IAS 1	Classification of liabilities as current or non-current
Amendments to IAS 1	Non-current liabilities with covenants
Amendments to IAS 7 und IFRS 7	Supplier financing agreements

The amendments to the standards and interpretations described below, which were to be initially adopted as of 1 January 2024, did not materially affect the PUMA consolidated financial statements.

The amendments to IFRS 16 incorporate regulations for the subsequent measurement of a lease liability in the event of a sale and leaseback transaction into the standard. The amendment of IFRS 16 requires that the lease liability be measured in such a way that no profit or loss arises upon its subsequent measurement in relation to the right of use that has been reacquired. This change has no material effect on PUMA's consolidated financial statements.

The amendments to IAS 1 regarding the classification of liabilities as current or non-current only affect the presentation of liabilities as current or non-current in the balance sheet, but not the amount or the timing of the recognition of assets, liabilities, income or expenses or the information provided on these items. The amendments clarify that the classification of liabilities as current or non-current is based on rights existing at the end of the reporting period. The amendments stipulate that the classification is not affected by expectations as to whether an entity will exercise its right to defer settlement of a liability. The amendments explain that rights exist when the obligations are met at the end of the reporting period and introduce a definition of "fulfilment" to clarify that fulfilment relates to the transfer of cash, equity instruments, other assets or services to the counterparty. These amendments had no material effect on PUMA's consolidated financial statements.

The amendments to IAS 1 relating to non-current liabilities with covenants determine that only those obligations that must be met by an entity on or before the reporting date affect the entity's right to defer settlement of a liability by at least twelve months after the reporting date and must therefore be taken into account in the assessment of the liability as current or non-current. Such obligations affect whether the right exists at the end of the reporting period, even where compliance with the obligation is not assessed until after the balance sheet date (e.g. an obligation based on the financial position of the entity as at the balance sheet date and its compliance is not assessed until after the balance sheet date). These amendments had no effect on PUMA's consolidated financial statements.

The amendments to IAS 7 and IFRS 7 concern additional mandatory disclosures in the notes relating to supplier financing agreements. The additional disclosures in the notes are intended to increase the transparency of reverse factoring agreements and their impact on liabilities, cash flows and liquidity risk in the financial statements. These changes had no effect on PUMA's net assets, financial position or earning position, but led to an increase in the number of disclosures in the notes to the consolidated financial statements.

NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

The following standards and interpretations have been released but will only become effective in later reporting periods and are not applied earlier by the Group:

T.07 NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

Standard	**Title**	**Date of adoption***	**Planned first-time application**
Endorsed			
Amendments to IAS 21	Lack of exchangeability	01/01/2025	01/01/2025
Endorsement pending			
Amendments to IFRS 9 and IFRS 7	Contracts relating to nature-dependent electricity	01/01/2026	01/01/2026
AIP Volume 11	Annual improvements to IFRS	01/01/2026	01/01/2026
Amendments to IFRS 9 and IFRS 7	Changes in the classification and measurement of financial instruments	01/01/2026	01/01/2026
IFRS 18	Presentation and disclosure in the financial statements	01/01/2027	01/01/2027
IFRS 19	Subsidiaries without public accountability: information	01/01/2027	01/01/2027

* Adjusted by EU endorsement, if applicable

With the exception of IFRS 18, PUMA does not expect that these amendments will have any significant effects on the net assets, financial position and results of operations.

IFRS 18 will replace the previous standard, IAS 1 Presentation of Financial Statements. Many IAS 1 requirements remain unchanged and have been supplemented with additional requirements. IFRS 18 aims to improve the presentation of financial information and to make financial statements more transparent and comparable. The main new features of IFRS 18 are that two mandatory subtotals have been introduced in the income statement: operating profit or loss and profit or loss before financing and income taxes. These subtotals are based on the classification of income and expenses in the following categories: the operating category, the investing category and the financing category. Furthermore, the income taxes category and the income from discontinued operations category are presented. The requirements of IFRS 18 also introduce additional notes disclosures, for example on management-defined performance measures (MPMs). These are key performance indicators publicly communicated by management separately from the consolidated financial statements that are not specified by IFRS accounting standards. In addition, IFRS 18 contains new guidelines aimed at improving the aggregation and disaggregation of items presented in the financial statements. PUMA assumes that the application of IFRS 18 may have an impact on the consolidated financial statements in future periods.

2. SIGNIFICANT CONSOLIDATION, ACCOUNTING AND VALUATION PRINCIPLES

CONSOLIDATION PRINCIPLES

The consolidated financial statements were prepared as of 31 December 2024, the reporting date of the annual financial statements of the PUMA SE parent company, on the basis of uniform accounting and valuation principles according to IFRS, as applied in the EU.

GROUP OF CONSOLIDATED COMPANIES

In addition to PUMA SE, the consolidated financial statements include all subsidiaries in which PUMA SE directly or indirectly holds existing rights that give it the current ability to direct the relevant activities. At present, control of all Group companies is based on a direct or indirect majority of voting rights.

Associated companies are generally accounted for in the Group using the equity method. As of 31 December 2024, however, the Group does not hold any investments in associated companies.

The changes in the number of Group companies (including the parent company PUMA SE) in the financial year 2024 were as follows:

T.08 CHANGE IN GROUP OF CONSOLIDATED COMPANIES

As of	**31/12/2023**	100
Formation of companies		4
Disposal of companies		-2
As of	**31/12/2024**	102

The additions to the group of consolidated companies relate to the founding of PUMA Sports Vietnam Co Ltd, Vietnam, PUMA Central Europe GmbH, Germany, stichd sportmerchandising general trading L.L.C. – O.P.C., United Arab Emirates, and stichd sportmerchandising sports trading WLL, Qatar.

The disposals in the group of consolidated companies relate to the merger of PUMA SPORTS DISTRIBUTORS (PTY) LTD, South Africa within the group of consolidated companies and the liquidation of Puma Sport Israel Ltd. In Liq, Israel.

The changes in the group of consolidated companies did not have a significant effect on the net assets, financial position and results of operations.

The Group companies are allocated to regions as follows:

T.09 LIST OF SHAREHOLDINGS OF PUMA SE AS OF 31 DECEMBER 2024[2)]

No.	Companies/Legal entities	Country	City	Shareholder	Share of capital
	Parent company				
1.	PUMA SE	Germany	Herzogenaurach		
	EMEA				
2.	Austria Puma Dassler Gesellschaft m.b.H.	Austria	Salzburg	direct	100%
3.	stichd austria gmbh	Austria	Salzburg	indirect	100%
4.	Puma Czech Republic s.r.o.	Czech Republic	Prague	indirect	100%
5.	PUMA DENMARK A/S	Denmark	Aarhus	indirect	100%

No.	Companies/Legal entities	Country	City	Shareholder	Share of capital
6.	PUMA Estonia OÜ	Estonia	Tallinn	indirect	100%
7.	PUMA Finland Oy	Finland	Helsinki	indirect	100%
8.	PUMA FRANCE SAS	France	Strasbourg	indirect	100%
9.	stichd france SAS	France	Boulogne Billancourt	indirect	100%
10.	PUMA International Trading GmbH	Germany	Herzogenaurach	direct	100%
11.	PUMA Europe GmbH	Germany	Herzogenaurach	direct	100%
12.	PUMA Central Europe GmbH	Germany	Herzogenaurach	indirect	100%
13.	PUMA Sprint GmbH	Germany	Herzogenaurach	direct	100%
14.	PUMA Mostro GmbH	Germany	Herzogenaurach	indirect	100%
15.	PUMA Blue Sea GmbH	Germany	Herzogenaurach	indirect	100%
16.	stichd germany gmbh	Germany	Düsseldorf	indirect	100%
17.	PUMA UNITED KINGDOM LTD	Great Britain	Castleford	indirect	100%
18.	PUMA PREMIER LTD	Great Britain	Castleford	indirect	100%
19.	STICHD UK LTD	Great Britain	Mansfield	indirect	100%
20.	STICHD SPORTMERCHANDISING UK LTD	Great Britain	London	indirect	100%
21.	GENESIS GROUP INTERNATIONAL LIMITED	Great Britain	Manchester	direct	100%
22.	Sport Equipment Hellas S. A. of Footwear, Apparel and Sportswear u.Li.	Greece	Athens	direct	100%[1)]
23.	PUMA ITALIA S.R.L.	Italy	Assago	indirect	100%
24.	STICHD ITALY SRL	Italy	Assago	indirect	100%
25.	Puma Benelux B.V.	Netherlands	Leusden	direct	100%
26.	PUMA International Sports Marketing B.V.	Netherlands	Leusden	direct	100%
27.	stichd group B.V.	Netherlands	’s-Hertogenbosch	direct	100%
28.	stichd international B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
29.	stichd sportmerchandising B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
30.	stichd B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
31.	stichd logistics B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
32.	stichd licensing B.V.	Netherlands	’s-Hertogenbosch	indirect	100%
33.	PUMA NORWAY AS	Norway	Fornebu	indirect	100%
34.	PUMA POLSKA sp. z o.o.	Poland	Warsaw	indirect	100%
35.	PUMA SPORTS ROMANIA SRL	Romania	Bucharest	indirect	100%
36.	PUMA-RUS o.o.o.	Russia	Moscow	indirect	100%
37.	PUMA SPORTS S A (PTY) LTD	South Africa	Cape Town	indirect	100%
38.	PUMA IBERIA SLU	Spain	Madrid	indirect	100%
39.	STICHDIBERIA S.L.	Spain	Cornella de Llobregat	indirect	100%
40.	Nrotert AB	Sweden	Helsingborg	direct	100%
41.	PUMA Nordic AB	Sweden	Solna	indirect	100%
42.	Nrotert Sweden AB	Sweden	Helsingborg	indirect	100%
43.	stichd nordic AB	Sweden	Helsingborg	indirect	100%
44.	MOUNT PUMA AG	Switzerland	Oensingen	direct	100%
45.	Puma Retail AG	Switzerland	Oensingen	indirect	100%

No.	Companies/Legal entities	Country	City	Shareholder	Share of capital
46.	stichd switzerland ag	Switzerland	Egerkingen	indirect	100%
47.	PUMA Spor Giyim Sanayi ve Ticaret A.S.	Türkiye	Istanbul	indirect	100%
48.	PUMA UKRAINE LIMITED LIABILITY COMPANY	Ukraine	Kiew	indirect	100%
49.	PUMA Middle East FZ-LLC	United Arab Emirates	Dubai	indirect	100%
50.	PUMA UAE (L.L.C)	United Arab Emirates	Dubai	indirect	100%
51.	stichd sportmerchandising general trading L.L.C. – O.P.C.	United Arab Emirates	Abu Dhabi	indirect	100%
52.	stichd sportmerchandising sports trading WLL	Qatar	Doha	indirect	100%
	Americas				
53.	PUMA Sports Argentina S.A. (former Unisol S.A.)	Argentina	Buenos Aires	indirect	100%
54.	PUMA Sports Ltda.	Brazil	Sao Paulo	indirect	100%
55.	PUMA Canada, Inc.	Canada	Toronto	indirect	100%
56.	PUMA United Canada ULC	Canada	Vancouver	indirect	51%
57.	PUMA CHILE SpA	Chile	Santiago	direct	100%
58.	PUMA SERVICIOS SpA	Chile	Santiago	indirect	100%
59.	PUMA México Sport, S.A. de C.V.	Mexico	Mexico City	direct	100%
60.	Importaciones RDS, S.A. de C.V.	Mexico	Mexico City	direct	100%
61.	GLOBAL LICENSE STICHD GROUP MEXICO S.A. de C.V.	Mexico	Mexico City	indirect	100%
62.	Importationes Brand Plus Licensing S.A. de C.V.	Mexico	Mexico City	indirect	100%
63.	Distribuidora Deportiva PUMA S.A.C.	Peru	Lima	indirect	100%
64.	Distribuidora Deportiva PUMA Tacna S.A.C.	Peru	Tacna	indirect	100%
65.	PUMA Sports LA S.A.	Uruguay	Montevideo	direct	100%
66.	PUMA Suede Holding, Inc.	USA	Wilmington	indirect	100%
67.	PUMA North America, Inc.	USA	Wilmington	indirect	100%
68.	Cobra Golf Incorporated	USA	Wilmington	indirect	100%
69.	PUMA United Aviation North America LLC	USA	Wilmington	indirect	70%
70.	PUMA United Canada Holding, Inc.	USA	Wilmington	indirect	100%
71.	PUMA United North America LLC	USA	Dover	indirect	51%
72.	Janed Canada, LLC	USA	Dover	indirect	51%
73.	stichd NA, Inc.	USA	Wilmington	indirect	100%
74.	PUMA Card Services NA, LLC.	USA	Plantation	indirect	100%
	Asia/Pacific				
75.	PUMA Australia Pty. Ltd.	Australia	Melbourne	indirect	100%

No.	Companies/Legal entities	Country	City	Shareholder	Share of capital
76.	White Diamond Australia Pty. Ltd.	Australia	Melbourne	indirect	100%
77.	White Diamond Properties Pty. Ltd.	Australia	Melbourne	indirect	100%
78.	PUMA China Ltd. (彪马(上海)商贸有限公司)	China	Shanghai	indirect	100%
79.	stichd Trading (Shanghai) Co., Ltd. (斯梯起特贸易(上海)有限公司)	China	Shanghai	indirect	100%
80.	Guangzhou World Cat Information Consulting Services Company Ltd. (广州寰彪信息咨询服务有限公司)	China	Guangzhou	indirect	100%
81.	World Cat Ltd. (寰彪有限公司)	China	Hong Kong	direct	100%
82.	Development Services Ltd.	China	Hong Kong	direct	100%
83.	PUMA International Trading Services Ltd.	China	Hong Kong	indirect	100%
84.	PUMA ASIA PACIFIC LTD (彪馬亞太區有限公司)	China	Hong Kong	direct	100%
85.	PUMA Hong Kong Ltd. (彪馬香港有限公司)	China	Hong Kong	indirect	100%
86.	stichd Limited	China	Hong Kong	indirect	100%
87.	PUMA Sports India Private Ltd.	India	Bangalore	indirect	100%
88.	PT PUMA Cat Indonesia	Indonesia	Jakarta	indirect	100%
89.	PT PUMA Sports Indonesia	Indonesia	Jakarta	indirect	100%
90.	PUMA Japan K.K. (プーマジャパン株式会社)	Japan	Tokyo	indirect	100%
91.	PUMA Korea Ltd. (푸마코리아 유한회사)	(South) Korea	Seoul	direct	100%
92.	Stichd Korea Ltd	(South) Korea	Incheon	indirect	100%
93.	PUMA Sports Goods Sdn. Bhd.	Malaysia	Petaling Jaya	indirect	100%
94.	STICHD SOUTHEAST ASIA SDN. BHD.	Malaysia	Kuala Lumpur	indirect	100%
95.	PUMA New Zealand Ltd.	New Zealand	Auckland	indirect	100%
96.	PUMANILA IT SERVICES INC.	Philippines	City of Makati	indirect	100%
97.	PUMA Sports Philippines Inc.	Philippines	City of Makati	indirect	100%
98.	PUMA SOUTH EAST ASIA PTE. LTD.	Singapore		indirect	100%
99.	PUMA Taiwan Sports Ltd. (台灣彪馬股份有限公司)	China (Taiwan)	Taipei	indirect	100%
100.	PUMA Sports (Thailand) Co., Ltd.	Thailand	Bangkok	indirect	100%
101.	World Cat Vietnam Sourcing & Development Services Company Limited (CÔNG TY TNHH DỊCH VỤ PHÁT TRIỂN & NGUỒN CUNG ỨNG WORLD CAT VIỆT NAM)	Vietnam	Ho Chi Minh City	indirect	100%

No.	Companies/Legal entities	Country	City	Shareholder	Share of capital
102.	PUMA Sports Vietnam Co Ltd	Vietnam	Ho Chi Minh City	indirect	100%

1) subsidiaries which are assigned to be economically 100% PUMA Group

2) This list is part of PUMA's 2024 Sustainability Statement in accordance with ESRS 2 SBM-1

PUMA Mostro GmbH, PUMA Blue Sea GmbH, PUMA Sprint GmbH and PUMA Central Europe GmbH have made use of the exemption provision under Section 264(3) of the German Commercial Code (HGB). PUMA Europe GmbH and PUMA International Trading GmbH have also made use of the exemption provision under Section 264(3) HGB, but waive the exemption from the third subsection.

In accordance with Article 403 of the second book of the Dutch Civil Code (Article 2:403 BW), with effect from 1 January 2023, PUMA SE shall be jointly and severally liable for debts arising from legal transactions of the following Dutch subsidiaries with registered office in 's-Hertogenbosch (De Waterman 2, 5215 MX): stichd group B.V., stichd sport merchandising B.V., stichd licensing B.V., stichd international B.V., stichd logistics B.V. and stichd B.V.

CURRENCY CONVERSION

In general, monetary items in foreign currencies are converted in the individual financial statements of the Group companies at the exchange rate valid on the balance sheet date. Any resulting currency gains and losses are immediately recognised in the income statement. Non-monetary items are converted at historical acquisition and manufacturing cost.

The assets and liabilities of foreign subsidiaries, whose functional currency is not the euro, have been converted to euros at the exchange rates valid on the balance sheet date. Expenses and income have been converted at the annual average exchange rates. Any differences resulting from the currency conversion of net assets relative to exchange rates that had changed in comparison with the previous year were adjusted directly in other comprehensive income.

The significant conversion rates per euro are as follows:

T.10 SIGNIFICANT CONVERSION RATES

	2024		2023	
Currency	Exchange rate on 31 December	Average exchange rate	Exchange rate on 31 December	Average exchange rate
USD	1.0389	1.0824	1.1050	1.0813
CNY	7.5833	7.7875	7.8509	7.6600
JPY	163.0600	163.8519	156.3300	151.9903
MXN	21.5504	19.8314	18.7231	19.1830
ARS*	1,070.9281	–	892.9166	–

* Due to the application of accounting for hyperinflationary economies in Argentina, all items in the financial statements are converted at the exchange rate applicable on the reporting date.

Argentina and Türkiye are in a hyperinflation environment. In 2022, the subsidiaries whose functional currency is the Argentine peso or the Turkish lira applied the accounting for hyperinflation economies in accordance with IAS 29 for the first time, with retroactive effect from 1 January 2022. The carrying amounts of non-monetary assets and liabilities, shareholders' equity and other comprehensive income are translated into the unit of measurement applicable at the balance sheet date and thus adjusted to reflect price changes. The financial statements are based on the concept of historical acquisition and/or production costs. The exchange rate as of 31 December 2024 was used for conversion into the reporting currency, the euro, for all items.

Gains and losses on the net monetary position are included in the financial result. In the financial year 2024, the net profit from the monetary items amounted to €2.1 million (previous year: €7.7 million). The amount also includes interest income from invested cash and cash equivalents in accordance with IAS 29.28.

The price index used for Türkiye as of 31 December 2024 was 2,684.6 (31 December 2023: 1,859.4) and is based on the consumer price index. The general price index used for Argentina as of 31 December 2024 was 7,686.2 (31 December 2023: 3,500.4).

ACCOUNTING AND VALUATION PRINCIPLES

FINANCIAL INSTRUMENTS

Financial instruments are classified and recognised in accordance with IFRS 9. Acquisitions and disposals of financial assets, with the exception of trade receivables, are initially recognised on the settlement date and are recorded at fair value.

For investments (equity instruments), IFRS 9 allows a measurement at fair value through other comprehensive income (FVOCI) under certain conditions. If these investments, however, are disposed of or adjusted in value, the gains and losses from these investments which were not realised up to this point are reclassified to retained earnings in accordance with IFRS 9.

DERIVATIVE FINANCIAL INSTRUMENTS/HEDGE ACCOUNTING

PUMA is applying the provisions of IFRS 9 for phase 3 hedge accounting for the first time as of 1 January 2024. Previously, the option of continuing to apply IAS 39 for hedge accounting was exercised. For reasons of materiality, PUMA does not restate comparative information for previous periods. Consequently, an adjustment was made to the opening balance sheet as of 1 January 2024. For existing cash flow hedge relationships, the hedging cost approach was applied retrospectively on a mandatory basis for options held as at the opening date and voluntarily for the components of forward exchange contracts excluded from the designation. This resulted in a correction of the opening balance sheet in a high single-digit million euro amount, with the amount being withdrawn from retained earnings and allocated to other comprehensive income.

Derivative financial instruments are recognised at fair value at the time a contract is entered into and thereafter. At the time a hedging instrument is concluded, PUMA classifies the derivatives as hedges of a planned transaction and hedging variable interest flows from the promissory note loans (cash flow hedge accounting).

At the time when the transaction is concluded, the hedging relationship between the hedging instrument and the underlying transaction as well as the purpose of risk management and the underlying strategy are documented. In addition, assessments as to whether the derivatives used in the hedge accounting compensate effectively for a change in the cash flow of the underlying transaction are documented at the beginning of the hedging relationship and continuously thereafter.

As under IAS 39, the PUMA Group now also generally designates the spot component of currency forwards and the intrinsic value of currency and interest rate options in a hedging relationship under IFRS 9. The effective cumulative changes in fair value resulting from the spot component or the intrinsic value are initially recognised directly in equity in the cash flow hedging reserve in other comprehensive income, taking into account deferred taxes.

When accounting for currency hedges as cash flow hedges, the time values of the option contracts as well as the forward components and the currency basis spreads of the forward exchange contracts are excluded from designation in a hedging relationship. For these components excluded from designation, the hedging cost approach is applied mandatorily for options and voluntarily for currency forwards.

When accounting for interest rate hedges as cash flow hedges, the time values of the option transactions are excluded from designation in a hedging relationship. The hedging cost approach is mandatory for these components excluded from designation. The effective cumulative changes in market value of the non-designated components are recognised as hedging costs in other comprehensive income as a separate item, taking into account deferred taxes.

In general, the changes in market value of the components designated in hedging relationships for foreign currency hedges accumulated in other comprehensive income are included in the acquisition costs when hedged non-financial assets are initially recognised or, in other cases, are reclassified to the income statement in the same period as the hedged item affects profit or loss. The adjustment of non-financial assets affects profit or loss in the same way and in the same periods as the affected non-financial items affect profit or loss. A corresponding disclosure is made both in the consolidated statement of comprehensive income and in the consolidated statement of changes in equity. In the case of interest rate hedges, the changes in market value accumulated in accumulated other equity are reclassified to interest expense. The components excluded from the designation are reclassified from other comprehensive income to the financial result.

In the unusual case for the PUMA Group that derivative financial instruments are not designated as hedging instruments, they continue to be classified and measured at fair value through profit or loss.

The Group documents the existence of an economic relationship between the hedging instrument and the hedged underlying transaction on the basis of the key valuation parameters, such as the reference interest rate, the currency, the amount and the time of their respective cash flows (critical terms match method). The Group uses the cumulative dollar offset method to assess whether the derivative designated in each hedging relationship is expected to be prospectively effective and whether it was retrospectively effective in relation to offsetting changes in the cash flows of the hedged underlying transaction. All derivatives classified as hedging instruments are therefore linked to specific, committed and planned transactions. The economic relationship between the hedging instrument and the hedged underlying transaction can be determined qualitatively and quantitatively.

The main reason for ineffectiveness is the decline or loss of hedged transactions in these hedging relationships. A change in credit risk may also result in ineffectiveness.

The fair values of the derivative instruments are shown under Other current and non-current financial assets or liabilities.

PUMA AS LESSEE

The leases for which PUMA acts as a lessee are identified at the individual contract level. For these leases, PUMA recognises a right-of-use asset and a respective lease liability, with the exception of short-term leases (defined as leases with a term of no more than 12 months) and low-value lease agreements (with a value of less than €5,000 at contract conclusion). In the case of a short-term lease or low-value lease, the Group recognises the lease payments on a straight-line basis over the term of the lease agreement as other operating expense.

In addition, right-of-use assets are not recognised for intangible assets. PUMA has made use of the option and decided not to apply IFRS 16 with regard to leases for intangible assets.

The lease liability at initial recognition is measured at the present value of the not yet paid lease payments at the beginning of the lease agreement. The present value is calculated using the incremental borrowing rate, as the interest rate implicit in the lease is usually not known.

A number of lease agreements, particularly for real estate properties, contain extension and termination options. When determining agreement terms, all facts and circumstances are taken into account that offer a financial incentive to exercise the extension option or not to exercise the termination option. The changes in the term of a lease due to the exercise or non-exercise of such options are only taken into account for the agreement term if they are sufficiently certain.

The lease liability is recognised as a separate line item on the consolidated balance sheet.

The right-of-use assets comprise the respective lease liability as part of initial valuation. Lease instalments that are paid before or at the beginning of the lease are added. Lease incentives received from the lessor are deducted and initial direct costs are included. If dismantling obligations exist with regard to the leased assets, they are included in the valuation of the right-of-use assets. The subsequent valuation of the right-of-use assets is at acquisition cost less accumulated depreciation and impairment losses.

The right-of-use assets are generally depreciated over the term of the lease. If the useful life of the asset underlying the lease is shorter, this limits the depreciation period accordingly. Depreciation starts with the commencement of the lease.

As part of the practical expedient, IFRS 16 permits dispensing with a separation between non-lease components and lease components. With regard to land and buildings, PUMA generally does not apply the practical expedient, meaning that the right-of-use assets relating to land and buildings only contain leasing components. With regard to other right-of-use assets (comprising technical equipment & machines and motor vehicles), the practical expedient is generally applied, the result of which is that the leasing components and non-leasing components are both recognised.

The right-of-use assets are recognised as a separate line item in the consolidated balance sheet.

The right-of-use assets are subject to the impairment regulations pursuant to IAS 36. As a general rule, the right-of-use assets are tested for impairment (impairment test) if there is any indication that the value of the asset could be impaired. The right-of-use assets, in particular in connection with the Group's own retail stores, are subjected to an impairment test if there are indicators or changes in planning assumptions that suggest that the carrying amount of the assets may not be recoverable. To this end, a triggering event test of all retail stores, each of which is a separate cash-generating unit, is carried out after preparation of the annual budget planning or on an ad-hoc basis.

For the purposes of the triggering event test, the recoverable amount of the respective retail stores is determined as a value in use using a simplified discounted cash flow method, taking partial account of cash flows attributable to other cash-generating units. The value in use is determined on the basis of the planned cash flows for the retail stores according to the budget, which is prepared on a bottom-up basis and approved by management. The forecast period is derived from the expected useful lives of the respective retail store and is reviewed annually. Following the bottom-up budget, revenue and cost developments are used as a basis for the remaining useful life, the growth rate of which is based on expected nominal retail growth. Growth rates in the single-digit percentage range are expected for all retail stores over the three-year detailed planning period. In calculating the value in use of retail stores, cash flows in non-inflationary countries were measured at a weighted cost of capital rate of between 8.1% and 33.0% (previous year: between 8.8% and 38.0%) and the cash flows of retail stores in the two hyperinflation countries with a weighted cost of capital between 35.8% and 54.4% (previous year: between 31.2% and 145.0%). This was based on a risk-free interest rate on equivalent term structures of 2.6% (previous year: 3.1%) and a market risk premium of 6.8% (previous year: 7.0%).

If, in the triggering event test, the carrying amount of the retail store assets exceeds the simplified value in use, the recoverable amount of this cash-generating unit is calculated with the discounted cash flow method using the above cost of capital rates. This is based on the individual planning of cash flows for the retail store. In some exceptional cases, the recoverable amount corresponds to a higher fair value less costs to sell, assuming alternative subletting, which is determined according to Level 3 of IFRS 13 "Fair value measurement". If an impairment arises, the right-of-use asset is impaired first.

If there are indications that retail stores for which impairment has been recorded in the past have been able to achieve a turnaround or that their fair value has increased and that their right-of-use assets are therefore recoverable, the impairment is reversed up to a maximum of the amount of amortised costs.

If there is an impairment loss or a reversal of an impairment loss, this is allocated to the central area in the segment reporting under IFRS 8. However, the impaired assets are reported in the relevant operating segments.

PUMA AS LESSOR

If PUMA acts as a lessor, it is determined at the beginning of the lease whether it is a finance lease or an operating lease. In order to classify the lease agreement, PUMA makes an overall assessment of whether the lease essentially transfers all the risks and benefits associated with ownership of the underlying asset. If this is the case, it is classified as a finance lease. If not, it is classed as an operating lease. Various indicators are taken into account as part of this assessment, such as whether the lease agreement is for the majority of the economic useful life of the underlying asset. At our discretion, the leases in which PUMA acts as an intermediate lessor are in most cases finance leases, as subletting always covers most of the term of the main lease. If PUMA acts as an interim lessor, the shares in the main lease contract and the sub-lease contract are accounted for separately.

In the case of finance leases, a net investment (receivable) equal to the discounted future rental payments to be received is recognised in the balance sheet and reported under other assets (without inclusion in working capital). The incremental borrowing rate is used to determine the discount rate, as the interest rate underlying the lease is generally unknown. Interest income from finance leases is reported in cash flow from investing activities.

If the lease is classified as an operating lease, the lease payments are immediately recognised in profit or loss as rental income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and bank balances. This also includes free cash and cash equivalents that are invested as a fixed-term deposit with a term of up to three months. The total amount of cash and cash equivalents is consistent with the cash and cash equivalents stated in the cash flow statement.

Cash and cash equivalents are measured at amortised cost. They are subject to the impairment requirements in accordance with IFRS 9 “Financial Instruments”. PUMA monitors the credit risk of these financial instruments taking into account the economic situation, external credit rating and/or premiums for credit default swaps (CDS) of other financial institutions. The credit risk from cash and cash equivalents is classified as immaterial, due to the relatively short terms and the investment-grade credit rating of the counterparties, which signals a low probability of default for the financial instruments.

INVENTORIES

The Group procures inventories primarily from third parties and these are reported as goods within inventories. To a small extent, footwear and golf clubs are produced in-house, which are reported as finished goods together with the goods within the inventories.

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. The acquisition cost of merchandise is determined using an averaging method. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices.

TRADE RECEIVABLES

Trade receivables are initially measured at the transaction price and subsequently at amortised cost with deduction of value adjustments, in the form of a provision for risks.

When determining the provision for risks for trade receivables, PUMA uniformly applies the simplified method in order to determine the expected credit losses over the remaining lifetime of the trade receivables (called “lifetime expected credit losses”) in accordance with the provisions of IFRS 9 “Financial Instruments”. For this, trade receivables are classified by geographic region into suitable groups with shared credit risk characteristics. The expected credit losses are calculated using a matrix that presents the age structure of the receivables and depicts a likelihood of default for the individual maturity bands of the receivables on the basis of historic credit default events and future-based factors. The percentage rates for the probabilities of default are checked regularly to ensure they are up to date. If objective indications of a credit impairment are found regarding the trade receivables of a certain customer, a detailed analysis of this customer's specific credit risk is conducted and an individual provision for risks is established for the trade receivables with respect to this customer. If credit insurance is in place, it is taken into account when determining the amount of the risk provision.

The Group assumes that the default risk of a financial asset has increased significantly if it is more than 30 days overdue.

OTHER FINANCIAL ASSETS

Other financial assets are classified based on the business model for control and the cash flows of the financial assets. In the Group, financial assets are generally held under a business model that provides for "holding" the asset until maturity, in order to collect the contractual cash flows. The second condition is that the terms and conditions of the financial asset result in cash flows at specified times, which exclusively represent repayments and interest payments on the outstanding nominal amount.

The "trading" business model is used for financial assets in the form of derivatives without a hedging relationship. These are valued at fair value through profit or loss (FVPL).

Non-current financial assets include rental deposits and other assets. Non-interest-bearing non-current assets are discounted to the present value if the resulting effect is significant.

INVESTMENTS

The investment recognised under non-current financial assets belongs to the category measured at "fair value through other comprehensive income" (FVOCI), since these investments are held over the long term for strategic reasons.

All purchases and disposals of investments are recorded on the settlement date. Investments are initially recognised at fair value plus transaction costs. They are also recognised at fair value in subsequent periods. Unrealised gains and losses are recognised in other comprehensive income, taking into account deferred taxes. The gain or loss on disposal of investments is transferred to retained earnings.

The category measured at "fair value through profit or loss" (FVPL) is not used with regard to investments.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at acquisition cost, net of accumulated depreciation. The depreciation period depends on the expected useful life of the respective item. The straight-line method of depreciation is applied. The useful life depends on the type of the assets involved. Buildings are subject to a useful life of between ten and fifty years, and a useful life of between three to ten years is assumed for movable assets.

Repair and maintenance costs are recorded as an expense as of the date on which they were incurred. Substantial improvements and upgrades are capitalised to the extent that the criteria for recognition of an asset item apply.

INVESTMENT PROPERTY

Investment property is accounted for in the same way as property, plant and equipment in accordance with the cost model, with their acquisition or production costs less scheduled depreciation and any necessary impairment losses. Depreciation is carried out on a straight-line basis and the useful lives are generally equivalent to those of property, plant and equipment used in-house.

OTHER INTANGIBLE ASSETS (NOT INCLUDING GOODWILL)

Acquired intangible assets largely consist of concessions, intellectual property rights and similar rights. These are measured at acquisition cost, net of accumulated amortisation. The useful life of intangible assets is between three and ten years. Scheduled depreciation is done on a straight-line basis.

There are also trademark rights acquired for a fee in relation to Cobra Golf. Cobra Golf, founded in 1978, has a brand history spanning over 40 years in golf. The Cobra brand represents the core of the Golf business area and is continued through ongoing marketing investments by the PUMA Group in the Cobra brand. Due to the stability of the golf market and the continuation of the brand by PUMA, an indefinite useful life is assumed for the Cobra brand.

IMPAIRMENT OF ASSETS

Intangible assets with an indefinite useful life are not amortised according to schedule but are subjected to an annual impairment test. Property, plant and equipment, right-of-use assets, and other intangible assets with finite useful lives are tested for impairment if there is any indication of impairment in the value of the asset concerned. In order to determine whether there is a requirement to record the impairment of an asset, the recoverable amount of the respective asset (the higher amount of the fair value less costs to sell and value in use) is compared with the carrying amount of the asset. If the recoverable amount is lower than the carrying amount, the difference is recorded as an impairment loss. The test for impairment is performed, if possible, at the level of the respective individual asset, otherwise at the level of the cash-generating unit. Goodwill, on the other hand, is tested for impairment only at the level of a group of cash-generating units. If it is determined within the scope of the impairment test that an asset needs to be impaired, then the goodwill, if any, of the group of cash-generating units is written down initially and, in a second step, the remaining amount is distributed proportionately over the remaining assets within the application scope of IAS 36. If the reason for the recorded impairment no longer applies, a reversal of impairment loss is recorded to the maximum amount of the amortised costs. There is no reversal of an impairment loss for goodwill.

The recoverable amount is primarily calculated using the discounted cash flow method. For determining the fair value less costs to sell and value in use, the expected cash flows are based on corporate planning data. Expected cash flows are discounted using an interest rate in line with market conditions. As part of the fair value determination less cost to sell, no special synergies of cash-generating units are taken into account, and corporate planning data is adjusted to the assumptions of market participants, if required. Moreover, there is a difference between the fair value less costs to sell and the value in use because the costs to sell are also taken into account.

Trademarks with an indefinite useful life are subjected to an impairment test based on the relief from royalty-method during the financial year or when the occasion arises. If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the relief-from-royalty method, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined.

See Chapter 11 for further details, in particular regarding the assumptions used for the calculation.

BORROWINGS, OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

In general, these items are recognised at fair value, taking into account transaction costs, and subsequently recognised at amortised cost. Non-interest or low-interest-bearing liabilities with a term of at least one year are recognised at present value, taking into account an interest rate in line with market conditions, and are compounded until their maturity at their repayment amount.

The "trading" business model is used for financial liabilities in the form of derivatives without a hedge relationship. These are valued at fair value through profit or loss (FVPL).

Current borrowings also include those long-term loans that have a maximum residual term of up to one year.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

In addition to defined benefit plans, some companies apply defined contribution plans, which do not result in any additional pension commitment other than the current contributions. The pension provision under defined benefit plans is generally calculated using the projected unit credit method. This method takes into account not only known pension benefits and pension rights accrued as of the reporting date, but also expected future salary and pension increases. The defined benefit obligation (DBO) is calculated by discounting expected future cash outflows at the rate of return on senior, fixed-rate corporate bonds. The currencies and maturity periods of the underlying corporate bonds are consistent with the currencies and maturity periods of the obligations to be satisfied. In some of the plans, the obligation is accompanied by a plan asset. In that case, the pension provision shown is reduced by the plan asset.

Details regarding the assumed life expectancy, the mortality tables used and other assumptions are shown in Chapter 15.

OTHER PROVISIONS

Provisions for the expected expenses from warranty obligations pursuant to the respective national sales contract laws are recognised at the time of sale of the relevant products, according to the best estimate in relation to the expenditure needed in order to fulfil the Group's obligation.

Provisions are also made to account for onerous contracts. An onerous contract is assumed to exist where the unavoidable costs for fulfilling the contract exceed the economic benefit arising from this contract.

MANAGEMENT INCENTIVE PROGRAMMES

PUMA uses cash-settled share-based payments, share-based payments settled in cash or equities, and key performance indicator-based long-term incentive programmes. The share-based payments settled in cash or equities are accounted for in the same way as cash-settled share-based payments.

Detailed information on the management incentive programmes is presented in Chapter 18.

RECOGNITION OF SALES

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. Amounts collected on behalf of third parties (such as VAT) are not included in sales. The Group records sales at the time when PUMA fulfils its performance obligation to customers and has transferred the right of disposal over the product to customers.

The Group sells footwear, apparel and accessories both to wholesalers and directly to customers through its own retail activities and online sales channels. Meanwhile, the sales-related warranty services cannot be purchased separately and do not lead to services that go beyond the assurance of the specifications at the time of the transfer of risk. Accordingly, the Group records warranties in the balance sheet in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets".

In the case of sales of products to wholesalers, the sales revenue is recorded at the date on which the right of disposal over the products is transferred to customers, in other words, when the products have been shipped to the specific location of the wholesaler (delivery). After delivery, the wholesaler bears the inventory risk and has full right of disposal over the manner and means of distribution and the selling price of the products. In the case of sales to end customers in the Group's own retail stores, the sales are recorded at the date when the right of disposal over the products is transferred to the end customer, in other words, the date on which the end customer buys the products in the retail store. The payment of the purchase price is due as soon as the customers purchase the products. In the case of sales of goods through our own online sales channels, sales are realised when the end customers have accepted the goods and the power of disposal over the goods has been passed to the end customer. The payment terms applied correspond to the standard industry payment terms for each country.

Under certain conditions and according to the contractual stipulations, customers have the option to exchange products or return them for a credit. The amount of the expected returns is estimated on the basis of past experience and is deducted from sales in the form of a liability based on refund obligations. The asset value of the right arising from the product return claim is recorded under inventories and leads to a corresponding reduction of cost of sales.

ROYALTY AND COMMISSION INCOME

The Group recognises license and commission income from the out-licensing of trademark rights to third parties in accordance with IFRS 15 Revenue from contracts with customers. Income from royalties is recognised in the income statement in accordance with the invoices to be submitted by the licensees. In certain cases, values must be estimated in order to permit accounting on an accrual basis. Commission income is invoiced if the underlying purchase transaction is classified as realised.

ADVERTISING AND PROMOTIONAL EXPENSES

Advertising expenses are recognised in the income statement at the time they are incurred. In general, promotional expenses stretching over several years are recognised as an expense over the contractual term on an accrual basis. Any expenditure surplus exceeding the economic benefit that results from this allocation of expenses after the balance sheet date is recognised in the financial statements in the form of an impairment of assets and, if necessary, a provision for anticipated losses. If promotional and advertising contracts provide for additional payments when predefined targets are achieved (e.g. medals, championships), which cannot be predicted exactly in terms of time and amount, they are recognised in full in profit or loss at the relevant date.

FINANCIAL RESULT

The financial result includes interest income from financial investments and interest expenses from loans, along with interest income and expenses in connection with derivative financial instruments. The financial result also includes interest expenses from lease liabilities as well as discounted, non-current liabilities associated with acquisitions and those arising from the valuation of pension commitments, in addition to interest income from finance leases.

Exchange rate effects that can be directly allocated to an underlying transaction are shown in the respective income statement item.

INCOME TAXES

Current income taxes are determined in accordance with the tax regulations of the respective countries where the individual Group companies conduct their operations.

PUMA management regularly assesses individual tax issues to determine whether there is scope for interpretation in view of existing tax regulations. If appropriate, these issues are taken into account in income tax liabilities or deferred taxes. The income tax assessment is generally carried out at the level of the individual case, taking into account any possible interactions. Appropriate balance sheet provisions have been made for potential risks from uncertain tax positions, taking into account IFRIC 23.

DEFERRED TAXES

Deferred taxes resulting from temporary valuation differences between the IFRS and tax balance sheets of individual Group companies and from consolidation procedures, which are levied by the same taxation authority and can be netted, are charged to each taxable entity and recognised either as deferred tax assets or deferred tax liabilities.

Deferred tax assets may also include claims for tax reductions that result from the expected utilisation of existing losses carried forward to subsequent years and which is likely to materialise. Deferred tax assets or liabilities may also result from accounting treatments that do not affect the income statement.

Deferred tax assets are recognised only to the extent that the respective tax advantage is likely to materialise.

ESTIMATION UNCERTAINTY

The preparation of the consolidated financial statements requires some assumptions and estimates that have an impact on the measurement and presentation of the recognised assets and liabilities, income and expenses, and contingent liabilities. The assumptions and estimates are based on premises, which in turn are based on currently available information. In individual cases, the actual values may deviate from the assumptions and estimates made. Consequently, future periods involve a risk of adjustment to the carrying amount of the assets and liabilities concerned. If the actual development differs from the expectation, the premises and, if necessary, the carrying amounts of the relevant assets and liabilities are adjusted with an effect on profit or loss.

All assumptions and estimates are continuously reassessed. They are based on historical experiences and other factors, including expectations regarding future global and industry-related trends that appear reasonable under the current circumstances. Assumptions and estimates mainly relate to the valuation of goodwill and trademarks, inventories, liabilities from refund obligations, taxes and leases in which PUMA is the lessee. The most significant forward-looking assumptions and sources of estimation and uncertainty as of the reporting date concerning the above-mentioned items are discussed below.

Goodwill and brands

A review of the impairment of goodwill is based on the calculation of the value in use as a leading valuation concept. In order to calculate the value in use, the Group must estimate the future cash flows from those cash-generating units to which the goodwill is allocated. To this end, the data used were from the three-year plan, which is based on forecasts of the overall economic development and the resulting industry-specific consumer behaviour. Another key assumption concerns the determination of an appropriate interest rate for discounting the cash flow to the present value (discounted cash flow method). The relief-from-royalty method is used to value brands. See Chapter 11 for further details, in particular regarding the assumptions used for the calculation.

Inventories

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices. Further details on the inventory valuation are provided in Chapter 4.

Liabilities from refund obligations

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. As customers have the opportunity to exchange goods under certain conditions and in accordance with the contractual agreements, the amount of expected return deliveries is estimated on the basis of experience. The accrual of sales takes place via the liability from refund obligations.

Taxes

Tax items are determined taking into account the various prevailing local tax laws and the relevant administrative opinions and, due to their complexity, may be subject to different interpretations by persons subject to tax on the one hand and the tax authorities on the other hand. Differing interpretations of tax laws may result in subsequent tax payments for past years; these are included based on the assessment of the management, using the most probable amount or the expected value for the individual case.

The recognition of deferred taxes requires that estimates and assumptions be made concerning future tax planning strategies as well as expected dates of occurrence and the amount of future taxable income. The taxable income from the relevant corporate planning is derived for this assessment. It takes into account the past financial position and the business development expected in the future. Deferred tax assets are recorded in the event of companies incurring a loss only if it is highly probable that future positive results will be achieved. See Chapter 8 for further information.

PUMA as lessee

The measurement of lease liabilities under leases in which PUMA is the lessee is based on assumptions for the discount rates used, the lease term and the determination of fixed lease payments. To determine the present value of future minimum lease payments, PUMA uses country- and currency-specific interest rates on borrowings with compatible terms. The fixed lease payments also include firmly agreed upon minimum amounts for agreements with a predominantly variable lease amount.

Significant assumptions are made in the subsequent valuation of rights of use for retail stores in the context of assessing the existence of an impairment and determining the impairment requirement. Among other things, assumptions are made about the duration of the lease, the future economic development and profitability of the retail stores, and also the underlying interest rate. See Chapter 10 for further information.

DISCRETIONARY DECISIONS

The preparation of the consolidated financial statements requires discretionary decisions relating to the application of accounting methods and the amounts of assets, liabilities, income and expenses reported. Information on the application of accounting policies that have the most material impact on the amounts recorded in the financial statements can be found in the following notes:

Evaluation of the control of companies with non-controlling interests

The determination as to whether the Group controls the companies with non-controlling interests is presented in Chapter 28, Information on non-controlling interests.

PUMA as lessee

The accounting for leases in which PUMA is the lessee includes discretionary decisions, in particular in relation to the term of the lease agreements with regard to determining whether the exercise of extension options is sufficiently certain. In addition to the basic lease period, the Group includes extension options in the determination of the lease term if management is sufficiently certain that such options will be exercised after taking into account all facts and circumstances.

Some real estate leases contain extension options that can only be exercised by PUMA and not by the lessor. If possible, the Group seeks to include extension options when concluding new leases in order to ensure operational flexibility. On the date of provision, the Group assesses whether it is sufficiently certain that the extension options will be exercised. The assessment is carried out individually for each contract and takes into account the amount of the company's own investments and the possibility of changing macroeconomic conditions in the future. If significant events or significant changes occur during the term of the contract that are within PUMA's control, it will be reassessed as to whether it is sufficiently certain that the extension option will be exercised.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

3. CASH AND CASH EQUIVALENTS

As of 31 December 2024, the Group has €368.2 million (previous year: €552.9 million) in cash and cash equivalents. This includes bank balances, including short-term financial investments with an original term of up to three months. The average effective interest rate of financial investments was 1.8% (previous year: 1.1%) for countries without hyperinflation. In countries with hyperinflation, the average effective interest rate of financial investments was 62.4% (previous year: 40.9%). There are no cash and cash equivalents subject to transfer restrictions in the current year (previous year: €45.6 million).

4. INVENTORIES

Inventories are allocated to the following main groups:

T.11 INVENTORIES (IN € MILLION)

	2024	2023
Goods/inventory and finished goods		
Footwear	672.4	625.9
Apparel	473.2	420.8
Accessories/Others	211.2	216.0
Raw materials, consumables and supplies	34.5	34.9
Prepayments made	0.3	2.9
Goods in transit	576.0	458.7
Inventory adjustments related to returns	46.1	45.2
Total	2,013.7	1,804.4

The raw materials, consumables and supplies mainly relate to raw materials for the production of golf clubs and footwear.

The table shows the carrying amounts of the inventories net of value adjustments. Of the value adjustments in the amount of €111.4 million (previous year: €157.1 million) approx. 67.2% in financial year 2024 (previous year: approx. 64.3%) were recognised in profit or loss in cost of sales.

The volume of inventories recorded as an expense during the period mainly includes the cost of sales shown in the consolidated income statement.

The inventory adjustments related to returns represents the historical acquisition or production costs of the inventories for which a return is expected.

5. TRADE RECEIVABLES

The trade receivables are broken down as follows:

T.12 TRADE RECEIVABLES (IN € MILLION)

	2024	2023
Trade receivables, gross	1,308.5	1,183.4
Less provision for risks	-61.9	-65.0
Trade receivables, net	1,246.5	1,118.4

The change in the provision for risks for financial assets in the "trade receivables" class measured at amortised cost relates to receivables in connection with revenues from contracts with customers and has developed as follows:

T.13 CHANGE OF RISK PROVISIONS FOR TRADE RECEIVABLES (IN € MILLION)

	2024	2023
Status of provision for risks as of 1 January	65.0	57.9
Exchange rate differences	-0.6	-1.6
Additions	15.0	26.7
Utilisation	-4.3	-3.8
Reversals of unused provision for risks	-13.1	-14.3
Status of provision for risks as of 31 December	61.9	65.0

The age structure of the trade receivables is as follows:

T.14 AGE STRUCTURE 2024 (IN € MILLION)

			Overdue			
2024	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Trade receivables, gross	1,308.5	1,053.2	84.5	79.6	28.6	62.6
Provision for risks	-61.9	-16.2	-2.3	-3.8	-3.5	-36.2
Trade receivables, net	1,246.5	1,037.0	82.2	75.9	25.0	26.4
Expected loss rate		1.5%	2.7%	4.7%	12.4%	57.8%

T.15 AGE STRUCTURE 2023 (IN € MILLION)

			Overdue			
2023	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Trade receivables, gross	1,183.4	952.3	92.4	83.4	14.1	41.4
Provision for risks	-65.0	-16.4	-4.0	-8.2	-4.5	-31.9
Trade receivables, net	1,118.4	935.8	88.4	75.2	9.6	9.5
Expected loss rate		1.7%	4.3%	9.8%	32.0%	77.1%

With respect to the net carrying amounts of trade receivables, PUMA assumes that the debtors will satisfy their payment obligations or that, in the event of a default, the net carrying amount will be covered by existing credit insurance. There are no significant risk concentrations as the customer base is very broad and there are no correlations.

Trade receivables are derecognised when, in the context of factoring agreements, essentially all risks and opportunities relating to these receivables have been transferred to a third party. As of 31 December 2024, receivables in the amount of €269.7 million (previous year: €141.7 million) were derecognised as a result of factoring agreements. The cash flows are categorised as cash inflow from operating activities in the consolidated statement of cash flows.

6. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets are broken down as follows:

T.16 OTHER CURRENT FINANCIAL ASSETS (IN € MILLION)

	2024	**2023**
Fair value of derivative financial instruments	147.1	34.5
Lease receivables	12.4	14.9
Remaining financial assets	168.8	45.6
Total	328.3	94.9

The amount shown is due within one year. The fair value corresponds to the carrying amount.

7. OTHER CURRENT ASSETS

Other current assets are broken down as follows:

T.17 OTHER CURRENT ASSETS (IN € MILLION)

	2024	**2023**
Prepaid expense relating to the subsequent period	102.1	98.3
Other receivables	158.7	172.1
Total	260.9	270.4

The amount shown is due within one year. The fair value corresponds to the carrying amount.

Other receivables mainly comprise receivables relating to VAT of €100.0 million (previous year: €98.9 million) and other taxes of €35.3 million (previous year: €25.6 million).

8. DEFERRED TAXES

Deferred taxes relate to the items shown below:

T.18 DEFERRED TAXES (IN € MILLION)

	2024	2023
Tax loss carry-forwards	56.3	76.9
Inventories	62.0	74.5
Remaining current assets	12.8	13.5
Non-current assets	48.4	56.3
Lease liabilities (current and non-current)	286.9	290.8
Provisions and other liabilities	124.4	118.1
Deferred tax assets (before netting)	590.7	630.1
Current assets	47.3	17.4
Intangible assets	41.7	42.1
Right-of-use assets	243.5	258.2
Remaining non-current assets	26.9	24.6
Provisions and other liabilities	1.8	4.1
Deferred tax liabilities (before netting)	361.2	346.4
Deferred tax assets, net	229.5	283.7

As of 31 December 2024, tax losses carried forward amounted to a total of €417.2 million (previous year: €447.9 million). Deferred tax assets were recognised for these items in the amount at which the associated tax advantages are likely to be realised in the form of future profits for income tax purposes. In financial year 2024, no deferred tax items were recognised for the losses carried forward in the amount of €143.6 million (previous year: €102.9 million), of which €136.4 million (previous year: €94.5 million) are vested. The remaining tax losses carried forward, for which no deferred tax items were recognised, in the amount of €7.2 million (previous year: €8.3 million) will expire within the next six years.

In addition, no deferred tax items were recognised for temporary differences in the amount of €20.7 million (previous year: €27.0 million) because they were not expected to be realised as of the balance sheet date.

For Group companies that achieved a negative tax result in this or the previous financial year, a total of deferred tax assets in the amount of €190.5 million were recognised after deduction of any deferred tax liabilities (previous year: €157.1 million) as sufficiently positive tax results can be expected in the future on the basis of the relevant projections. Of this amount, €56.3 million is attributable to the sales units in the USA. The approach was based on a projection that deviates from the general corporate planning and completely disregards potential future business opportunities and market share gains. A further share of €15.5 million is attributable to the United Kingdom distribution unit. The assumption of sufficient future positive tax profits is based on the expectation of higher sales volumes (supported by the current order book) and the initiation of a range of measures aimed at optimising costs.

No deferred taxes on retained profits at subsidiaries were recognised where these gains are to be reinvested on an ongoing basis and there is no intention to make a distribution in this respect.

Deferred tax assets and liabilities are netted if they relate to a taxable entity and can in fact be netted. Accordingly, they are shown in the balance sheet as follows:

T.19 DEFERRED TAX ASSETS AND LIABILITIES (IN € MILLION)

	2024	2023
Deferred tax assets	243.6	296.1
Deferred tax liabilities	14.2	12.4
Deferred tax assets, net	229.5	283.7

The changes in deferred tax assets (net) were as follows:

T.20 MOVEMENT OF DEFERRED TAXES (IN € MILLION)

	2024	2023
Deferred tax assets, net as of 1 January	283.7	253.1
Recognition in the consolidated income statement	-15.0	22.8
Adjustment related to remeasurements of the net defined benefit liability, recognised in other comprehensive income	0.7	0.2
Adjustment related to the cash flow hedge reserve, recognised in other comprehensive income	-35.0	10.1
Adjustment related to the reserve for hedging costs – options, recognised in other comprehensive income	-0.2	0.0
Adjustment related to the reserve for hedging costs - forward contracts, recognised in other comprehensive income	1.3	0.0
Currency exchange effects	-6.2	-2.5
Deferred tax assets, net as of 31 December	229.5	283.7

9. PROPERTY, PLANT AND EQUIPMENT

The development of property, plant and equipment is shown in the following tables:

T.21 MOVEMENTS OF PROPERTY, PLANT & EQUIPMENT 2024 (IN € MILLION)

	Real estate	Technical equipment and machines	Other equipment, furniture and fixture	Assets under construction	Total
Purchase costs as of 1 January 2024	189.5	222.5	753.2	94.8	1,260.0
Additions*	2.5	30.4	112.8	40.3	185.9
Disposals	-3.3	-3.9	-64.9	-2.2	-74.3
Transfers	9.4	56.9	23.7	-94.6	-4.7
Currency changes	22.5	10.0	17.8	3.4	53.7
As of 31 December 2024	220.6	315.9	842.6	41.7	1,420.7
Accumulated depreciation as of 1 January 2024	-56.0	-49.7	-468.7	-0.0	-574.4
Depreciation	-6.5	-17.9	-97.8	0.0	-122.3
Disposals	1.9	3.4	61.1	0.0	66.4
Transfers	0.0	-0.3	0.4	0.0	0.1
Impairment losses	-8.8	0.0	-0.6	0.0	-9.4
Currency changes	-0.9	-4.5	-10.0	0.0	-15.3
As of 31 December 2024	-70.4	-69.0	-515.6	0.0	-655.0
Net carrying amount as of 31 December 2024	150.2	246.9	326.9	41.7	765.7

* This information is part of PUMA's 2024 Sustainability Declaration in accordance with ESRS E1-3.

T.22 MOVEMENTS OF PROPERTY, PLANT & EQUIPMENT 2023 (IN € MILLION)

	Real estate	Technical equipment and machines	Other equipment, furniture and fixture	Assets under construction	Total
Purchase costs as of 1 January 2023	175.2	170.8	706.3	75.1	1,127.4
Additions*	23.9	16.6	118.4	66.5	225.4
Disposals	-4.8	-0.4	-41.0	-2.8	-49.0
Transfers	0.1	39.7	2.2	-42.3	-0.4
Currency changes	-5.0	-4.1	-32.6	-1.8	-43.4
As of 31 December 2023	189.5	222.5	753.2	94.8	1,260.0
Accumulated depreciation as of 1 January 2023	-54.5	-37.3	-443.2	-0.1	-535.2
Depreciation	-6.2	-15.0	-84.4	0.0	-105.7
Disposals	3.5	0.4	38.6	0.0	42.5
Transfers	0.0	-0.3	-0.0	0.0	-0.3
Currency changes	1.2	2.5	20.3	0.1	24.2
As of 31 December 2023	-56.0	-49.7	-468.7	-0.0	-574.4
Net carrying amount as of 31 December 2023	133.5	172.8	284.6	94.8	685.6

* This information is part of PUMA's 2024 Sustainability Declaration in accordance with ESRS E1-3.

Investment properties have a carrying amount of €27.7 million as of 31 December 2024 (previous year: €21.1 million) and are reported as real estate under property, plant and equipment. The fair value of investment properties as of 31 December 2024 is €20.9 million (previous year: €23.3 million). This was determined by external, independent experts who have relevant professional qualifications and current experience with the location and type of properties to be valued. The fair value was determined on the basis of the market-comparative approach, which reflects the most recent transaction prices for similar properties. In the current financial year, impairment losses of 8.8 million (previous year: €0.0 million) were recognised in financial expenses for investment properties. The affected asset is reported in the segment reporting in the Latin America region. The calculation was based on the value in use, taking into account a cost of capital rate of 3.8%.

The rental income generated by the Group from investment properties amounted to €1.4 million in the financial year (previous year: €0.6 million). Direct operating expenses for investment properties, which generated rental income in the financial year, amounted to €0.0 million (previous year: €0.0 million).

10. LEASES

PUMA AS LESSEE

The Group rents and leases offices, warehouses, facilities, technical equipment and machinery, motor vehicles and sales rooms for its own retail business. As a rule, the lease agreements have a term of between one and fifteen years. Some agreements include renewal options and price adjustment clauses.

The carrying amounts for right-of-use assets recognised in the balance sheet relate to the following asset classes:

T.23 RIGHT-OF-USE ASSETS 2024 (IN € MILLION)

	Real estate – retail stores	Real estate – warehouses & offices	Others	Total
Depreciation	117.4	87.9	13.5	218.7
Additions*	147.6	67.5	11.9	227.0
Net carrying amount as of 31 December 2024	528.9	522.5	65.4	1,116.8

T.24 RIGHT-OF-USE ASSETS 2023 (IN € MILLION)

	Real estate – retail stores	Real estate – warehouses & offices	Others	Total
Depreciation	107.1	89.7	12.2	209.0
Additions*	174.1	71.9	14.3	260.3
Net carrying amount as of 31 December 2023	464.2	557.7	65.7	1,087.7

* This information is part of PUMA's 2024 Sustainability Declaration in accordance with ESRS E1-3.

The item "Others" includes technical equipment and machinery, as well as motor vehicles.

The following lease liabilities result:

T.25 LEASE LIABILITIES (IN € MILLION)

	2024	2023
Current lease liabilities	220.6	212.4
Non-current lease liabilities	1,010.0	1,020.0
Total	1,230.6	1,232.4

The amounts recognised in the consolidated income statement are as follows:

T.26 RECOGNISED IN INCOME STATEMENT (IN € MILLION)

	2024	2023
Depreciation of right-of-use assets incl. impairment losses and reversal of impairment losses (included in operating expenses)	196.6	202.8
Interest expenses (included in financial expenses)	51.1	46.8
Expenses for short-term leases (included in operating expenses)	10.0	11.3
Expenses for leases of low-value assets (included in operating expenses)	1.0	1.2
Expenses for variable lease payments (included in operating expenses)	36.6	35.4
Total	295.3	297.5

Variable lease payments are incurred in connection with the Group's own retail stores. These are based on the sales amount and are therefore dependent on the overall economic development.

Total cash outflows from lease liabilities in 2024 amounted to €273.6 million (previous year: €254.8 million).

Due to reduced earnings prospects based on updated financial planning and estimates, impairment losses in the total amount of €7.3 million were recorded for the rights of use of assets in connection with PUMA's own retail stores in financial year 2024 (previous year: €5.7 million). To determine the impairment, the recoverable amount was calculated for the individual retail stores. The recoverable amount for the impaired retail stores is €16.7 million (previous year: €65.3 million), of which €15.4 million was determined on the basis of the value in use (previous year: €65.3 million) and €1.3 million on the basis of the fair value (previous year: €0.0 million). In the financial year under review, reversals of impairment losses amounting to a total of €29.4 million (previous year: €11.9 million) were recorded for retail stores. There were no impairment losses or impairment reversals in the other categories of right-of-use assets.

In 2024, PUMA entered into lease agreements that had not yet commenced by year-end. As a result, no lease liabilities and corresponding right-of-use assets had been recognised as of 31 December 2024. Future lease payments in connection with these agreements amount to €16.0 million (previous year: €2.0 million) for the next year, €75.9 million for years two to five (previous year: €28.2 million) and €97.1 million for the subsequent period (previous year: €48.5 million). The lease terms for these are up to 12 years (previous year: 15 years).

The maturity analysis of lease liabilities is as follows:

T.27 MATURITY ANALYSIS OF LEASE LIABILITIES (IN € MILLION)

	2024	**2023**
Due within one year	265.0	255.8
Due between one and five years	678.9	679.6
Due after five years	502.5	510.4
Total (undiscounted)	1,446.5	1,445.8
Interest expense (not yet realised)	-215.9	-213.4
Total	1,230.6	1,232.4

PUMA AS LESSOR

PUMA rents out properties owned and leased as a lessor. From the lessor's point of view, these (sub)leases are classified as operating or finance leases.

The net investments from finance leases are shown as receivables in the balance sheet and are reduced by the repayment portion included in the lease payment. The interest portion included in the lease payment is reported as interest income in the financial result.

The maturities of the existing receivables on lease payments against third parties classified as finance leases are as follows:

T.28 MATURITY ANALYSIS OF LEASE RECEIVABLES (IN € MILLION)

	2024	**2023**
Due within one year	13.9	16.8
Due between one and five years	16.5	24.8
Due after five years	2.1	4.5
Total (undiscounted)	32.5	46.1
Interest income (not yet realised)	-4.0	-5.4
Provision for risks	-0.3	-0.5
Total	28.2	40.2

The following income was recognised in the consolidated income statement in connection with leases:

T.29 RECOGNISED IN INCOME STATEMENT (IN € MILLION)

	2024	2023
Operating leases		
Fixed rental income	1.8	1.0
Finance leases		
Variable rental income	1.6	0.4
Total rental income (included in other operating income)	3.4	1.4
Selling profit (included in other operating income)	2.5	8.0
Interest income (included in financial income)	2.5	1.2

Future lease payments from operating leases for the coming year amount to €1.8 million (previous year: €1.6 million) and to €7.4 million for years two to five (previous year: €5.1 million).

11. INTANGIBLE ASSETS

Intangible assets mainly include goodwill, intangible assets with indefinite useful lives (e.g. brands), assets associated with the Company's own retail activities and software licenses.

The development of intangible assets is shown in the following table:

T.30 MOVEMENTS OF INTANGIBLE ASSETS 2024 (IN € MILLION)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Purchase costs as of 1 January 2024	285.3	146.3	397.5	829.1
Additions	0.0	0.0	74.2	74.2
Disposals	0.0	0.0	-67.8	-67.8
Transfers	0.0	0.0	4.2	4.2
Currency changes	-1.7	8.2	0.5	6.9
As of 31 December 2024	283.5	154.5	408.4	846.5
Accumulated depreciation as of 1 January 2024	-46.3	-17.6	-234.5	-298.2
Amortisation	0.0	0.0	-29.2	-29.2
Disposals	0.0	0.0	67.0	67.0
Transfers	0.0	0.0	0.3	0.3
Currency changes	-0.1	0.0	-0.5	-0.5
As of 31 December 2024	-46.3	-17.6	-196.7	-260.7
Net carrying amount as of 31 December 2024	237.2	136.9	211.7	585.8

T.31 MOVEMENTS OF INTANGIBLE ASSETS 2023 (IN € MILLION)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Purchase costs as of 1 January 2023	289.3	151.0	341.0	781.2
Additions	0.0	0.0	74.2	74.2
Disposals	0.0	0.0	-16.8	-16.8
Transfers	0.0	0.0	0.6	0.6
Currency changes	-4.0	-4.6	-1.5	-10.1
As of 31 December 2023	285.3	146.3	397.5	829.1
Accumulated depreciation as of 1 January 2023	-46.6	-17.6	-210.5	-274.7
Amortisation	0.0	0.0	-37.0	-37.0
Disposals	0.0	0.0	11.9	11.9
Transfers	0.0	0.0	-0.1	-0.1
Currency changes	0.4	0.0	1.3	1.6
As of 31 December 2023	-46.3	-17.6	-234.5	-298.2
Net carrying amount as of 31 December 2023	239.0	128.7	163.0	530.8

The item Other intangible assets includes advance payments in the amount of €20.7 million (previous year: €21.6 million).

The current amortisation of intangible assets in the amount of €29.2 million (previous year: €37.0 million) is included in the other operating expenses. Of this, €7.7 million relate to sales and distribution expenses (previous year: €11.5 million), €0.0 million to expenses for product management/merchandising (previous year: €0.1 million), and €21.5 million to administrative and general expenses (previous year: €25.3 million).

INFORMATION ON PLANNING ASSUMPTIONS FOR IMPAIRMENT TESTS

Goodwill and intangible assets with indefinite useful lives are not amortised according to schedule. Impairment tests with regard to goodwill were performed in the past financial year using the discounted cash flow method. The data from the three-year plan for the respective cash-generating unit or group of cash-generating units was used as a basis for this. Planning on the level of the cash-generating units was thereby derived from the PUMA Group's three-year plan. The following key assumptions have been made for the PUMA Group plans:

Based on the basic assumptions regarding overall economic development, planning at Group level assumes that geopolitical tensions will not increase any further. Under these conditions, we expect our business to continue to grow profitably.

Planned sales growth is based on the good future growth prospects in the sporting goods industry and on market share gains by PUMA. This is to be achieved, in particular, via the continued consistent implementation of the Forever Faster corporate strategy and the increase in PUMA's brand heat.

The improvement in EBIT margin in the planning period is the result of a slight increase in gross profit margin due to, for example, a higher share of own retail sales as a result of above-average growth of the e-commerce distribution channel. Furthermore, the slightly weaker percentage increase of other operating income and expenses compared to sales growth is also expected to contribute to the improvement of the EBIT margin; for example, the operating requirements for planned sales growth over the coming years have essentially been met, meaning that economies of scale can be realised. In addition, the "nextlevel" efficiency programme is intended to help achieve cost savings and operational leverage.

The planning of investments and working capital is based on historical experience and is carried out in accordance with strategic objectives.

The future tax payments are based on current tax rates in the respective country.

For periods beyond the three-year plan, an annual growth rate is determined and used to forecast future cash flows beyond the three-year period. The assumed growth rate is based on long-term expectations of inflation rates and does not exceed the long-term average growth rates for the business area in which the respective cash-generating unit, or group of cash-generating units, operates.

The recoverable amount for the respective cash-generating unit or group of cash-generating units was determined on the basis of the value-in-use. This did not result in impairment losses for any cash-generating units.

INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

In connection with the Golf business unit (CPG – Cobra PUMA Golf), the Cobra brand exists as an intangible asset with an indefinite useful life amounting to €136.9 million (previous year: €128.7 million). The carrying amount of the Cobra brand is significant in comparison to the overall carrying amount of the intangible assets with an indefinite useful life. It was assigned to the North America business segment, where the headquarters of Cobra PUMA Golf is located. The recoverable amount of the Cobra brand was determined using the relief-from-royalty method (level 3 – see explanation in Chapter 14). A discount rate of 10.0% p.a. (previous year: 10.6% p.a.), a royalty rate of 6.0% (previous year: 6.0%) and a sustainable 2.0% growth rate (previous year: 2.0%) was used. Cobra or CPG's three-year plan shows average revenue growth in the mid-to-high single-digit percentage range. The management's key assumptions about improvement in the EBIT margin in Cobra's or CPG's three-year plan are essentially in line with the fundamental assumptions in the plans at Group level. The estimated recoverable amount of the Cobra brand exceeds its carrying amount by approximately €19.9 million (previous year: approx. €15.4 million).

A reduction of the royalty rate to approximately 5.2% (previous year: approx. 5.4%) or a reduction of the average planned sales revenues by approximately 13.2% (previous year: approx. 10.3%) would not result in any impairment requirement for the Cobra brand, and the recoverable amount would correspond to the carrying amount.

If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the relief-from-royalty method, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined. In 2024, there were no indications of this.

GOODWILL

Goodwill is allocated to the Group's identifiable groups of cash-generating units (CGUs) according to the countries where the activities are carried out. Summarised by regions, goodwill is allocated as follows:

T.32 COMPOSITION OF GOODWILL (IN € MILLION)

	2024	**2023**
PUMA UK	1.7	1.6
Genesis	7.4	7.0
Subtotal Europe	9.1	8.7
PUMA Canada	9.5	9.7
PUMA United NA	2.1	2.0
Subtotal North America	11.6	11.7
PUMA Argentina	16.8	15.8
PUMA Chile	0.5	0.5
PUMA Mexico	10.6	12.2
Subtotal Latin America	27.9	28.5
PUMA China	2.5	2.5
PUMA Taiwan	13.2	13.3
Subtotal Greater China	15.6	15.8
PUMA Japan	33.6	35.0
Subtotal Asia/Pacific (excluding Greater China)	33.6	35.0
stichd	139.4	139.4
Total	237.2	239.0

Assumptions used in conducting the impairment tests in 2024:

T.33 ASSUMPTIONS IMPAIRMENT TEST 2024

	Tax rate (range)	**WACC before tax (range)**	**WACC after tax (range)**
Europe	25.0%	13.3%–13.4%	10.4%
North America*	26.2%	12.7%	9.8%
Latin America	27.0%–35.0%	15.2%–56.0%	11.7%–50.8%
Greater China	20.0%–25.0%	12.6%–12.7%	9.9%–10.3%
Asia/Pacific (excluding Greater China)*	38.1%	15.6%	10.1%
stichd*	25.0%	12.5%	9.7%

* The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

The tax rates used for the impairment test correspond to the actual tax rates in the respective countries. The weighted average cost of capital (WACC) was derived on the basis of the weighted average cost of total capital, taking into account a standard market capital structure (ratio of debt to equity) and including the most important listed competitors (peer group).

In addition, a growth rate of 2.0% (previous year: 2.0%) is generally assumed. A growth rate of less than 2.0% (previous year: less than 2.0%) was applied only in justified exceptional cases, where the long-term expectations on inflation rate for the country in which the cash-generating unit operates were lower than the assumed growth rate; this applies, in particular, to the UK, China, Japan and Taiwan.

The cash-generating unit stichd includes goodwill of €139.4 million (previous year: €139.4 million), which is significant in comparison to the overall carrying amount of goodwill. The recoverable amount was determined by a value-in-use calculation with a discount rate of 9.7% p.a. (previous year: 10.2% p.a.) and a growth rate of 2.0% (previous year: 2.0%). The three-year plan of stichd shows sales growth in the mid-to-high single-digit percentage range. The three-year plan of stichd illustrates that the company expects a stronger improvement in the EBIT margin compared to the Group, something that stichd has already achieved in the past, as well as a return to its historical profitability.

The cash-generating unit PUMA Japan includes goodwill of €33.6 million (previous year: €35.0 million), which is significant in comparison to the overall carrying amount of goodwill. The recoverable amount was determined by a value-in-use calculation with a discount rate of 10.1% p.a. (previous year: 10.5% p.a.) and a growth rate of 1.5% (previous year: 1.2%). PUMA Japan's three-year plan provides for sales growth in the mid-to-high single-digit percentage range. PUMA Japan's three-year plan shows that the company expects a strong improvement in the EBIT margin and a return to the historical profitability level of PUMA Japan. The estimated recoverable amount of the cash-generating unit PUMA Japan exceeds its carrying amount by approximately €19.4 million (previous year: approx. €20.0 million).

An increase in the discount rate to around 11.4% or a reduction in the average planned operating result (EBIT) over the three-year period of around 12.5% would not result in an impairment of the goodwill of PUMA Japan and the recoverable amount would correspond to the carrying amount.

The following table contains the assumptions for the performance of the impairment tests in the previous year:

T.34 ASSUMPTIONS IMPAIRMENT TEST 2023

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
Europe	19.0%	13.3%	11.1%
North America*	26.2%	12.7%	10.3%
Latin America	27.0%–35.0%	16.5%–64.1%	12.1%–51.7%
Greater China	20.0%–25.0%	12.9%–14.0%	10.5%–11.2%
Asia/Pacific (excluding Greater China)*	38.1%	16.4%	10.5%
stichd*	25.0%	13.1%	10.2%

* The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

12. OTHER NON-CURRENT ASSETS

Other non-current financial and non-financial assets consist of:

T.35 OTHER NON-CURRENT ASSETS (IN € MILLION)

	2024	**2023**
Investments	18.5	21.2
Fair value of derivative financial instruments	28.0	1.4
Lease receivables	15.8	25.3
Remaining financial assets	33.1	35.7
Total of other non-current financial assets	95.4	83.6
Other non-current non-financial assets	28.1	25.6
Other non-current assets, total	123.5	109.1

The investments relate to the 5.32% shareholding in Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien (BVB) with registered office in Dortmund, Germany. According to the audited IFRS consolidated financial statements 2023/2024 of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, equity as of 30 June 2024 amounted to €327.0 million (30 June 2023: €282.7 million) and the result of the last financial year was €44.3 million (previous year: €9.6 million).

Other financial assets mainly include rental deposits in the amount of €29.8 million (previous year: €31.9 million). The other non-current non-financial assets mainly include accruals and deferrals in connection with promotional and advertising agreements.

13. LIABILITIES

The residual terms of liabilities are as follows:

T.36 LIABILITIES (IN € MILLION)

	2024				2023			
		Residual term of				Residual term of		
	Total	up to 1 year	1 to 5 years	over 5 years	Total	up to 1 year	1 to 5 years	over 5 years
Borrowings	488.0	131.6	356.4	0.0	572.0	145.9	426.1	0.0
Trade payables	1,893.5	1,893.5	0.0	0.0	1,499.8	1,499.8	0.0	0.0
Other liabilities*								
Liabilities from other taxes	111.2	111.2	0.0	0.0	110.0	110.0	0.0	0.0
Liabilities relating to social security	12.0	12.0	0.0	0.0	10.6	10.6	0.0	0.0
Payables to employees	121.8	121.8	0.0	0.0	123.6	123.6	0.0	0.0
Liabilities from refund obligations	213.5	213.5	0.0	0.0	236.9	236.9	0.0	0.0
Liabilities from derivative financial instruments	21.8	19.9	1.9	0.0	58.2	47.7	10.5	0.0
Remaining other liabilities	40.9	38.8	2.1	0.1	45.4	43.2	2.0	0.2
Total	2,902.5	2,542.2	360.3	0.1	2,656.5	2,217.7	438.5	0.2

* The maturity analysis on lease liabilities is presented in Chapter 10.

The liabilities from refund obligations result from contracts with customers and essentially comprise obligations from customer return rights.

INFORMATION REGARDING SUPPLIER FINANCING AGREEMENTS

PUMA offers its suppliers a programme to finance supplier invoices. The largest programme, the PUMA Vendor Financing Programme (PVFP), enables suppliers to pre-finance their invoices to PUMA from one of the partner banks significantly before the agreed payment date in return for an interest discount. The financing terms are linked to the achievement of sustainability targets by the suppliers. Participation in this programme is voluntary. This supplier financing programme has no impact on PUMA; the payment date, payment methods and the original contractual conditions remain unchanged. In the balance sheet, liabilities are accordingly still shown as trade payables and cash outflows are included in the cash flow statement under cash flow from operating activities.

There are also some individual programmes with local suppliers. These too are intended to give suppliers the opportunity to pre-finance their invoices prior to the agreed payment dates, and in return, PUMA is granted partially extended payment periods; however, this is at the sole discretion of the financing partners. As PUMA does not incur any additional interest for the payment of supplier liabilities to the partner banks and, from the Group's point of view, the extended payment periods do not differ significantly from normal payment periods in the countries concerned, the liabilities are still reported as trade payables in the balance sheet and cash outflows are included in the cash flow statement under cash flow from operating activities in this case.

T.37 INFORMATION ON SUPPLIER FINANCING AGREEMENTS

	2024		2023	
	PVFP	**Other programmes**	**PVFP**	**Other programmes**
Carrying amount of trade payables subject to supplier finance arrangements *(in € million)*				
Presented as trade payables	352.3	42.9	362.0	35.0
Of which suppliers have received payment from the bank	139.1	17.7	–	–
Range of payment due dates (in days)*				
Trade payables that are part of supplier finance arrangements	90	90–120	–	–
Trade payables that are not part of supplier finance arrangements	90	60–120	–	–

* The above-mentioned ranges of payment dates for the other programmes include ranges from multiple different countries. Under a supplier financing agreement, payment periods are extended by a maximum of 30 days, with the extended payment periods still not differing significantly from normal payment periods in the countries concerned.

14. FINANCIAL INSTRUMENTS

CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND ALLOCATION TO VALUATION CATEGORIES

T.38 CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND THEIR FAIR VALUE (IN € MILLION)

	Measurement categories under IFRS 9	Carrying amount 2024	Fair value 2024	Level 1	Level 2	Level 3	Carrying amount 2023	Fair value 2023	Level 1	Level 2	Level 3
Financial assets											
Cash and cash equivalents	[1]AC	368.2					552.9				
Trade receivables	AC	1,246.5					1,118.4				
Other current financial assets											
Derivatives – hedge accounting	n/a	102.9	102.9		102.9		22.8	22.8		22.8	
Derivatives – no hedge accounting	[2]FVPL	44.1	44.1		44.1		11.6	11.6		11.6	
Lease receivables	n/a	12.4					14.9				
Remaining current financial assets	AC	168.8					45.6				
Other non-current financial assets											
Derivatives - hedge accounting	n/a	28.0	28.0		28.0		1.4	1.4		1.4	
Investments	[3]FVOCI	18.5	18.5	18.5			21.2	21.2	21.2		
Lease receivables	n/a	15.8					25.3				
Remaining non-current financial assets	AC	33.1					35.7				
Financial liabilities											
Current borrowings											
Bank liabilities	AC	61.6					15.2				
Promissory note loans (PNL)	AC	70.0	69.9		69.9		130.8	124.9		124.9	
Trade payables	AC	1,893.5					1,499.8				
Current lease liabilities	n/a	220.6					212.4				
Other current financial liabilities											
Derivatives – hedge accounting	n/a	13.7	13.7		13.7		22.6	22.6		22.6	
Derivatives – no hedge accounting	FVPL	6.2	6.2		6.2		25.1	25.1		25.1	
Remaining current financial liabilities	AC	27.2					30.9				
Non-current borrowings (PNL)	AC	356.4	361.0		361.0		426.1	427.4		427.4	
Non-current lease liabilities	n/a	1,010.0					1,020.0				
Other non-current financial liabilities											
Derivatives – hedge accounting	n/a	1.9	1.9		1.9		10.5	10.5		10.5	
Remaining non-current financial liabilities	AC	1.0					0.9				
Total financial assets at amortised cost		1,816.6					1,752.6				
Total financial liabilities at amortised cost		2,409.6					2,103.6				
Total financial assets at fair value through profit or loss		44.1					11.6				
Total financial liabilities at fair value through profit or loss		6.2					25.1				
Total financial assets at FVOCI		18.5					21.2				

1) AC = at amortised cost

2) FVPL = fair value through PL

3) FVOCI (fair value through OCI) = equity instruments at fair value through other comprehensive income

Financial instruments that are measured at fair value in the balance sheet were determined using the following hierarchy:

Level 1: Use of prices quoted on active markets for identical assets or liabilities.

Level 2: Use of input factors that do not involve the quoted prices stated under level 1, but can be observed for the asset or liability either directly (i.e. as the price) or indirectly (i.e. derived from the price).

Level 3: Use of factors for the valuation of the asset or liability that are based on non-observable market data.

Reclassification between different levels of the fair value hierarchy are recorded at the end of the reporting period in which the change occurred.

The fair value of the investments held for strategic reasons only refers to equity instruments of the category "fair value through OCI" (FVOCI) and is determined on the basis of level 1. The market values of the derivative assets and liabilities as well as the fair value of the promissory note loans were determined in accordance with level 2.

The following table shows the measurement techniques used for determining Level 2 fair values for financial instruments.

T.39 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – LEVEL 2

Type	Measurement technique	Material, non-observable input factors	Connection between material, non-observable input factors and fair value measurement
Forward exchange contracts	The fair values are determined on the basis of current market parameters, i.e., reference prices observable on the market, taking into account forward premiums and discounts. The discounted result of the comparison of the forward price on the reporting date with the forward price of the valuation date is included in the measurement. The fair values are also checked for the counterparty's non-performance risk. In doing this, PUMA calculates credit value adjustments (CVA) or debt value adjustments (DVA) on the basis of an up/down method, taking current market information into account, in particular the creditworthiness of the company's business partners. No material deviations were found, so that no adjustments were made to the fair value determined.	Not applicable	Not applicable
Currency options	The valuation is based on Garman Kohlhagen model, an extended version of the Black Scholes model.	Not applicable	Not applicable
Promissory note loans	The valuation takes into account the cash value of expected payments, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable
Interest options	The valuation is based on the Black Scholes model.	Not applicable	Not applicable

Of the fair value of the derivatives with a hedge relationship with positive market values of €131.0 million (previous year: €24.2 million), €125.4 million (previous year: €24.5 million) related to the valuation of the spot component. Of the fair value of the derivatives with a hedge relationship with negative market values of €15.5 million (previous year: €33.1 million), €13.0 million (previous year: €40.7 million) related to the valuation of the spot component.

Cash and cash equivalents, trade receivables and other receivables have short maturities. Accordingly, as of the reporting date, the carrying amount approximates fair value. Receivables are stated at nominal value, taking into account deductions for default risk.

The fair values of other financial assets correspond to their carrying amount, as the interest calculation occurs at the prevailing market interest rates on the balance sheet date. Other (current and non-current) financial assets include €38.9 million (previous year: €40.3 million) that were pledged as rental or other deposits at usual market rates.

Trade payables have short residual maturities; their carrying amounts therefore approximate fair value.

The remaining financial liabilities have short residual maturities; the recognised amounts therefore approximate fair value.

NET RESULT BY VALUATION CATEGORY

The following table shows the net result by valuation category:

T.40 NET GAINS/LOSSES FROM FINANCIAL INSTRUMENTS (IN € MILLION)

	2024	**2023**
Financial assets at amortised cost (AC)	2.9	5.8
Financial liabilities at amortised cost (AC)	-148.6	-89.3
Derivatives without hedging relationship measured at fair value through profit or loss (FVPL)	63.4	7.7
Financial assets measured at fair value through other comprehensive income (FVOCI)	-2.4	-0.5

The net result was determined by taking into account interest income and expense, dividends, currency exchange effects, changes in provisions for risks as well as gains and losses from disposals. It also includes effects from the fair value measurement of derivatives without a hedging relationship.

The net result includes interest income of €29.4 million (previous year: €36.6 million) and interest expenses of €75.2 million (previous year: €47.7 million) according to the effective interest method.

General administrative expenses include changes in risk provisions for receivables.

DISCLOSURES RELATING TO FINANCIAL RISKS

The PUMA Group is exposed to the following risks from the use of financial instruments:

- Default risk
- Liquidity risk
- Market risk

These risks and the principles of risk management are explained below.

PRINCIPLES OF RISK MANAGEMENT

The Management Board of PUMA SE is responsible for developing and monitoring risk management in the PUMA Group. To this end, the Management Board has set up a Risk Management Committee that is responsible for designing, reviewing and adapting the risk management system. The Risk Management Committee regularly reports to the Management Board on its work.

The guidelines for the risk management system define the responsibilities, tasks and processes of the risk management system. The guidelines for the risk management system and the risk management system itself are reviewed regularly in order to be able to pick up on any changes in market conditions and PUMA's activities and incorporate them accordingly.

The Audit Committee, on the one hand, monitors the Management Board's compliance with the guidelines and the Group risk management processes. On the other hand, the Audit Committee monitors the effectiveness of the risk management system with regard to the risks to which the PUMA Group is exposed. The Internal Audit department supports the Audit Committee in its monitoring tasks. To this end, regular audits and ad hoc audits are also carried out by the Internal Audit department. Their results are reported directly to the Audit Committee.

DEFAULT RISK

Default risk is the risk of financial losses if a customer or party to a financial instrument fails to meet its contractual obligations. Default risk arises in principle from trade receivables and from other contractual financial obligations of the counterparty, such as bank deposits and derivative financial instruments.

Without taking into account any existing credit insurance policies or other guarantees received, the maximum default risk is equal to the carrying amount of the financial assets.

At the end of financial year 2024, there was no relevant concentration of default risk by customer type or region. Default risk is mainly influenced by individual customer characteristics. In accordance with our credit guidelines, new customers are checked for creditworthiness before we offer them our regular payment and delivery terms. In addition, we set specific receivables limits for each customer. In particular, the international credit insurance programme that PUMA has concluded for all major subsidiaries contributes to risk mitigation. The creditworthiness of our customers and the limits on receivables are monitored on an ongoing basis, which also includes requests for individual credit limits from credit insurance providers for all customers who have external accounts that exceed a certain value limit. The credit insurer's response to such credit limit requests always includes information on the creditworthiness. Customers with a credit rating that does not meet the minimum requirements set may, as a rule, only acquire products against advance payment.

Further activities to reduce default risk include retention of title clauses, and also in individual cases the selective sale of trade receivables (without recourse) and the obtaining of bank guarantees or parent company guarantees for our customers.

At the end of the financial year 2024, no individual customers accounted for more than 10% of trade receivables.

The central Treasury department has a comprehensive overview of the banks involved in currency hedging instruments and the management of cash and cash equivalents. Business with banks is focused on core banks with the appropriate credit rating (currently a minimum rating of BBB+ or better), while maximum risk amounts are specified for banks that have also been engaged in addition to this. The counterparty risks resulting from this are reviewed at least once every six months.

PUMA held derivative financial instruments with a positive market value of €175.1 million in 2024 (previous year: €35.8 million). The maximum default risk for an individual bank from such assets amounted to €34.6 million (previous year: €7.5 million).

In accordance with IFRS 7, the following table contains further information on the offsetting options for derivative financial assets and liabilities. Most agreements between financial institutions and PUMA include a mutual right to offsetting; the right to offsetting is only enforceable in the event of the default of a business partner. Therefore, the criteria for offsetting in the balance sheet are not met.

The carrying amounts of the derivative financial instruments affected by the aforementioned offsetting agreements are shown in the following table:

T.41 OFFSETTING POSSIBILITIES OF DERIVATIVE FINANCIAL INSTRUMENTS (IN € MILLION)

	2024	2023
Assets		
Gross amounts of financial assets recognised in the balance sheet	175.1	35.8
Financial instruments that qualify for offsetting	0.0	0.0
= Net book value of financial assets	175.1	35.8
Offsettable on the basis of framework agreements	-21.7	-34.5
Total net value of financial assets	153.5	1.3

	2024	2023
Liabilities		
Gross amounts of financial liabilities recognised in the balance sheet	21.8	58.2
Financial instruments that qualify for offsetting	0.0	0.0
= Net book value of financial liabilities	21.8	58.2
Offsettable on the basis of framework agreements	-21.7	-34.5
Total net value of financial liabilities	0.1	23.7

LIQUIDITY RISK

Liquidity risk is the risk that the Group may not be able to meet its financial liabilities by delivering cash or other financial assets in accordance with the agreement. The objective of the Group in managing liquidity is to ensure that, as far as possible, sufficient cash and cash equivalents are always available in order to meet the payment obligations upon maturity, under both normal and strained conditions.

PUMA aims to maintain the amount of cash, cash equivalents and fixed loan commitments at a level that covers the effects of an assumed worst-case scenario. This scenario is based on the events and financial impact of the COVID-19 crisis in Q2 2020, which must be covered accordingly.

PUMA has confirmed credit lines totalling €1,842.9 million (previous year: €1,552.8 million), of which €1,360.2 million (previous year: €986.1 million) had not been utilised as of 31 December 2024. The increase of €290.1 million in confirmed credit lines compared to the previous year resulted in particular from the early repayment of the syndicated revolving credit facility of €800.0 million with an original term until December 2025. This credit facility was replaced in December 2024 by a new syndicated revolving credit facility of €1,200.0 million with a term until December 2029 and two extension options of one year each. The financing partners are again nine of PUMA's international core banks.

No financial liabilities were utilised from credit lines granted only until further notice.

The effective interest rate of the current and non-current financial liabilities was 4.7% (previous year: 3.9%).

PUMA also participates in supplier financing agreements (for further explanations see Chapter 13), the main purpose of which is to allow suppliers to pre-pay their invoices via a bank on a voluntary basis. Programmes are offered by PUMA's central sourcing company (PUMA International Trading GmbH) for suppliers exporting goods to PUMA subsidiaries worldwide and by individual local PUMA subsidiaries for local deliveries from local suppliers. The financing partners involved in all of these programmes are international banks from among the PUMA's international core banks with an appropriate credit rating. From the Group's point of view, the supplier financing agreements do not extend the payment terms or do not extend them significantly. Any extension of payment periods is at the sole discretion of the financing partners. For this reason, and in view of the balanced distribution of the programmes across five of the Group's core banks, PUMA faces no additional liquidity risk.

The following table shows the future cash outflows from the financial liabilities existing as at the reporting date, as well as the contractual cash flows in connection with derivatives with a negative market value. These are non-discounted gross amounts including expected interest payments, but exclude presentation of the effects of offsetting:

T.42 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2024 (IN € MILLION)

	Total	2025	2026	2027 et seq.
Non-derivative financial liabilities				
Borrowings	-523.7	-144.7	-217.9	-161.1
Trade payables	-1,893.5	-1,893.5		
Other liabilities	-28.2	-27.2	-0.9	-0.1
Derivative financial liabilities	-29.8	-25.6	-3.9	-0.3
Cash inflow derivative financial liabilities	798.0	726.9	71.1	
Cash outflow derivative financial liabilities	-827.8	-752.5	-75.0	-0.3

The following values were determined for the previous year:

T.43 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2023 (IN € MILLION)

	Total	2024	2025	2026 et seq.
Non-derivative financial liabilities				
Borrowings	-634.0	-166.9	-85.1	-382.0
Trade payables	-1,499.8	-1,499.8		
Other liabilities	-31.8	-30.9	-0.5	-0.4
Derivative financial liabilities	-47.0	-43.8	-2.2	-1.0
Cash inflow derivative financial liabilities	2,876.6	2,397.1	479.5	
Cash outflow derivative financial liabilities	-2,923.6	-2,440.8	-481.8	-1.0

MARKET RISK

Market risk is the risk that market prices, such as exchange rates, share prices or interest rates, may change, thereby affecting the income of the Group or the value of the financial instruments held.

The aim of market risk management is to manage and control market risk within acceptable margins while optimising returns.

To manage market risks, PUMA acquires and sells derivatives and also enters into financial liabilities. All transactions are carried out within the framework of the Group's risk management regulations.

CURRENCY RISK

PUMA is exposed to transactional foreign currency risks such that the quoted currencies used for acquisition, disposal and credit transactions and for receivables do not match the functional currency of the Group companies.

In financial year 2024, PUMA designated currency hedges in the cash flow hedge accounting in order to hedge the amount payable of purchases denominated in USD, and converted to EUR, as well as for other currency risks resulting from internal resale to PUMA subsidiaries.

Furthermore, currency swaps and forward exchange contracts are used to hedge foreign exchange risks when measuring intra-group loans denominated in foreign currencies.

The estimated foreign currency risks are initially subjected to a quantitative materiality test, while simultaneously taking hedging costs into account. Material risks are then hedged, in accordance with the Group directive, up to a hedging ratio of up to 95% of the estimated foreign currency risks from expected acquisition and disposal transactions over the next 12 to 15 months. Forward exchange contracts and currency options, usually with a term of around 12 months from the reporting date, are used to hedge the foreign currency risk. For significant risks that are subject to large hedging costs, high hedging ratios can only be achieved over shorter terms.

The summarised quantitative information about the Group's currency risk is as follows:

T.44 EXPOSURE TO FOREIGN CURRENCY RISK 2024 (IN € MILLION)

As of 31 December 2024	USD	MXN	JPY
Risk from forecast transactions	-1,698.5	248.4	185.7
Balance sheet risk	-753.9	87.4	8.1
Gross risk	-2,452.4	335.7	193.8
Hedged with currency options	221.4	0.0	-39.9
Hedged with forward exchange contracts	2,318.2	-155.2	-112.2
Net risk	87.2	180.5	41.7

T.45 EXPOSURE TO FOREIGN CURRENCY RISK 2023 (IN € MILLION)

As of 31 December 2023	USD	MXN	JPY
Risk from forecast transactions	-1,716.4	269.1	190.0
Balance sheet risk	-628.3	78.8	13.4
Gross risk	-2,344.7	347.9	203.4
Hedged with currency options	18.1	0.0	-51.5
Hedged with forward exchange contracts	1,933.1	-211.1	-110.3
Net risk	-393.5	136.7	41.6

Forward exchange contracts and the risk from forecast transactions were calculated on a one-year basis.

The nominal amounts of open exchange rate-hedging transactions refer primarily to forward exchange contracts in a total amount of €4,135.4 million (previous year: €3,745.0 million).

The market values of open exchange rate-hedging transactions on the balance sheet date consist of:

T.46 MARKET VALUE OF EXCHANGE RATE HEDGING CONTRACTS (IN € MILLION)

	2024	2023
Forward exchange contracts	161.0	35.5
Currency options	14.1	0.3
Currency hedging contracts, assets	175.1	35.8
Forward exchange contracts	21.0	56.0
Currency options	0.0	1.2
Currency hedging contracts, liabilities	21.0	57.2
Net	154.1	-21.4

The net risk position and the average hedging rates are broken down as follows:

T.47 AVERAGE HEDGING RATES

	2024		2023	
	Current	**Non-current**	**Current**	**Non-current**
Currency risk				
Net risk position *(€ million)*	1,403.8	496.1	1,076.5	504.2
Forward exchange contracts				
Average EUR/USD exchange rate	1.113	1.117	1.108	1.110
Average EUR/MXN exchange rate	21.969	–	19.978	–
Average EUR/JPY exchange rate	157.814	155.475	138.560	148.736
Currency options				
Average EUR/USD exchange rate (Put/Call)	1.060/1.126	1.110/1.162	1.050/1.144	1.039/1.131
Average EUR/MXN exchange rate (Put/Call)	–	–	–	–
Average EUR/JPY exchange rate (Put/Call)	145.990/159.979	–	140.198/157.850	143.733/161.366

Currency sensitivity analysis

In order to disclose market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes in relevant risk variables on earnings and equity. The periodic effects are determined by relating the hypothetical changes caused by the risk variables to the balance of the financial instruments held as of the balance sheet date. The underlying assumption is that the balance as of the balance sheet date is representative for the entire year.

Currency risks as defined by IFRS 7 arise on account of financial instruments that are denominated in a currency which differs from the functional currency and are monetary in nature. Differences resulting from the conversion of the individual financial statements to the group currency are not taken into account. All non-functional currencies in which PUMA employs financial instruments are generally considered to be relevant risk variables.

The currency sensitivity analysis is based on the net balance sheet risk denominated in foreign currencies. This also includes intra-company monetary assets and liabilities. Outstanding currency derivatives are also reassessed as part of the sensitivity analysis.

The following table shows the increase or decrease of profit or loss or cash flow hedging reserve in equity in the event of a 10% appreciation or depreciation against the euro spot price. It is assumed that all other influencing factors, including interest rates and commodity prices, remain constant. The effects of the forecasted operating cash flows are also ignored.

T.48 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2024 (IN € MILLION)

As of 31 December 2024	**USD**	**MXN**	**JPY**
Nominal amounts of outstanding hedge contracts	2,710.0	-155.2	-161.9
	EUR +10%	**EUR +10%**	**EUR +10%**
Equity	-286.1	10.1	10.7
Profit or loss	2.5	-1.0	-0.1
	EUR -10%	**EUR -10%**	**EUR -10%**
Equity	99.6	-16.8	-23.8
Profit or loss	-3.1	1.2	0.1

T.49 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2023 (IN € MILLION)

As of 31 December 2023	USD	MXN	JPY
Nominal amounts of outstanding hedge contracts	2,413.7	-211.1	-123.7
	EUR +10%	**EUR +10%**	**EUR +10%**
Equity	-151.3	17.9	-1.0
Profit or loss	2.0	-0.6	-0.1
	EUR -10%	**EUR -10%**	**EUR -10%**
Equity	218.9	-11.0	-23.7
Profit or loss	-2.4	0.8	0.1

Currency risks and other risk and opportunity categories are discussed in greater detail in the Combined Management Report in the Risk and Opportunity Report.

INTEREST RATE RISK

The interest rate risk in the PUMA Group is primarily attributable to variable-interest borrowings. Interest rate management is carried out centrally by the Treasury division on the basis of specified limits. Within this framework, the division manages and monitors interest rate risk through the use of interest rate derivatives. Transactions are only concluded with counterparties that are creditworthy. Derivative financial instruments must not be used for speculative purposes, but only to hedge risks related to underlying transactions.

As of 31 December 2024, €153.0 million (previous year: €207.5 million) of the financial liabilities were subject to variable interest.

Interest rate collars were also concluded at the same amount and with the same maturity to hedge the risk of interest rate changes for the variable interest rate promissory note tranches in the amount of €150.0 million in May 2023.

There is an economic relationship between the underlying and hedging transactions, since the terms of the interest rate collars correspond to those of the floating rate loans. This applies to the nominal amount, maturity, payment and interest adjustment dates. The underlying risk of interest rate collars is identical to that of the hedged risk components. A hedge ratio of 1:1 has therefore been established for the hedging relationship.

The net risk position and the average hedged interest rate are as follows:

T.50 AVERAGE HEDGED INTEREST RATE

	2024		**2023**	
	Current	**Non-current**	**Current**	**Non-current**
Interest rate risk				
Net risk position *(€ million)*	3.0		54.5	3.0
Average hedged interest rate in % based on current fixing (Cap/Floor)		4.7%/1.5%		4.7%/1.5%

Interest sensitivity analysis

The result in the Group depends on the development of the market interest rate level. A change in the interest rate level would have an impact on the Group's income and equity. The analysis carried out includes all interest-bearing financial instruments that are subject to interest rate risk.

A change in the interest rate level of 100 basis points would have the following effects on profit or loss and the cash flow hedging reserve in equity:

T.51 SENSITIVITY ANALYSIS FOR INTEREST RATE RISK (IN € MILLION)

	2024		2023	
	+1.0%	-1.0%	+1.0%	-1.0%
Equity	0.0	0.0	0.8	0.0
Profit or loss	0.4	-1.5	0.4	-1.9

INFORMATION ON HEDGING INSTRUMENTS THAT ARE IN A HEDGING RELATIONSHIP

On the balance sheet date, the amounts relating to items designated as hedged underlying transactions were as follows:

T.52 DESIGNATED HEDGE ITEMS (IN € MILLION)

	Change in value used for calculating hedge ineffectiveness	Cash flow hedge reserve	Reserve for hedging costs	Balance remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied
As of 31 December 2024				
Currency risk – sales transactions	-13.1	5.3	-4.3	0.0
Currency risk – sourcing transactions	175.3	81.1	4.4	0.0
Interest rate risk	0.0	0.0	-0.3	0.0
As of 31 December 2023				
Currency risk – sales transactions	-8.2	19.6	0.0	0.0
Currency risk – sourcing transactions	-5.4	-23.5	0.0	0.0
Interest rate risk	0.0	0.0	0.0	0.0

The amounts relating to items designated as hedging instruments have the following effects on the consolidated statement of financial position and consolidated income statement:

T.53 DESIGNATED HEDGE INSTRUMENTS (IN € MILLION)

	Nominal value	Carrying amount						
		Assets	Liabilities	Line item in the balance sheet where the hedging instrument is included	Changes in the value of the hedging instrument, recognised in other comprehensive income	Amount from hedging reserve transferred to cost of inventory	Amount reclassified from the cash flow hedge reserve to the income statement	Line item in the income statement affected by the reclassification
As of 31 December 2024						**in the financial year 2024**		
Currency risk – sales transactions	1,139.7	14.3	-13.0	other current/ non-current financial assets/ liabilities	13.1	–	29.3	Sales
Currency risk – sourcing transactions	2,374.3	111.0	0.0		-175.3	-5.9	–	Cost of sales
Interest rate risk	150.0	0.0	0.0		0.0	–	0.0	Financial expenses
As of 31 December 2023						**in the financial year 2023**		
Currency risk – sales transactions	1,082.2	22.3	-6.2	other current/ non-current financial assets/ liabilities	8.2	–	29.8	Sales
Currency risk – sourcing transactions	1,996.4	2.3	-34.5		5.4	-12.9	-5.1	Cost of sales
Interest rate risk	150.0	0.0	0.0		0.0	–	0.0	Financial expenses

The following table shows the reconciliation of the changes in equity in relation to hedging reserves:

T.54 CHANGES IN THE HEDGING RESERVES (IN € MILLION)

	2024		2023
	Cash flow hedging reserve	Reserve for hedging costs	Cash flow hedging reserve
Reserve as of 31 December	-3.9	0.0	14.2
Transition effect IFRS 9		4.9	
Reserve as of 1 January	-3.9	4.9	14.2
Change in fair value			
Thereof currency risk*	162.2	12.3	-13.6
Thereof interest rate risk	0.0	0.6	0.0
Amount included in the acquisition cost of non-financial assets	-5.9	0.0	12.9
Amount reclassified to the income statement			
Thereof currency risk**	-29.3	-20.3	-27.5
Thereof interest rate risk	0.0	0.0	0.0
Tax effect	-36.8	2.4	10.1
Reserve as of 31 December	86.4	-0.2	-3.9

* The change in the fair value of the hedging reserve of €12.3 million relates to sales transactions in the amount of €-22.4 million and sourcing transactions in the amount of €34.7 million.

** Of the amounts reclassified from the hedging reserve to the income statement, €25.8 million were incurred in connection with sales transactions and €-46.1 million in connection with sourcing transactions.

The change in the fair values of options or the change in the forward components and the currency basis spreads of the forward exchange contracts are recorded as cost of a transaction-related hedging separately under equity in the reserve for hedging costs and are recognised in the financial result through profit or loss when the underlying transaction occurs.

A small portion of the originally planned sourcing and sales volume in foreign currencies did not transpire, leading to an excess of hedging transactions. Hedge accounting was terminated for those sourcing and sales transactions that were no longer expected to transpire, and the fair value was transferred as a profit or loss from the cash flow hedging reserve to the consolidated income statement. As soon as any highly likely sourcing or sales transaction is no longer expected to transpire, an offsetting transaction is concluded. Across all currency pairs, an amount of €0.1 million (previous year: €5.5 million) was recorded in the financial result through profit or loss (see also Chapter 21).

15. PENSION PROVISIONS

Pension provisions result from employees' claims and, if applicable, their survivors, for benefits which are based on the statutory or contractual regulations applicable in the respective country in the event of invalidity, death or when a certain retirement age has been reached. Pension commitments in the PUMA Group include both benefit- and contribution-based pension commitments and include both obligations from current pensions and rights to pensions payable in the future. The pension commitments are partially financed by external plan assets.

The risks associated with the pension commitments mainly concern the usual risks of benefit-based pension plans in relation to possible changes in the discount rate and inflation trends, and recipient longevity. In order to limit the risks of changed capital market conditions and demographic developments, plans with the maximum obligations were agreed or insured for new hires a few years ago in Germany and Great Britain. The specific risk of obligations based on salary is low within the PUMA Group. The introduction of an annual cap for pensionable salary in the Great Britain plan in 2016 covers this risk for the highest obligations. The Great Britain plan is therefore classified as a non-salary obligation.

T.55 PRESENT VALUE OF PENSION OBLIGATION 2024 (IN € MILLION)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation as of 31 December 2024				
Salary-based obligations				
Annuity	0.0	0.0	11.5	11.5
One-off payment	0.0	0.0	10.9	10.9
Non-salary based obligations				
Annuity	50.4	31.4	0.0	81.8
One-off payment	8.3	0.0	0.0	8.3
Total	58.7	31.4	22.4	112.5

The following values were determined in the previous year:

T.56 PRESENT VALUE OF PENSION OBLIGATION 2023 (IN € MILLION)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation as of 31 December 2023				
Salary-based obligations				
Annuity	0.0	0.0	8.8	8.8
One-off payment	0.0	0.0	9.1	9.1
Non-salary based obligations				
Annuity	49.3	31.9	0.0	81.2
One-off payment	8.2	0.0	0.0	8.2
Total	57.5	31.9	17.9	107.3

The main pension arrangements are described below:

The general pension scheme of PUMA SE essentially provides for pension payments to a maximum amount of €127.82 per month and per eligible employee. It was closed for new members beginning in 1996. In addition, PUMA SE provides individual commitments (fixed sums in different amounts) as well as contribution-based individual benefits (in part from salary conversion). The contribution-based individual benefits are insured plans. There are no statutory minimum funding requirements. The volume of domestic benefit obligations amounts to €58.7 million as of the end of 2024 (previous year: €57.5 million) and thus accounts for 52.2% (previous year: 53.6%) of the total obligation. The fair value of the plan assets for the domestic obligations is €51.0 million (previous year: €50.4 million), while the corresponding pension provision amounts to €7.7 million (previous year: €7.1 million).

The defined benefit plan in Great Britain has been closed to new entrants since 2006. These are salary- and service-dependent commitments for retirement, disability and surviving dependents' pensions. In 2016, a growth cap of 1% p.a. on the pensionable salary was introduced. Partial capitalisation of the retirement pension is permitted. Statutory minimum funding requirements apply. The liability for the benefit entitlements under the defined benefit plan in the Great Britain amounted to €31.4 million at the end of 2024 (previous year: €31.9 million) and represents 27.9% (previous year: 29.7%) of the total liability. The liability is covered by assets of €28.9 million (previous year: €29.7 million). The provision amounts to €2.5 million (previous year: €2.2 million).

The present value of the pension obligation has developed as follows:

T.57 DEVELOPMENT OF PRESENT VALUE OF PENSION OBLIGATION (IN € MILLION)

	2024	**2023**
Present value of pension obligation as of 1 January	107.3	104.3
Cost of the pension obligation earned in the reporting year	2.1	2.0
Interest expense on pension obligation	4.8	4.4
Employee contributions	0.8	0.6
Benefits paid	-4.3	-4.5
Effects from transfers	0.1	0.0
Actuarial gains (-) and losses	0.5	0.1
Currency exchange effects	1.2	0.5
Present value of pension obligation as of 31 December	112.5	107.3

The changes in the plan assets are as follows:

T.58 DEVELOPMENT OF PLAN ASSETS (IN € MILLION)

	2024	**2023**
Plan assets as of 1 January	85.2	82.4
Interest income on plan assets	3.8	3.5
Actuarial gains and losses (-)	-3.0	-0.9
Employer contributions	0.8	1.2
Employee contributions	0.8	0.6
Benefits paid	-3.2	-2.2
Currency exchange effects	1.2	0.6
Plan assets as of 31 December	85.6	85.2

The pension provision for the Group is derived as follows:

T.59 PENSION PROVISION (IN € MILLION)

	2024	**2023**
Present value of pension obligation from benefit plans	112.5	107.3
Fair value of plan assets	-85.6	-85.2
Financing status	26.9	22.1
Pension provision as of 31 December	26.9	22.1
Thereof assets	0.4	0.4
Thereof liabilities	27.3	22.5

In 2024, the benefits paid amounted to €4.3 million (previous year: €4.5 million). Payments of €3.1 million are expected for 2025. Of this, €1.0 million is expected to be paid directly by the employer. The employer contributions to external plan assets in 2024 amounted to €0.8 million (previous year: €1.2 million). Employer contributions of €2.2 million are expected in 2025.

The changes in pension provisions are as follows:

T.60 DEVELOPMENT OF THE PENSION PROVISION (IN € MILLION)

	2024	2023
Pension provision as of 1 January	22.1	21.9
Pension expense	3.1	2.8
Actuarial gains (-) and losses recorded in other comprehensive income	3.5	1.0
Employer contributions	-0.8	-1.2
Direct pension payments made by the employer	-1.1	-2.3
Transfer values	0.1	0.0
Currency exchange differences	0.0	-0.2
Pension provision as of 31 December	26.9	22.1
Thereof assets	0.4	0.4
Thereof liabilities	27.3	22.5

The expenses in financial year 2024 are structured as follows:

T.61 EXPENSES FOR DEFINED BENEFIT PLANS (IN € MILLION)

	2024	2023
Cost of the pension obligation earned in the reporting year	2.1	2.0
Interest expense on pension obligation	4.8	4.4
Interest income on plan assets	-3.8	-3.5
Administration costs	0.0	0.0
Expenses for defined benefit plans	3.1	2.8
Thereof personnel costs	2.1	1.9
Thereof financial costs	1.0	0.9

In addition to the defined benefit pension plans, PUMA also makes contributions to contribution plans. Payments for financial year 2024 amounted to €21.3 million (previous year: €19.8 million).

Actuarial gains and losses recorded in Other comprehensive income:

T.62 GAINS AND LOSSES RECORDED IN OTHER COMPREHENSIVE INCOME (IN € MILLION)

	2024	2023
Revaluation of pension commitments	0.5	0.1
Actuarial gains (-) and losses resulting from changes in demographic assumptions	-0.1	-0.7
Actuarial gains (-) and losses resulting from changes in financial assumptions	-0.5	0.0
Actuarial gains (-) and losses due to adjustments based on experience	1.1	0.8
Revaluation of plan assets	3.0	0.9
Amounts not recorded due to the maximum limit applicable to assets	0.0	0.0
Adjustment of administration costs	0.0	0.0
Total revaluation amounts recorded directly in other comprehensive income	3.5	1.0

Plan assets investment classes:

T.63 PLAN ASSETS INVESTMENT CLASSES (IN € MILLION)

	2024	2023
Cash and cash equivalents	1.2	0.3
Equity instruments	6.1	6.0
Bonds	7.0	7.4
Investment funds	3.5	3.2
Derivatives	7.8	10.0
Real estate	3.2	2.9
Insurance	51.3	50.6
Other	5.5	4.9
Total plan assets	85.6	85.2

Of which, investment classes with a quoted market price:

T.64 PLAN ASSETS WITH A QUOTED MARKET PRICE (IN € MILLION)

	2024	2023
Cash and cash equivalents	1.2	0.3
Equity instruments	6.1	6.0
Bonds	7.0	7.4
Investment funds	3.5	3.2
Derivatives	7.8	10.0
Real estate	2.4	2.1
Insurance	0.0	0.0
Other	5.4	4.7
Plan assets with a quoted market price	33.4	33.7

Plan assets still do not include the Group's own financial instruments or real estate used by Group companies.

The plan assets are used solely to fulfil the defined benefit obligations. In some countries, there are legal requirements for the type and amount of funds to be selected, while in others (e.g. Germany), the financing of pension obligations is on a voluntary basis. In Great Britain, a trustee board comprising representatives of the company and employees is responsible for asset management. The investment strategy aims for long-term gains with tolerable volatility. It was last revised in 2022 to reduce the risk profile. In 2023 and 2024, the trustees continued to monitor the investment strategy.

The following assumptions were used to determine pension obligations and pension expenses:

T.65 ASSUMPTIONS USED TO DETERMINE THE PENSION OBLIGATIONS

	2024	**2023**
Discount rate	4.17%	4.55%
Future pension increases	2.00%	1.93%
Future salary increases	2.24%	2.05%

The indicated values are weighted average values. A standard interest rate of 3.50% was applied for the eurozone (previous year: 4.45%).

The 2018 G Heubeck guideline tables were used as mortality tables for Germany. For Great Britain, the mortality was assumed based on basic table series S4 taking into account life expectancy projections in accordance with CMI2023 with a long-term trend of 1%.

The following overview shows how the present value of pension obligations from benefit plans would have been affected by changes to significant actuarial assumptions.

T.66 SENSITIVITY ANALYSIS FOR PENSION OBLIGATION (IN € MILLION)

	2024	**2023**
Effect on present value of pension obligations if		
the discount rate were 50 basis points higher	-3.9	-3.7
the discount rate were 50 basis points lower	4.3	4.2

Salary and pension trends have only a negligible effect on the present value of pension obligations due to the structure of the benefit plans.

The weighted average duration of pension obligations is around 12 years (previous year: around 12 years). This disclosure is part of PUMA's 2024 sustainability statement in accordance with ESRS S1-4.

16. OTHER PROVISIONS

T.67 OTHER PROVISIONS (IN € MILLION)

	2023	Currency changes, transfers	Additions	Utilisation	Reversals	2024	Thereof non-current	2023 Thereof non-current
Provisions for:								
Warranties	2.1	0.0	0.7	-0.3	-0.5	2.1	0.0	0.0
Purchasing risks	7.4	0.0	0.8	-1.7	-2.6	3.9	0.0	0.0
Litigation risks	13.9	-0.2	4.5	-3.4	-0.9	14.0	6.0	7.5
Dismantling obligations	16.9	0.2	3.2	-2.1	-1.9	16.4	13.4	13.9
Personnel provisions	5.9	8.4	5.5	-0.4	-0.2	19.2	9.9	5.9
Other	8.7	0.2	7.3	-3.3	-0.1	12.8	0.0	0.0
Total	55.0	8.6	22.1	-11.1	-6.3	68.2	29.3	27.3

The warranty provision is determined on the basis of the historical value of sales generated during the past six months. It is expected that the majority of these expenses will fall due within the first six months of the next financial year. Purchasing risks relate primarily to materials and moulds that are required for the manufacturing of shoes and result in cash outflows in the subsequent period.

The provisions relating to dismantling obligations are predominantly long-term and are incurred in connection with the retail stores, warehousing areas and office space rented by the Group. They are established on the basis of the expected settlement values and the agreed rental periods. Estimates are made in relation to costs and the actual amount of time that such properties are in use.

Personnel provisions mainly relate to non-current variable compensation components. The litigation risks relate to any form of legal dispute, including those relating to trademark and patent rights. The other provisions relate to other risks, in particular those associated with sourcing.

Current provisions are expected to be paid out in the following year, non-current provisions are expected to be paid out in a period of up to ten years. There are no significant compounding effects. The recognition and valuation of provisions is based on past experience of similar transactions. All events until the preparation of the consolidated financial statements are taken into account here.

17. EQUITY

SUBSCRIBED CAPITAL

The subscribed capital corresponds to the subscribed capital of PUMA SE.

The subscribed capital as at the balance sheet date pursuant to the Articles of Association amounted to €149,698,196.00 (previous year: €150,824,640.00) and is divided into 149,698,196 (previous year: 150,824,640) no-par value shares with voting rights. This corresponds to a proportional amount of €1.00 per share.

In financial year 2024, the registered share capital was reduced by €1,126,444.

All shares grant the same rights. The shareholders are entitled to receive the agreed dividends and have one voting right per share at the Annual General Meeting. This does not apply to treasury shares held by the Company, which do not grant the Company any rights.

Changes in the outstanding shares:

T.68 CHANGE IN OUTSTANDING SHARES

	2024	2023
Outstanding shares as of 1 January, share	149,844,544	149,758,644
Repurchase of treasury stock, share	-1,128,961	0
Issue of treasury stock, share*	108,830	85,900
Outstanding shares as of 31 December, share	148,824,413	149,844,544

* The issue of treasury stock relates to compensation in connection with promotional and advertising agreements.

AUTHORISED CAPITAL

As of 31 December 2024, the Company's Articles of Association provide for authorised capital totalling €30,000,000.00:

Pursuant to Section 4.2. of the Articles of Association, the Management Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital until 4 May 2026 by up to €30,000,000.00 (Authorised Capital 2021) by issuing up to 30,000,000 new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions. In the case of capital increases against contributions in cash, the new shares may be acquired by one or several banks, designated by the Management Board, subject to the obligation to offer them to the shareholders for subscription (indirect subscription right). The shareholders shall generally be entitled to subscription rights. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the cases specified in Section 4.2. of the Articles of Association.

The Management Board of PUMA SE did not make use of the existing authorised capital in the current reporting period.

CONDITIONAL CAPITAL

By resolution of the Annual General Meeting of 11 May 2022, the Management Board was authorised until 10 May 2027, with the consent of the Supervisory Board, through one or more issues, altogether or in parts and in various tranches at the same time, to issue bearer or registered convertible and/or option bonds, profit-sharing rights or participation bonds or a combination of these instruments with or without a term limitation in a total nominal amount of up to €1,500,000,000.00.

The share capital was conditionally increased by up to €15,082,464.00 by issuing up to 15,082,464 new no-par value bearer shares (Conditional Capital 2022). The conditional capital increase shall only be implemented to the extent that conversion/option rights are exercised, or the option/conversion obligations are met or tenders are carried out and to the extent that other forms of performance are not applied.

No use has been made of this authorisation to date.

TREASURY STOCK

The resolution adopted by the Annual General Meeting on 7 May 2020 authorised the Company to purchase treasury shares up to a value of 10% of the share capital until 6 May 2025. By resolution of the Annual General Meeting of 5 May 2021, the Supervisory Board was authorised to issue the acquired shares to the members of the Management Board of the Company, excluding the shareholders' subscription rights. By resolution of the Annual General Meeting of 11 May 2022, the Management Board was, moreover, authorised to issue the acquired shares, excluding the shareholders' subscription rights, as part of the Company's or its affiliated companies' share-based payments or employee share programmes to individuals currently or formerly in an employment relationship with the Company or one of its affiliated companies or to members of the management of one of the Company's affiliated companies. If purchased through the stock exchange, the purchase price per share must not exceed 10% or fall below 20% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

Based on the aforementioned authorisation dated 7 May 2020/5 May 2021, the Management Board of PUMA SE approved a share buyback programme on 29 February 2024. The first tranche provides for the buyback of treasury shares with a total purchase price of up to €100 million and began on 6 March 2024 for the period until 6 May 2025. The repurchased shares will be redeemed in accordance with the authorisation granted by the 2020 Annual General Meeting.

By resolution of the Annual General Meeting on 22 May 2024, the aforementioned authorisation to acquire and utilise treasury shares was revoked and the Company was again authorised to acquire treasury shares of up to ten percent of the share capital until 21 May 2029. Furthermore, the Supervisory Board was authorised to issue the acquired shares to the members of the Management Board of the Company, excluding the shareholders' subscription rights. In addition, the Management Board was authorised to issue the acquired shares, excluding the shareholders' subscription rights, as part of the Company's or its affiliated companies' share-based payments or employee share programmes to individuals currently or formerly in an employment relationship with the Company or one of its affiliated companies or to members of the management of one of the Company's affiliated companies. If purchased through the stock exchange, the purchase price per share must not exceed 10% or fall below 20% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

As of the balance sheet date, the Company holds a total of 873,783 PUMA shares in its own portfolio, which corresponds to 0.58% of the subscribed capital.

REPURCHASE OF TREASURY SHARES

On 29 February 2024, the Management Board of PUMA SE approved a share buyback programme on the basis of the authorisation granted by the Annual General Meeting on 7 May 2020/5 May 2021. The first tranche provides for the buyback of treasury shares with a total purchase price of up to €100 million and begins in March 2024 for the period until 6 May 2025.

In the period from March 2024 up to and including 31 December 2024, PUMA SE acquired 1,128,961 shares in the first tranche at a total price of €49,999,986.41 (excluding acquisition costs) and an average purchase price of €44.29 per share. This corresponded to 0.75% of the subscribed capital.

The repurchased shares serve the purposes stated in the aforementioned authorisation, in particular redemption. PUMA SE has withdrawn 1,126,444 units of the repurchased shares by resolution of the Board of Management dated 26 November 2024.

Further information on the repurchase of treasury shares can be found in the following table.

T.69 REPURCHASE OF TREASURY SHARES IN THE FINANCIAL YEAR

Month	Number of shares	Total price in €	Average purchase price per share in €	Amount in the nominal capital in €	Amount in the nominal capital in %
January	–	–	–	–	–
February	–	–	–	–	–
March	105,713	4,310,868.52	40.78	105,713	0.07%
April	88,714	3,706,587.20	41.78	88,714	0.06%
May	85,933	4,120,879.78	47.95	85,933	0.06%
June	420,053	19,152,694.86	45.60	420,053	0.28%
July	417,373	18,253,518.89	43.73	417,373	0.28%
August	3,386	133,635.38	39.47	3,386	0.00%
September	2,096	79,852.16	38.10	2,096	0.00%
October	2,198	85,187.58	38.76	2,198	0.00%
November	1,378	61,630.85	44.72	1,378	0.00%
December	2,117	95,131.19	44.94	2,117	0.00%
Total	1,128,961	49,999,986.41	44.29	1,128,961	0.75%

DIVIDENDS

The amounts eligible for distribution relate to the retained earnings of PUMA SE, which is determined in accordance with German commercial law.

The Management Board and the Supervisory Board will propose to the Annual General Meeting that, from the retained earnings of PUMA SE for financial year 2024, a dividend of €0.61 (previous year: €0.82) per circulating share, or a total of €90.8 million (with respect to the circulating shares as of 31 December 2024), be distributed to the shareholders.

Proposed appropriation of the retained earnings of PUMA SE:

T.70 PROPOSED APPROPRIATION OF THE RETAINED EARNINGS OF PUMA SE

	2024	**2023**
Retained earnings of PUMA SE as of 31 December, *€ million*	510.5	486.4
Retained earnings available for distribution, *€ million*	510.5	486.4
Dividend per share, €	0.61	0.82
Number of outstanding shares*, share	148,824,413	149,719,682
Total dividend*, *€ million*	90.8	122.8
Carried forward to the new accounting period*, *€ million*	419.8	363.7

* Previous year's values adjusted to the outcome of the Annual General Meeting

RESERVES

The equity reserves are broken down as follows:

Capital reserve

The capital reserve includes the premium from issuing shares, as well as amounts from the grant, conversion and expiry of share options.

Revenue reserves incl. retained earnings

The revenue reserves incl. retained earnings include the net earnings of the financial year as well as the earnings achieved in the past by the companies included in the consolidated financial statements to the extent that it was not distributed. In addition, the valuation effects from the pension provision recognised in other comprehensive income are recognised in retained earnings, together with fees paid for the repurchase of treasury shares that exceed the nominal amount.

Difference from currency conversion

The equity item for currency conversion serves to record the foreign exchange differences from the conversion of the financial statements of subsidiaries with non-euro accounting.

Cash flow hedging reserve

The position of "cash flow hedging reserve" comprises the fair value of cash flow hedges (intrinsic value for options and the spot component for forward contracts) in relation to hedged transactions that have not yet occurred.

Reserve for hedging costs – options

The position includes the fair value of costs of hedging for cash flow hedges according to the "cost of hedging" approach (time value component).

Reserve for hedging costs – forward contracts

The item includes the fair value of costs of hedging for cash flow hedges according to the 'cost of hedging approach for forward transactions (forward component).

NON-CONTROLLING INTERESTS

This item comprises non-controlling interests. The composition is shown in Chapter 28.

CAPITAL MANAGEMENT

The Group's objective is to retain a strong equity base in order to maintain both investor and market confidence, and to strengthen future business performance.

Capital management relates to the consolidated equity of PUMA. This is presented in the consolidated statement of financial position and in the consolidated statement of changes in equity.

18. MANAGEMENT INCENTIVE PROGRAMMES

Virtual shares with cash settlement and other global long-term incentive programmes are used at PUMA to tie the management to the Company with a long-term incentive effect.

The current programmes are described below:

EXPLANATION OF "VIRTUAL SHARES", TERMED "MONETARY UNITS" (FULL TERM: MONETARY UNITS PLAN – MUP)

Monetary units were granted on an annual basis to members of the Management Board beginning in 2013 as part of a management incentive programme. Monetary units are based on the PUMA share performance. Each of these monetary units entitles the holder to a cash payment at the end of the term. The entitled cash payment compares the performance using the average virtual appreciation rights of the last thirty trading days before the start of the year of issue with the virtual appreciation rights of the last thirty trading days before the exercise date. The maximum increase in value (cap) is limited to 300% of the amount allocated. Monetary units are subject to a vesting period of three years. After that, there is an exercise period beginning 30 days after each quarterly publication date for a period of two years which can be freely used by participants for the purposes of execution. Virtual shares are reduced on a pro rata basis in the event of withdrawal during the vesting period. This programme will expire and be replaced by the Performance Share Plan. As a result, no more shares were issued from this programme in financial year 2024.

EXPLANATION OF "VIRTUAL SHARES" (FULL TERM: PERFORMANCE SHARE PLAN – PSP)

Virtual shares were granted on an annual basis to members of the Management Board beginning in 2021 as part of a management incentive programme. The virtual shares are based on the PUMA share performance. Each of these virtual shares entitles the holder to a cash payment at the end of the term. However, the Supervisory Board reserves the right to make the payment in PUMA shares instead of cash. This cash payout is based on the PUMA closing prices for the last thirty trading days before the exercise date. The final number of virtual shares is between 50% and 150%, depending on the relative Total Shareholder Returns (TSR) compared to the MDAX index. The PUMA and MDAX index TSRs are calculated using the arithmetic means of each of the TSR values on the 30 trading days before the start and end of the performance period. The averages calculated in this way for PUMA and the MDAX index are then compared with each other. The difference in percentage points between the PUMA TSR and the MDAX index TSR is then calculated (= TSR outperformance in percentage points). The maximum increase in value (cap) is limited to 300% of the amount allocated. Virtual shares are subject to a vesting period of four years. They are generally paid out within the first quarter of the fifth year after their issue. Virtual shares are reduced on a pro rata basis in the event of withdrawal during the vesting period. For the programmes issued in financial years 2021and 2022, the DAX acts as the basis for calculating virtual shares, while the MDAX index is used starting financial year 2023.

In financial year 2024, expenses of €1.3 million were recorded for this purpose on the basis of the employment contract commitments to the Management Board members (previous year: expenses of €2.4 million).

T.71 VIRTUAL SHARES, MEMBERS OF THE MANAGEMENT BOARD

Plan **Issue date**	**MUP** **1/1/2021**	**PSP** **1/1/2021**	**MUP** **1/1/2022**	**PSP** **1/1/2022**	**PSP** **1/1/2023**	**PSP** **1/1/2024**	
Term	5	4.25	5	4.25	4.25	4.25	Years
Vesting period	3	4	3	4	4	4	Years
Base price PUMA share at issue	86.23	86.23	106.95	106.95	51.86	54.92	EUR/share
Reference value PUMA share at the end of the financial year	45.21	45.21	45.21	44.80	46.76	45.58	EUR/share
Weighted share price at the time of exercise	40.84	0.00	0.00	0.00	0.00	0.00	EUR/share
Participants in the year of issue	3	2	1	3	4	5	Persons
Participants at the end of the financial year	3	2	1	3	4	5	Persons
Number of monetary units/virtual shares as of 1 January 2024	34,548	7,070	10,323	16,458	81,279	81,382	Shares
Number of monetary units/virtual shares exercised in the financial year	-8,942	0	0	0	0	0	Shares
Number of monetary units/virtual shares expired in the financial year	0	0	0	-2,829	-12,197	-9,014	Shares
Final number of monetary units/virtual shares as of 31 December 2024	25,606	7,070	10,323	13,629	69,082	72,368	Shares

This commitment consisting of share-based remuneration transactions with cash compensation is recorded as personnel provisions and remeasured at fair value on every balance sheet date, provided it has not been exercised yet. The expenses are recorded pro rata over the vesting period. Based on the valuation of external experts at fair value and taking into account exercises during the year in 2024, the provision for these programmes amounts to €5.3 million at the end of the fiscal year (previous year: €4.4 million).

EXPLANATION OF THE "GAME CHANGER 2.0" PROGRAMME

In 2018, the Long-Term Incentive Programme (LTIP) "Game Changer 2.0" was launched. Participants in this programme consist mainly of top executives reporting to the Management Board and individual key positions in the PUMA Group. The objective of this programme is to retain these employees in the Company on a long-term basis and to allow them to share in the medium-term success of the Company.

The LTIP "Game Changer 2.0" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The performance period of the Performance Cash Plan is three years and is based on the average medium-term targets of the PUMA Group in terms of EBIT, sales and cash flow or working capital as a percentage of sales. Payment is made in cash and is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan uses virtual shares to manage the incentive. The term is up to five years. This is divided into a three-year performance period and a two-year exercise period in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the value of a virtual share. The payout is limited to a maximum of 300% of the pro-rata Target Amount granted and will only be paid out if the defined exercise hurdle (if applicable) has been reached at least once during the Performance Period.

The payment is subject to the condition that the individual participants are in an active, unterminated employment relationship with a PUMA Group company on the specified date.

EXPLANATION OF THE "GAME CHANGER 2.0 – 2023" PROGRAMME

In 2020, the global "Game Changer 2.0 – 2023" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), cash flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). In the reporting year, an amount of €0.3 million (of which, €0.3 million from the Performance Share Plan) was paid out to the participants. €0.0 million was released for this programme in the year under review (previous year: release of €0.1 million). This resulted in a provision for this programme at the end of the financial year of €0.1 million (previous year: €0.5 million). The Performance Share Plan portion accounted for €0.1 million (previous year: €0.5 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2024" PROGRAMME

In 2021, the global "Game Changer 2.0 – 2024" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (45%), working capital as a percentage of sales (15%), and sales (40%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2023 is required. In the reporting year, an amount of €2.2 million (of which, €0.8 million from the Performance Share Plan) was paid out to the participants. In addition, €0.8 million was released as a provision for this programme (previous year: €0.2 million) and a prorated amount of €0.0 million (previous year: €1.1 million) was set aside for this programme. This resulted in a provision for this programme at the end of the financial year of €0.3 million (previous year: €3.4 million). The Performance Share Plan portion accounted for €0.3 million (previous year: €1.2 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2026" PROGRAMME

In 2023, the global "Game Changer 2.0 – 2026" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), cash flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2025 is required. In the reporting year, a prorated amount of €1.5 million (previous year: €1.8 million) was set aside and €0.1 million was released as a provision for this programme (previous year: €0.0 million). This resulted in a provision for this programme at the end of the financial year of €3.1 million (previous year: €1.8 million). The Performance Share Plan portion accounted for €1.5 million (previous year: €1.0 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2027" PROGRAMME

In 2024, the global "Game Changer 2.0 – 2027" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), cash flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2026 is required. In the reporting year, a prorated amount of €1.0 million (previous year: €0.0 million) was set aside for this programme. This resulted in a provision for this programme at the end of the financial year of €1.0 million (previous year: €0.0 million). The Performance Share Plan portion accounted for €0.4 million (previous year: €0.0 million).

EXPLANATION OF THE "ROAD 2 10B" PROGRAMME

In 2022, the "Game Changer 2.0" programme was replaced by the one-time "Road 2 10B" long-term incentive programme (LTIP). The participants in this programme consist of key specialists and managers of the PUMA Group. The aim of this programme is to retain these employees in the long term and to allow them to participate in the medium-term success of the company.

The LTIP "Road 2 10B" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The Performance Cash Plan is focused on the following targets: EBIT, sales and working capital as a percentage of sales based on the three-year plan set by the Management Board of PUMA SE. For participants in the programme with an employment relationship at Group level, the target achievement is based on the following Group targets: EBIT (45%), sales (40%), and working capital as a percentage of sales (15%). For participants in the programme with an employment relationship at the national or regional level, 50% of the target achievement is based on achieving the Group targets. The remaining 50% is based on achieving the following targets at the national or regional level: EBIT (22.5%), sales (20%) and working capital as a percentage of sales (7.5%). Payment is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan is based on the performance of the PUMA share price. The term is up to five years, divided into a three-year performance period and a subsequent two-year exercise period, in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the payout value of a virtual share. The payout is limited to a maximum of 300% of the granted prorated target amount (cap) and is only made if an exercise hurdle of +10% share-price appreciation is exceeded once during the performance period.

In the reporting year, €0.5 million was released for this programme (previous year: €0.6 million) and €2.0 million was added on a pro-rata basis (previous year: €0.8 million). This results in a provision for this programme of €7.6 million at the end of the financial year (previous year: €6.0 million). The performance share plan accounts for €0.0 million (previous year: €0.4 million).

T.72 VIRTUAL SHARES, NON-MANAGEMENT BOARD MEMBERS

Plan	**Game Changer 2023**	**Game Changer 2024**	**Road 2 10b**	**Game Changer 2026**	**Game Changer 2027**	
Issue date	**1/1/2020**	**1/1/2021**	**1/1/2022**	**1/1/2023**	**1/1/2024**	
Term	5	5	5	5	5	Years
Vesting period	3	3	3	3	3	Years
Basis price at program start	67.69	86.23	106.95	51.86	54.92	EUR/share
Reference value at the end of the financial year	45.21	45.21	0.00	45.21	29.03	EUR/share
Weighted share price at the time of exercise	53.45	54.37	0.00	0.00	0.00	EUR/share
Participants in the year of issue	60	76	486	84	59	Persons
Participants at the end of the financial year	8	24	428	77	59	Persons
Number of virtual shares as of 1 January 2024	8,991	21,440	95,559	55,167	44,838	Shares
Number of virtual shares expired in the financial year	0	0	-7,532	-4,624	0	Shares
Number of virtual shares added in the financial year (new participants)	0	0	0	241	0	Shares
Number of virtual shares exercised in the financial year	-5,675	-14,061	0	0	0	Shares
Final number of virtual shares as of 31 December 2024	3,316	7,379	88,027	50,784	44,838	Shares

NOTES TO THE CONSOLIDATED INCOME STATEMENT

19. SALES

Sales result from contracts with customers. The following tables show the breakdown by distribution channel and product division:

T.73 BREAKDOWN BY DISTRIBUTION CHANNEL (IN € MILLION)*

	2024	2023
Wholesale	6,391.8	6,468.6
Direct-to-consumer (DTC)	2,425.4	2,133.0
Total	8,817.2	8,601.7

T.74 BREAKDOWN BY PRODUCT DIVISION (IN € MILLION)*

	2024	2023
Footwear	4,733.6	4,583.4
Apparel	2,813.9	2,763.0
Accessories	1,269.7	1,255.3
Total	8,817.2	8,601.7

* This information is part of PUMA's 2024 Sustainability Declaration in accordance with ESRS 2 SBM-1, ESRS E1-5, ESRS E1-6 and ESRS E3-4.

20. OTHER OPERATING INCOME AND EXPENSES

According to the respective functions, other operating income and expenses include personnel, advertising, sales and distribution expenses as well as rental and leasing expenditure, travel costs, legal and consulting expenses and other general expenses. Rental and lease expenses associated with the Group's own retail stores include revenue-based rental components.

Other operating income and expenses are allocated based on functional areas as follows:

T.75 OTHER OPERATING INCOME AND EXPENSES (IN € MIO.)*

	2024	**2023**
Sales and distribution expenses	2,911.6	2,799.0
Product management/merchandising	89.3	82.5
Research & development	92.0	89.0
Administrative and general expenses	495.6	450.9
Other operating expenses	3,588.4	3,421.3
Other operating income	-8.3	-17.8
Total	3,580.2	3,403.5
Thereof personnel expenses	967.6	894.4
Thereof depreciation and amortisation	370.2	351.7
Thereof impairment losses	7.9	5.7
Thereof reversals of impairment losses	-29.4	-11.9

* This information is part of PUMA's 2024 Sustainability Declaration in accordance with ESRS E1-3, ESRS E2-2, ESRS E3-2, ESRS E4-3, ESRS E5-2, ESRS S2-4.

Within the sales and distribution expenses, marketing/retail expenses account for a large proportion of the operating expenses. In addition to advertising and promotional expenses, they also include expenses associated with the Group's own retail activities. Other sales and distribution expenses include logistics expenses and other variable sales and distribution expenses.

The expenses for product management/merchandising consist of personnel and material costs for the preparation of product range plans, provision of product guidelines and market research.

Research and development expenses include all costs incurred in connection with global or local development activities.

Administrative and general expenses mainly include personnel and material costs from the human resources, IT, finance, law and general administration/management functional areas.

Impairment losses in the reporting year amounted to €7.3 million for right-of-use assets (previous year: €5.7 million) and €0.6 for property, plant and equipment (previous year: €0.0 million). In contrast, there were reversals of impairment losses on right-of-use assets amounting to €29.4 million (previous year: €11.9 million).

In the consolidated financial statements of PUMA SE, fees of €2.7 million) (previous year: €2.0 million) are recorded as operating expenses for the auditor of the consolidated financial statements, KPMG AG Wirtschaftsprüfungsgesellschaft, Nuremberg, Germany. The audit fee is divided into fees for audit services for the annual and consolidated financial statements as well as the audit review of the half-year financial report in the amount of €2.1 million (previous year: €1.8 million) and other assurance services amounting to €0.4 million (previous year: €0.2 million) mainly for the audit of non-financial (consolidated) reporting (with full application of the first sentence of ESRS as a framework) and other services in the amount of €0.2 million (previous year: €0.0 million), which related to services rendered in connection with CSRD/ESG sustainability readiness in anticipation of a future audit of sustainability reporting and, to a lesser extent, to quality assurance in the implementation of regulatory requirements. In addition to expenses for PUMA SE, the fees also include the fees of the domestic and foreign subsidiaries audited directly by the Group auditor.

In financial year 2024, government grants amounted to a mid-single-digit million amount. Government grants are deducted from the corresponding expenses.

Other operating income comprises income from the sale of fixed assets in the amount of €2.3 million (previous year: €8.5 million), capital gains from finance leases totalling €2.5 million (previous year: €8.0 million), and rental income totalling €3.4 million (previous year: €1.4 million).

Overall, other operating expenses include personnel costs, which consist of:

T.76 PERSONNEL COSTS (IN € MILLION)

	2024	**2023**
Wages and salaries	740.6	688.7
Social security contributions	107.7	101.2
Expenses from share-based payments with cash compensation	4.4	5.2
Expenses for retirement pension and other personnel expenses	114.9	99.3
Total	967.6	894.4

In addition, cost of sales includes personnel costs in the amount of €17.7 million (previous year: €6.2 million).

The average number of employees for the year was as follows:

T.77 EMPLOYEES

	2024	**2023**
Marketing/retail/sales	13,564	13,092
Research & development/product management	1,435	1,360
Administrative and general units	3,669	3,570
Total annual average	18,668	18,023

As of the end of the year, a total of 19,599 individuals were employed (previous year: 18,681).

21. FINANCIAL RESULT

The financial result consists of:

T.78 FINANCIAL RESULT (IN € MILLION)

	2024	2023
Interest income	28.9	36.6
Interest income – lease receivables	2.5	1.2
Other financial income	105.9	74.9
Financial income	137.3	112.7
Interest expense	-76.3	-53.1
Interest expense – lease liabilities	-51.1	-46.8
Interest expense of valuation of pension plans	-1.0	-0.9
Loss from foreign currency-conversion, net	-88.5	-69.4
Other financial expenses	-80.1	-85.9
Financial expenses	-297.0	-256.0
Financial result	-159.7	-143.3

Interest income comprises interest income from bank balances in the amount of €24.5 million (previous year: €34.7 million) and other interest income in the amount of €4.5 million (previous year: €1.9 million).

The item 'Other financial income' of €105.9 million (previous year: €74.9 million) includes, income from forward components and the time value in connection with currency derivatives recognised in profit or loss in the amount of €65.8 million (previous year: €65.4 million), but also hedging gains from free standing derivatives totalling €39.8 million (previous year: €9.6 million), as well as dividend income of €0.4 million (previous year: €0.0 million) from the investment in Borussia Dortmund GmbH & Co. KGaA (BVB).

The item 'interest expense' includes €40.0 million (previous year: €28.2 million) in interest expense in connection with borrowings and €36.3 million (previous year: €24.8 million) in interest expense for factoring and other items.

The item 'Other financial expenses' includes expenses from the forward component and the time value in connection with currency derivatives of €51.7 million (previous year: €58.1 million), hedging losses from free standing derivatives of €2.2 million (previous year: €4.1 million), the loss on net monetary position in connection with hyperinflation of €17.4 million (previous year: €23.7 million), and the impairment of investment property of €8.8 million (previous year: €0.0 million).

22. INCOME TAXES

T.79 INCOME TAXES (IN € MILLION)

	2024	2023
Current income taxes	105.0	140.6
Deferred taxes	15.0	-22.8
Total	120.0	117.8

Current income taxes include €4.6 million in out-of-period income (previous year's income: €0.8 million). Deferred taxes include tax income of €5.0 million (tax income in previous year: €0.3 million), which is attributable to the occurrence or reversal of temporary differences.

In general, PUMA SE and its German subsidiaries are subject to corporate income tax, plus a solidarity surcharge and trade tax. Thus, a weighted mixed tax rate of 27.22% continued to apply for the financial year.

Reconciliation of the theoretical tax expense with the effective tax expense:

T.80 TAX RATE RECONCILIATION (IN € MILLION)

	2024	2023
Earnings before income tax	462.3	478.3
Theoretical tax expense		
Tax rate of the SE = 27.22% (previous year: 27.22%)	125.8	130.2
Tax rate difference with respect to other countries	-1.7	-21.0
Other tax effects:		
Income tax for previous years	-7.3	3.7
Losses and temporary differences for which no tax claims were recognized	11.0	6.4
Changes in tax rates	3.0	-0.4
Current tax expense related to global minimum top-up tax	5.4	0.0
Non-deductible expenses for tax purposes and non-taxable income and other effects	-16.2	-1.1
Effective tax expense	120.0	117.8
Effective tax rate	25.9%	24.6%

For financial year 2024, the total tax advantage from previously uncapitalised tax losses, tax credits or temporary differences from previous years which led to a reduction in deferred tax expenses, amounted to €0.0 million (previous year: €7.5 million). Deferred tax expenses due to an impairment of deferred tax assets amounted to €10.7 million in the financial year (previous year: €11.3 million).

The PUMA Group falls within the scope of application of the global minimum taxation under the Pillar 2 tax legislation. The PUMA Group makes use of the exemption for the recognition of deferred taxes that result from the introduction of global minimum taxation and recognises it as a current tax as soon as it is incurred.

Hong Kong and the United Arab Emirates have adopted new tax legislation that provides for the introduction of local minimum taxation from 1 January 2025. As a result, from 2025, the PUMA Hong Kong Ltd. and PUMA Middle East FZ-LLC subsidiaries will be responsible for the minimum tax on their business activities rather than the parent company, PUMA SE.

The tax effect resulting from items that were directly included in other comprehensive income can be found in Chapter 8.

23. EARNINGS PER SHARE

The earnings per share are determined in accordance with IAS 33 by dividing the consolidated annual surplus (consolidated net earnings) attributable to the shareholders of the parent company by the weighted average number of outstanding shares.

The calculation is shown in the table below:

T.81 EARNINGS PER SHARE

	2024	**2023**
Net income *(€ million)*	281.6	304.9
Weighted average number of outstanding shares *(shares)*	149,320,990	149,852,251
Earnings per share (€)	1.89	2.03
Net income for calculating the diluted earnings per share *(€ million)*	281.6	304.9
Weighted average number of outstanding shares *(shares)*	149,320,990	149,852,251
Dilutive effect from share-based payments	54,858	19,651
Weighted average number of outstanding shares, diluted *(shares)*	149,375,847	149,871,901
Earnings per share (€) – diluted	1.89	2.03

ADDITIONAL INFORMATION

24. SEGMENT REPORTING

Segment reporting is based on geographical areas of responsibility in accordance with the PUMA internal reporting structure, with the exception of stichd. The geographical area of responsibility corresponds to the business segment. Sales, the operating result (EBIT), earnings before taxes (EBT) and other segment information are allocated to the corresponding geographical areas of responsibility according to the registered office of the respective Group company.

The internal management reporting includes the following reporting segments: Europe, EEMEA (Eastern Europe, Middle East, Africa, India, Southeast Asia and Oceania), North America, Latin America, Greater China, rest of Asia/Pacific (excluding Greater China, Southeast Asia and Oceania) and stichd. These are reported as reportable business segments in accordance with the criteria of IFRS 8.

The reconciliation includes information on assets, liabilities, expenses and income in connection with centralised functions that do not meet the definition of business segments in IFRS 8. Central expenses and income include in particular central sourcing, central treasury, central marketing, impairment losses on non-current assets and other global functions of the Company headquarters.

The Company's main decision-maker is defined as the entire Management Board of PUMA SE.

The external sales presented in the segment reporting are generated in each segment by the sale of footwear, apparel and accessories. They include both wholesale revenues and revenues from own retail activities. The percentage breakdown of sales revenues by wholesale business and own retail activities per segment essentially corresponds to the group-wide breakdown (see Chapter 19). The Greater China segment is an exception, with wholesale revenue accounting for around 50% of its sales. In the previous year, the stichd segment generated revenue almost exclusively from wholesale customers.

Business relations between the companies of the segments are based on prices that would also be agreed with third parties. With the exception of stichd's sales of goods in the amount of €57.8 million (previous year: €37.1 million), there are no significant internal revenues, which is why they are not included in the presentation.

The most important earnings indicator for the management and allocation of resources by the Management Board is the operating result (EBIT) of the business segments, which is defined as gross profit less attributable other operating expenses plus licence and commission income and other operating income, but excluding central costs and central marketing expenses.

The external sales, operating result (EBIT), inventories and trade receivables of the business segments are regularly reported to the main decision-maker. Amounts recognised by the Group from the intra-group profit elimination on inventories in connection with intra-group sales are not allocated to the business segments in the way that they are reported to the main decision-maker. Investments, depreciation and non-current assets at the level of the business segments are not reported to the main decision-maker. Intangible assets are allocated to the business segments in the manner described in Chapter 11. Liabilities, the financial result and income taxes are not allocated to the business segments and are therefore not reported to the main decision-maker at the business segment level.

Non-current assets and depreciation comprise the carrying amounts and depreciation of property, plant and equipment, right-of-use assets and intangible assets during the past financial year. The investments comprise additions to property, plant and equipment and intangible assets.

Since PUMA is only active in the sporting goods industry business field, a further breakdown is made according to the footwear, apparel and accessories product divisions in accordance with the internal reporting structure.

BUSINESS SEGMENTS

T.82 BUSINESS SEGMENTS (IN € MILLION)

	Sales (third parties)		EBIT		Capital expenditure	
	1–12/2024	1–12/2023	1–12/2024	1–12/2023	1–12/2024	1–12/2023
Europe	2,061.0	2,016.0	268.9	251.4	41.5	25.8
EEMEA*	1,742.1	1,757.5	363.3	396.6	33.5	30.3
North America	2,124.9	2,095.9	323.6	295.0	49.4	75.5
Latin America	1,342.4	1,239.9	254.0	285.3	51.8	75.8
Greater China	604.0	582.2	98.0	84.5	13.8	10.3
Asia/Pacific (excluding Greater China)*	424.7	420.5	57.4	56.7	4.6	4.3
stichd	497.1	459.4	66.8	89.5	24.3	22.1
Total business segments	8,796.2	8,571.3	1,432.0	1,458.9	218.7	244.1

* Due to a change in the structure of the internal organisation, Oceania was assigned to the EEMEA region and the previous year's figures were adjusted accordingly

	Depreciation and amortisation		Inventories		Trade receivables (third parties)	
	1–12/2024	1–12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Europe	67.3	61.7	541.8	498.5	218.4	196.4
EEMEA*	65.3	62.2	463.3	371.2	340.1	298.8
North America	87.2	83.3	468.0	466.1	214.1	204.9
Latin America	50.7	39.2	314.7	306.9	227.0	223.7
Greater China	30.5	29.3	150.4	109.6	71.6	40.6
Asia/Pacific (excluding Greater China)*	21.9	21.5	56.4	65.0	75.5	79.3
stichd	15.3	11.2	134.0	104.8	93.8	72.1
Total business segments	338.2	308.3	2,128.7	1,922.0	1,240.6	1,115.7

* Due to a change in the structure of the internal organisation, Oceania was assigned to the EEMEA region and the previous year's figures were adjusted accordingly

	Non-current assets	
	31/12/2024	31/12/2023
Europe	521.3	477.4
EEMEA*	225.0	211.7
North America	815.5	741.8
Latin America	256.0	221.5
Greater China	87.9	91.8
Asia/Pacific (excluding Greater China)*	97.8	96.2
stichd	238.3	226.0
Total business segments	2,241.9	2,066.4

* Due to a change in the structure of the internal organisation, Oceania was assigned to the EEMEA region and the previous year's figures were adjusted accordingly

T.83 PRODUCT NET SALES (THIRD PARTIES IN € MILLION, GROSS PROFIT MARGIN IN %)

	Sales (third parties)		Gross profit margin	
	1-12/2024	**1-12/2023**	**1-12/2024**	**1-12/2023**
Footwear	4,733.6	4,583.4	46.9%	45.4%
Apparel	2,813.9	2,763.0	48.1%	47.8%
Accessories	1,269.7	1,255.3	47.6%	46.6%
Total	8,817.2	8,601.7	47.4%	46.3%

RECONCILIATIONS

T.84 RECONCILIATIONS (IN € MILLION)

	Sales (third parties)	
	1-12/2024	1-12/2023
Total business segments	8,796.2	8,571.3
Central areas	20.9	30.4
Total	8,817.2	8,601.7

	EBIT	
	1-12/2024	**1-12/2023**
Total business segments	1,432.0	1,458.9
Central areas	-323.4	-344.6
Central expenses marketing	-486.6	-492.7
Consolidation	0.0	0.0
Operating result (EBIT)	622.0	621.6
Financial result	-159.7	-143.3
Earnings before taxes (EBT)	462.3	478.3

	Capital expenditure		Depreciation and amortisation	
	1-12/2024	**1-12/2023**	**1-12/2024**	**1-12/2023**
Total business segments	218.7	244.1	338.2	308.3
Central areas	41.4	55.5	32.0	43.4
Consolidation	0.0	0.0	0.0	0.0
Total	260.2	299.6	370.2	351.7

	Inventories		Trade receivables (third parties)		Non-current assets	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Total business segments	2,128.7	1,922.0	1,240.6	1,115.7	2,241.9	2,066.4
Central areas	3.7	1.6	6.0	2.8	226.3	237.7
Consolidation	-118.6	-119.3	0.0	0.0	0.0	0.0
Total	2,013.7	1,804.4	1,246.5	1,118.4	2,468.3	2,304.1

GEOGRAPHICAL INFORMATION

Sales revenue (with third parties) is reported in the geographical market in which it arises. Non-current assets are allocated to the geographical market based on the registered office of the relevant subsidiary, regardless of the segment structure.

T.85 GEOGRAPHICAL INFORMATION BY REGIONS (IN € MILLION)

	Sales (third parties)		Non-current assets	
	1-12/2024	1-12/2023	31/12/2024	31/12/2023
Germany, Europe	682.7	631.6	536.9	507.0
USA, North America	1,982.7	1,933.7	653.8	604.5
Other countries	6,151.7	6,036.5	1,277.6	1,192.6
Total	8,817.2	8,601.7	2,468.3	2,304.1

25. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement was prepared in accordance with IAS 7 and is structured based on cash flows from operating, investing and financing activities. The indirect method is used to determine the cash outflow/inflow from operating activities. The gross cash flow, derived from earnings before income tax and adjusted for non-cash income and expense items, is determined within cash flow from operating activities. Cash outflow/inflow from operating activities less investments in property, plant and equipment as well as intangible assets is referred to as free cash flow.

The cash and cash equivalents reported in the cash flow statement include all cash and cash equivalents shown in the statement of financial position under the item "Cash and cash equivalents", i.e. cash on hand, checks and current bank balances including short-term financial investments.

The following table shows the cash and non-cash changes in financial liabilities in accordance with IAS 7.44A:

T.86 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH INFLOW/OUTFLOW FROM FINANCING ACTIVITIES 2024 (IN € MILLION)

			Non-cash changes					
	Notes	Balance 1/1/2024	Effect of exchange rates	IFRS 16 Lease obligations	Transfer within financial liabilities	Other	Cash changes	Balance 31/12/2024
Lease liabilities	10	1,232.4	19.2	201.4	0.0	0.0	-222.5	1,230.6
Current borrowings	13	145.9	1.0	0.0	70.0	0.6	-86.0	131.6
Non-current borrowings	13	426.1	0.0	0.0	-70.0	0.3	0.0	356.4
Total		1,804.4	20.3	201.4	0.0	0.9	-308.5	1,718.6

T.87 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH INFLOW/OUTFLOW FROM FINANCING ACTIVITIES 2023 (IN € MILLION)

			Non-cash changes					
	Notes	Balance 1/1/2023	Effect of exchange rates	IFRS 16 Lease obligations	Transfer within financial liabilities	Other	Cash changes	Balance 31/12/2023
Lease liabilities	10	1,230.4	-44.9	254.9	0.0	0	-208.0	1,232.4
Current borrowings	13	75.9	-0.6	0.0	125.0	4.8	-59.1	145.9
Non-current borrowings	13	251.5	0.0	0.0	-125.0	0.0	299.6	426.1
Total		1,557.8	-45.6	254.9	0.0	4.8	32.5	1,804.4

The lease liabilities totalling €1,230.6 million (previous year: €1,232.4 million) comprise short-term lease liabilities of €220.6 million (previous year: €212.4 million) and long-term leasing liabilities of €1,010.0 million (previous year: €1,020.0 million).

26. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

OTHER FINANCIAL OBLIGATIONS

The Company has other financial obligations associated with license, promotional and advertising agreements, which give rise to the following financial obligations as of the balance sheet date:

T.88 COMMITMENTS FROM LICENSE, PROMOTIONAL AND ADVERTISING AGREEMENTS (IN € MILLION)

	2024	**2023**
From license, promotional and advertising agreements:		
Due within one year	491.6	402.4
Due between one and five years	1,346.9	1,203.5
Due after five years	929.9	314.2
Total	2,768.4	1,920.2

As is customary in the industry, the promotional and advertising agreements provide for additional payments on reaching pre-defined goals (e.g. medals, championships). These are contractually agreed, but by their nature cannot be predicted exactly in terms of their timing and amount.

In addition, there are other financial obligations amounting to €278.8 million (previous year: €246.5 million), of which €153.3 million (previous year: €146.5 million) are long-term. In addition to service contracts totalling €276.7 million (previous year: €234.2 million), these also include other obligations amounting to €2.2 million (previous year: €12.3 million).

CONTINGENT LIABILITIES

Individual PUMA companies are involved in legal disputes arising from normal operating activities, e.g. relating to intellectual property rights and employee matters. If an outflow of resources from these legal disputes is classified as probable and the amount of the obligation can be reliably estimated, the risks arising from these legal disputes are included in the other provisions. However, if the probability of occurrence is classified as low, these legal disputes are recognised as contingent liabilities, which are estimated at €0.3 million in this financial year (previous year: €0.8 million).

Contingent liabilities also exist due to uncertainties in the appraisal of the facts by the tax and customs authorities in India and the tax authorities in the Netherlands. Based on external reports, management currently assumes that the receivables of the Indian and Dutch tax and customs authorities will not result in any cash outflow.

Overall, the PUMA management considers that the impact of the total of the contingent liabilities on the net assets, financial position and results of operations of the Company is immaterial.

27. COMPENSATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Disclosures pursuant to Section 314(1) 6 HGB (German Commercial Code [Handelsgesetzbuch]) in conjunction with Section 315e HGB.

COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD

The total compensation of the members of the Management Board in financial year 2024 was €10.2 million (previous year: €10.3 million).

The total remuneration of the Management Board includes the share-based remuneration granted for the financial year with a fair value of €4.5 million (previous year: €4.2 million) and 81,382 performance shares issued (previous year: 81,279).

TOTAL COMPENSATION OF FORMER MEMBERS OF THE MANAGEMENT BOARD

The total compensation of former members of the Management Board and their surviving dependants amounted to €5.6 million in financial year 2024 (previous year: €0.7 million).

In addition, there were defined benefit pension obligations to former members of the Management Board and their widows/widowers amounting to €2.5 million (previous year: €2.4 million) as well as defined contribution plans from deferred compensation of former members of the Management Board and managing directors amounting to €47.3 million (previous year: €47.2 million). Both items are recognised accordingly within pension provisions to the extent they were not offset against plan assets of an equal amount.

COMPENSATION OF THE SUPERVISORY BOARD

The compensation paid to the Supervisory Board comprised fixed compensation and additional compensation for committee activities, and amounted to a total of €0.5 million (previous year: €0.4 million).

28. DISCLOSURES RELATING TO NON-CONTROLLING INTERESTS

The summarised financial information about subsidiaries of the Group in which non-controlling interests exist is presented below. This financial information relates to all companies with non-controlling interests in which the identical non-controlling shareholder holds an interest. The figures represent the amounts before intercompany eliminations.

Evaluation of the control of companies with non-controlling interests:

The Group holds a 51% capital share in PUMA United North America LLC, PUMA United Canada ULC and Janed Canada LLC (inactive company). With these companies, there are profit-sharing arrangements in place which differ from the capital share for the benefit of the respective identical non-controlling shareholder. PUMA receives higher license fees in exchange.

In addition, there is a shareholding in the capital and the result, amounting to 70%, in the company PUMA United Aviation North America LLC.

The contractual agreements with these companies respectively provide PUMA with a majority of the voting rights at the shareholder meetings, and thus the right of disposal regarding these companies. PUMA is exposed to fluctuating returns from the sales-based license fees and from variable earnings. The Group also controls the key activities of these companies. The companies are accordingly included in the consolidated financial statements as subsidiaries with full consolidation with recognition of non-controlling interests.

The non-controlling interests existing on the balance sheet date relate to PUMA United North America LLC, PUMA United Canada ULC, Janed Canada, LLC (inactive) and PUMA United Aviation North America LLC at €0.9 million (previous year: €28.9 million).

The following tables show a summary of the financial information for subsidiaries with non-controlling interests:

T.89 ASSETS AND LIABILITIES (IN € MILLION)

	2024	2023
Current assets	235.5	112.9
Non-current assets	7.9	8.6
Current liabilities	235.5	85.3
Non-current liabilities	0.0	0.0
Net assets	7.9	36.3
Net assets attributable to non-controlling interests	0.9	28.9

T.90 INCOME STATEMENT (IN € MILLION)

	2024	2023
Sales	427.9	411.8
Net income	61.7	56.8
Profit attributable to non-controlling interests	60.7	55.7
Other comprehensive income of non-controlling interests	0.6	4.3
Total comprehensive income of non-controlling interests	61.3	54.2
Dividends paid to non-controlling interests	89.4	92.4

T.91 CASH (IN € MILLION)

	2024	2023
Net cash from operating activities	80.3	101.8
Net cash used in investing activities	0.0	-0.3
Net cash used in financing activities	-80.3	-101.4
Changes in cash and cash equivalents	0.0	0.0

29. RELATED PARTY RELATIONSHIPS

In accordance with IAS 24, relationships with related companies and persons that control or are controlled by the PUMA Group must be reported. All natural persons and companies that can be controlled by PUMA, that can exercise relevant control over the PUMA Group or that are under the relevant control of another related party of the PUMA Group are considered to be related companies or persons within the meaning of IAS 24.

As of 31 December 2024, there was one shareholder in PUMA SE that held more than 20% of the voting rights. This shareholder was the Pinault family, through several companies controlled by them (in order of proximity to the Pinault family: Financière Pinault S.C.A., Artémis S.A.S. and Kering S.A.). According to information provided by Kering S.A., Kering S.A.'s interest in PUMA SE amounted to 0.0% of the share capital on 31 December 2024. Artémis S.A.S. held 28.7% of the share capital of PUMA SE on 31 December 2024 (after the capital reduction as a result of the share buyback programme). Since Artémis S.A.S. and Kering S.A. thus hold more than 20% of the voting rights in PUMA SE, there is a presumption of significant influence in accordance with IAS 28.5 and IAS 28.6. They and all other companies directly or indirectly controlled by Financière Pinault S.C.A. and which are not included in the consolidated financial statements of PUMA SE, are considered to be related parties in the following.

In addition, the disclosure obligation pursuant to IAS 24 extends to transactions with associated companies as well as transactions with other related companies and persons.

Transactions with related companies and persons largely concern sales of goods and licensing agreements under normal market conditions.

The following overview illustrates the scope of the business relationships:

T.92 DELIVERIES AND SERVICES RENDERED AND RECEIVED (IN € MILLION)

	Deliveries and services rendered		Deliveries and services received	
	2024	2023	2024	2023
Companies included in the Artémis Group	0.8	2.1	0.0	0.0
Other related companies and persons	0.0	0.0	0.0	0.0
Total	0.8	2.1	0.0	0.0

T.93 NET RECEIVABLES AND LIABILITIES (IN € MILLION)

	Net receivables from		Liabilities to	
	2024	2023	2024	2023
Companies included in the Artémis Group	0.2	0.3	0.0	0.0
Other related companies and persons	0.0	0.0	0.0	0.0
Total	0.2	0.3	0.0	0.0

Receivables from related companies and persons are not subject to value adjustments.

CLASSIFICATION OF THE REMUNERATION OF KEY MANAGEMENT PERSONNEL IN ACCORDANCE WITH IAS 24.17:

The members of key management personnel in accordance with IAS 24 are the Management Board and the Supervisory Board. These are counted as related parties.

In financial year 2024, the remuneration of the members of the Management Board of PUMA SE for short-term benefits amounted to €5.7 million (previous year: €6.1 million), for termination benefits to €4.1 million (previous year: €0.0 million) and the share-based payment €2.4 million (previous year: €1.4 million). Furthermore, just like in the previous year, no remuneration was granted in the form of other long-term benefits or in the form of post-employment benefits in the reporting year. Accordingly, the total expenditure for the reporting year amounted to €12.2 million (previous year: €7.5 million).

In financial year 2024, the remuneration of the members of the Supervisory Board of PUMA SE for short-term benefits amounted to €0.5 million (previous year: €0.4 million).

30. CORPORATE GOVERNANCE

The Management Board and the Supervisory Board submitted the required compliance declaration with respect to the recommendations issued by the Government Commission German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) and published it on the Company's website (https://about.puma.com/en/investor-relations/corporate-governance).

31. EVENTS AFTER THE BALANCE SHEET DATE

As already announced in the publication of 22 January 2025, PUMA has initiated the comprehensive efficiency programme 'nextlevel', with the aim of translating sales growth into higher profitability growth in the future through cost optimisation. To this end, direct and indirect costs are to be optimised and personnel costs aligned with the strategic growth areas. The programme is expected to result in one-time costs, which will be offset by cost savings in 2025 and subsequent years.

No further events took place after the balance sheet date that had a material impact on the net assets, financial position and results of operations of the PUMA Group.

32. DATE OF RELEASE

The Management Board of PUMA SE released the consolidated financial statements on 11 March 2025 for distribution to the Supervisory Board. The task of the Supervisory Board is to review the consolidated financial statements and state whether it approves them.

Herzogenaurach, 11 March 2025

The Management Board

Freundt Neubrand Valdes

This is a translation of the German version. In case of doubt, the German version shall apply.

APPENDIX 1 OF THE CONSOLIDATED FINANCIAL STATEMENT

MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND THEIR MANDATES STATUS: 31 DECEMBER 2024

MEMBERS OF THE MANAGEMENT BOARD AND THEIR MANDATES

Arne Freundt
Chief Executive Officer (CEO)

Hubert Hinterseher (until 30 September 2024)
Chief Financial Officer (CFO)

Markus Neubrand (since 1 October 2024)
Chief Financial Officer (CFO)

Anne-Laure Descours (until 31 December 2024)
Chief Sourcing Officer (CSO)

Maria Valdes
Chief Product Officer (CPO)

MEMBERS OF THE SUPERVISORY BOARD AND THEIR MANDATES

Héloïse Temple-Boyer (first elected on 18 April 2019)
(Chair)
Paris, France

Deputy CEO of ARTÉMIS S.A.S., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises (Information according to the requirements of Section 285 no. 10 German Commercial Code (Handelsgesetzbuch, HGB))*:

- Kering S.A., Paris/France**
- Christie's International Plc., London/ United Kingdom**
- CAA LL.C., Los Angeles/USA**
- Giambattista Valli S.A.S., Paris/France
- Société d'exploitation de l'hebdomadaire le Point S.A., Paris/France

- Pinault Collection, Paris/France

- Royalement Vôtre Editions S.A.S., Paris/France

* All mandates are mandates within the ARTÉMIS/KERING-Group. Only Kering S.A. is a listed company.

** Mandates at non-group listed companies or comparable functions within the meaning of recommendation C.4 of the GCGC.

Thore Ohlsson (first elected on 21 May 1993, until 22 May 2024)
(Deputy Chair until 22 May 2024)
Falsterbo, Sweden

President of Elimexo AB, Falsterbo/Sweden

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises (Information according to the requirements of Section 285 no. 10 German Commercial Code (Handelsgesetzbuch, HGB)):

- Tomas Frick AB, Vellinge/Sweden

- Orrefors Kosta Boda AB, Kosta/Sweden

- Infinitive AB, Malmö/Sweden

- Friskvårdcenter AB, Malmö/Sweden

- Totestories AB, Vellinge/Sweden

Jean-Marc Duplaix (first elected on 24 May 2023)
(Deputy Chair since 22 May 2024)
Paris, France

Deputy CEO of Kering S.A., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises (Information according to the requirements of Section 285 no. 10 German Commercial Code (Handelsgesetzbuch, HGB))*

- Balenciaga S.A.S., Paris/France

- Yves Saint Laurent S.A.S., Paris/France

- Balenciaga Operations S.A.S., Paris/France

* The mandates are mandates within the Kering-Group. Kering S.A. is a listed company. Balenciaga S.A.S., Yves Saint Laurent S.A.S., and Balenciaga Operations S.A.S. are not listed.

Harsh Saini (first elected on 22 May 2024)
London, United Kingdom

Independent Management Consultant for non-profit organisations

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

Roland Krüger (first elected on 22 May 2024)
Singapore

Member of the Board of Directors of Weybourne Holdings Pte. Ltd. (note: The Dyson Family Office), Singapore

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises (Information according to the requirements of Section 285 no. 10 German Commercial Code (Handelsgesetzbuch, HGB)):

- Weybourne Holdings Pte. Ltd.*

* Mandate at non-group listed company or comparable function within the meaning of recommendation C.4 of the GCGC.

Fiona May (first elected on 18 April 2019)
Calenzano, Italy

Independent Management Consultant

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

Martin Köppel (first elected on 25 July 2011)
(Employees' Representative)
Adelsdorf, Germany

Chair of the Works Council of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

Bernd Illig (first elected on 9 July 2018)
(Employees' Representative)
Bechhofen, Germany

Teamhead IT Endpoint Management of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

SUPERVISORY BOARD COMMITTEES

Personnel Committee

- Héloïse Temple-Boyer *(Chair)*
- Roland Krüger (since 22 May 2024)
- Fiona May
- Martin Köppel

Audit Committee

- Jean-Marc Duplaix *(Chair)*
- Thore Ohlsson (until 22 May 2024)
- Roland Krüger (since 22 May 2024)
- Harsh Saini (since 13 June 2024)
- Fiona May (since 22 May 2024)

- Bernd Illig

Nominating Committee

- Roland Krüger (Member and Chair since 22 May 2024)
- Héloïse Temple-Boyer (Chair until 22 May 2024)
- Fiona May (until 22 May 2024)
- Jean-Marc Duplaix (until 22 May 2024)
- Harsh Saini (since 13 June 2024)

Sustainability Committee

- Harsh Saini (Member and Chair since 13 June 2024)
- Fiona May (Chair until 13 June 2024)
- Héloïse Temple-Boyer (until 22 May 2024)
- Martin Köppel
- Bernd Illig (since 22 May 2024)

DECLARATION BY THE LEGAL REPRESENTATIVES

We state to the best of our knowledge that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the applicable accounting principles, and that the Group management report, which is combined with the Management report of PUMA SE for the financial year 2024, provides a true and fair view of the course of the development and performance of the business and the position of the Group, together with a description of the principal risks and opportunities associated with the expected performance of the Group.

Herzogenaurach, 11 March 2025

The Management Board

Freundt Neubrand Valdes

INDEPENDENT AUDITOR'S REPORT

To PUMA SE, Herzogenaurach

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

OPINIONS

We have audited the consolidated financial statements of PUMA SE, Herzogenaurach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024, and the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of PUMA SE for the financial year from January 1 to December 31, 2024.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the 'Other Information' section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the 'Other Information' section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as 'EU Audit Regulation'), and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report' section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

REVENUE RECOGNITION CUT-OFF FOR WHOLESALE CUSTOMERS

Please refer to Sections 2 and 19 in the notes to the consolidated financial statements for further information on the accounting policies applied.

THE FINANCIAL STATEMENT RISK

The consolidated financial statements of PUMA SE for financial year 2024 report revenue of EUR8,817.2 million. Revenue includes revenue of EUR6,391.8 million from the sale of goods to wholesale customers.

The Group recognizes revenue from the sale of goods to wholesale customers when it fulfils a performance obligation through the transfer of a promised asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset. In accordance with the transfer of control, revenue from wholesale customers is recognized at a point in time in the amount to which the Group is entitled.

The Management Board of PUMA SE has defined the criteria for the recognition of revenue at a point in time in a group-wide accounting policy and implemented processes for correct recognition and cut-off.

In the final weeks prior to the reporting date, a range of transactions with wholesale customers take place with individual contractual agreements on the transfer of risk. In addition, there are internally defined and externally communicated revenue targets for the financial year, which represent a key benchmark for measuring corporate success.

There is the risk for the consolidated financial statements that revenue in the reporting year is overstated due to it being recognized in the wrong period, meaning that it is not recorded on an accrual basis.

OUR AUDIT APPROACH

In order to audit revenue recognition cut-off for wholesale customers, we assessed the design, setup and effectiveness of the internal controls relating to outgoing goods and the acceptance of goods and invoicing, in particular the determination and verification of the correct transfer of control. In addition, we reviewed the presentation of revenue recognition in the group-wide accounting policy to ensure compliance with IFRS 15.

Furthermore, we assessed revenue recognition cut-off for wholesale customers by reconciling invoices with the related orders, underlying contracts and external delivery records. This was based on revenue recognized at the end of December 2024 and selected using a mathematical/statistical procedure.

OUR OBSERVATIONS

PUMA SE’s approach to revenue recognition cut-off with wholesale customers is appropriate.

IMPAIRMENT TESTING OF RIGHT-OF-USE ASSETS FOR RETAIL STORES

For information on the accounting policies applied, please refer to Sections 2 and 10 in the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

As of December 31, 2024, right-of-use assets of EUR 1,116.8 million are recognized in the consolidated financial statements of PUMA SE. A significant portion of the right-of-use assets is attributable to retail stores (EUR 528.9 million). Right-of-use assets amount to 15.6% of the group’s total assets and thus have a material influence on the Group’s net assets.

Owing to the large number of leases and the resulting transactions, the Parent Company has set up group-wide processes and controls for the measurement of leases.

Right-of-use assets for retail stores are tested for impairment at the level of the individual retail stores as cash-generating units. The impairment test compares the carrying amount of the cash-generating unit with its recoverable amount. The Parent Company determines the recoverable amount for the retail stores indicating potential impairment by routinely using the discounted cash flow method. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized for the right-of-use asset of the cash-generating unit. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Impairment testing of right-of-use assets for retail stores based on the value in use is complex and based on a range of assumptions that require judgment. Among others, these include the business and earnings performance of the retail store for the next year, the assumed growth rates, the applied discount rate and the use of extension options. The Group recognized impairment losses in the amount of EUR 7.3 million for right-of-use assets for retail stores during the financial year.

In particular, due to the judgments for measuring right-of-use assets for retail stores based on the value in use, there is the risk for the consolidated financial statements that an impairment of right-of-use assets may not be identified.

OUR AUDIT APPROACH

Using the information obtained during our audit, we assessed whether there were any indicators of impairment for right-of-use assets for retail stores. In doing so, we thoroughly examined the Parent Company's approach to determining the need to recognize impairment losses and, based on the information obtained in the course of our audit, assessed whether there were any indications of impairment that had not been identified by the Parent Company.

With the involvement of our valuation specialists, we then assessed (among other elements) the appropriateness of the Parent Company's calculation method for a sample of retail stores selected based on risk. For this purpose we discussed the expected business and earnings development for the retail stores selected in this sample and the assumed growth rates with those responsible for planning. Where accounting judgments were made for determining the lease term, we examined these judgments to determine whether the underlying assumptions were comprehensible in light of the prevailing market conditions and risks in the industry.

We also assessed the accuracy of the Parent Company's previous forecasts for the affected right-of-use assets by comparing the budgets from the previous financial year for the selected retail stores in the sample with the actual results, and we analyzed any deviations. Further, we compared the assumptions and data underlying the discount rates with our own assumptions and publicly available data. We also assessed whether the calculation method for the discount rate was appropriate.

We verified the computational accuracy of the carrying amount of the right-of-use assets determined by PUMA SE for the retail stores included in the sample.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, earnings performance and long-term growth rates on the value in use by calculating alternative scenarios for the selected sample and comparing these with the values stated by the Group (sensitivity analysis).

OUR OBSERVATIONS

The calculation method used for impairment testing of right-of-use assets for retail stores is appropriate and in line with the accounting policies to be applied.

The Parent Company's assumptions and data used for the measurement of the right-of-use assets for retail stores are appropriate.

OTHER INFORMATION

The Management Board and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the combined non-financial statement for the Company and the Group, which is contained in the combined management report, and

- the combined corporate governance statement for the Company and the Group referred to in the combined management report.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The Management Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.

- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the Management Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the 'ESEF documents') contained in the electronic file "PUMA KA 2024.zip" (SHA256-Hashwert: 044183bc89c3223ae4b8b1dd9f21047f37c5c010ff731cbd7ecb35e3e284d95b) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ('ESEF format'). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2024, contained in the 'Report on the Audit of the Consolidated Financial Statements and the Combined Management Report' above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on May 22, 2024. We were engaged by the Supervisory Board on November 7, 2024. We have been the auditor of the consolidated financial statements of PUMA SE without interruption since financial year 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Matthias Koeplin.

Nuremberg, March 11, 2025

KPMG AG

Wirtschaftsprüfungsgesellschaft

Koeplin	Sanetra
Wirtschaftsprüfer *[German Public Auditor]*	Wirtschaftsprüfer *[German Public Auditor]*

C. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The following is an extract of the audited consolidated financial statements of the Target Group for the year ended 31 December 2023, which were prepared in accordance with IFRS, from the Target Group's Annual Report 2023 (pages 275 – 381).

Specific page/section references mentioned in the audited consolidated financial statements of the Target Group for the year ended 31 December 2023 are referred to in the Target Group's Annual Report 2023 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

CONSOLIDATED FINANCIAL STATEMENTS

T.01 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 Dec. 2023 *€ million*	31 Dec. 2022 *€ million*
ASSETS			
Cash and cash equivalents	3	552.9	463.1
Inventories	4	1,804.4	2,245.1
Trade receivables	5	1,118.4	1,064.9
Income tax receivables	22	90.1	54.0
Other current financial assets	6	94.9	137.4
Other current assets	7	270.4	235.9
Current assets		3,931.1	4,200.4
Deferred tax assets	8	296.1	295.0
Property, plant and equipment	9	685.6	592.2
Right-of-use assets	10	1,087.7	1,111.3
Intangible assets	11	530.8	506.5
Other non-current financial assets	12	83.6	58.4
Other non-current assets	12	25.6	8.8
Non-current assets		2,709.3	2,572.3
Total assets		6,640.4	6,772.7

	Notes	31 Dec. 2023 *€ million*	31 Dec. 2022 *€ million*
LIABILITIES AND EQUITY			
Current borrowings	13	145.9	75.9
Trade payables	13	1,499.8	1,734.9
Income tax liabilities	22	79.3	86.8
Current lease liabilities	10	212.4	200.2
Other current provisions	16	27.7	50.3
Other current financial liabilities	13	78.6	76.1
Other current liabilities	13	493.4	618.9
Current liabilities		2,537.2	2,843.0
Non-current borrowings[1]	13	426.1	251.5
Non-current lease liabilities	10	1,020.0	1,030.3
Deferred tax liabilities	8	12.4	42.0
Pension provisions	15	22.5	22.4
Other non-current provisions	16	27.3	29.5
Other non-current financial liabilities	13	11.4	13.8
Other non-current liabilities	13	1.3	1.4
Non-current liabilities		1,520.9	1,390.9
Subscribed capital	17	150.8	150.8
Capital reserve	17	93.8	90.8
Other reserves	17	2,330.4	2,253.6
Treasury stock	17	-21.6	-23.5
Equity attributable to the shareholders of PUMA SE		2,553.4	2,471.7
Non-controlling interests	17, 28	28.9	67.1
Total equity		2,582.3	2,538.8
Total liabilities and equity		6,640.4	6,772.7

1) In order to improve the communication of decision-relevant information, non-current borrowings are no longer reported under other non-current financial liabilities in the 2023 reporting year, but are reported in a separate balance sheet item. The previous year's figures have been adjusted accordingly.

T.02 CONSOLIDATED INCOME STATEMENT

	Notes	2023 € million	2022 € million
Sales	19, 24	8,601.7	8,465.1
Cost of sales	24	-4,615.1	-4,562.3
Gross profit	24	3,986.6	3,902.7
Royalty and commission income		38.5	33.8
Other operating income and expenses	20	-3,403.5	-3,295.9
thereof impairment losses on trade receivables and other financial assets		-12.2	-4.4
Operating Result (EBIT)		621.6	640.6
Financial income	21	112.7	79.4
Financial expenses	21	-256.0	-168.3
Financial result		-143.3	-88.9
Earnings before taxes (EBT)		478.3	551.7
Taxes on income	22	-117.8	-127.4
Consolidated net income of the year		360.6	424.4
attributable to:			
Non-controlling interests	17, 28	55.7	70.9
Net income attributable to the shareholders of PUMA SE		304.9	353.5

	Notes	**2023** *€ million*	**2022** *€ million*
Earnings per share *(€)*	23	2.03	2.36
Earnings per share *(€)* – diluted	23	2.03	2.36
Weighted average number of outstanding shares *(million shares)*	23	149.85	149.65
Weighted average number of outstanding shares, diluted *(million shares)*	23	149.87	149.66

T.03 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2023	2022
	€ million	*€ million*
Consolidated net income of the year before attribution	360.6	424.4
Currency translation differences	-87.6	68.5
Net gain/loss on cash flow hedges, net after tax	-18.0	-64.5
Items expected to be reclassified to the income statement in the future	-105.6	4.0
Remeasurements of the net defined benefit liability, net after tax	-0.8	7.6
Neutral effects financial assets through other comprehensive income (FVOCI), net after tax	-0.5	-3.4
Items not expected to be reclassified to the income statement in the future	-1.3	4.2
Other comprehensive income	-106.9	8.2
Comprehensive income	253.7	432.6
attributable to:		
Non-controlling interests	54.2	75.0
Shareholders of PUMA SE	199.6	357.6

T.04 CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2023 *€ million*	2022 *€ million*
Operating activities			
Earnings before tax (EBT)		478.3	551.7
Adjustments for:			
Depreciation and impairment	9, 10, 11	357.5	358.7
Reversal of impairment losses	9, 10, 11	-11.9	0.0
Non-realized currency gains/losses, net		60.1	-43.6
Financial income	21	-37.8	-32.3
Financial expenses	21	100.7	54.4
Gains/losses from the sale of fixed assets		-3.9	1.0
Changes to pension provision	15	-1.5	0.5
Other non cash effected expenses/income		22.5	28.6
Gross cash flow	25	964.1	918.9
Changes in receivables and other current assets	5, 6, 7	-153.4	-209.4
Changes in inventories	4	352.1	-747.0
Changes in trade payables and other current liabilities	13	-327.9	613.1
Net cash from operational business activities		834.9	575.6
Income taxes paid	22	-181.3	-157.4
Net cash from operating activities	25	653.6	418.3
Investing activities			
Purchase of property and equipment	9, 11	-300.4	-263.6
Proceeds from sale of property and equipment		14.3	1.3
Payment for other assets	12	-36.3	-10.8
Interest received	21	37.8	32.3
Net cash used in investing activities		-284.6	-240.8

	Notes	2023 *€ million*	2022 *€ million*
Financing activities			
Repayment of lease liabilities	10	-208.0	-190.0
Repayment of current borrowings	13	-59.1	-9.5
Raising of current borrowings	13	0.0	17.9
Repayment of non-current borrowings	13	0.0	-60.0
Raising of non-current borrowings	13	299.6	0.0
Dividend payments to shareholders of PUMA SE	17	-122.8	-107.7
Dividend payments to non-controlling interests	17, 28	-92.4	-73.3
Interest paid	21	-94.3	-53.8
Net cash used in financing activities	25	-277.1	-476.4
Exchange rate-related changes in cash and cash equivalents		-2.1	4.4
Change in cash and cash equivalents		89.8	-294.4
Cash and cash equivalents at beginning of the financial year		463.1	757.5
Cash and cash equivalents at the end of the financial year	3, 25	552.9	463.1

T.05 STATEMENT OF CHANGES IN EQUITY (in € million)

			Other reserves						
	Subscribed capital	Capital reserve	Revenue reserves incl. retained earnings	Difference from currency conversion	Cash flow hedges	Treasury stock	Shareholders' equity	Non-controlling interests	TOTAL equity
1 January 2022	150.8	86.4	2,245.4	-320.6	78.1	-26.9	2,213.3	65.2	2,278.5
Consolidated net income of the year			353.5				353.5	70.9	424.4
Other comprehensive income			4.2	63.8	-63.9		4.1	4.1	8.2
Comprehensive income			357.7	63.8	-63.9		357.6	75.0	432.6
Dividends paid to shareholders of PUMA SE/ non-controlling interests			-107.7				-107.7	-75.3	-183.0
Share-based payment and Utilization/Issue of treasury stock		4.4				3.4	7.7		7.7
Transaction with shareholders			0.9				0.9	2.2	3.1
31 December 2022/ 1 January 2023	150.8	90.8	2,496.2	-256.8	14.2	-23.5	2,471.7	67.1	2,538.8
Consolidated net income of the year			304.9				304.9	55.7	360.6
Other comprehensive income			-1.3	-85.9	-18.1		-105.3	-1.5	-106.9
Comprehensive income			303.6	-85.9	-18.1		199.6	54.2	253.7
Dividends paid to shareholders of PUMA SE/ non-controlling interests			-122.8				-122.8	-92.4	-215.3
Share-based payment and Utilization/Issue of treasury stock		3.0				1.9	4.9		4.9
Transaction with shareholders								0.1	0.1
31 December 2023	150.8	93.8	2,677.0	-342.7	-3.9	-21.6	2,553.4	28.9	2,582.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Under the PUMA and Cobra Golf brand names, PUMA SE and its subsidiaries are engaged in the development and sale of a broad range of sports and sports lifestyle products, including footwear, apparel and accessories. The company is a European stock corporation (Societas Europaea/SE) and parent company of the PUMA Group; its registered office is on PUMA WAY 1, 91074 Herzogenaurach, Germany. The competent registry court is in Fürth (Bavaria), the register number is HRB 13085.

The consolidated financial statements of PUMA SE and its subsidiaries (hereinafter referred to in short as the "Group" or "PUMA") were prepared in accordance with the "International Financial Reporting Standards (IFRS)" accounting standards issued by the International Accounting Standards Board (IASB), as they are to be applied in the EU, and the supplementary accounting principles to be applied in accordance with Section 315e(1) of the German Commercial Code (HGB). All of the IASB standards and interpretations, as they are to be applied in the EU, which are mandatory for financial years as of 1 January 2023, have been applied.

The items contained in the financial statements of the individual Group companies are measured based on the currency that corresponds to the currency of the primary economic environment in which the Company operates. The consolidated financial statements are prepared in euros (EUR or €). The presentation of amounts in millions of euros with one decimal place may lead to rounding differences since the calculation of individual items is based on figures presented in thousands.

The cost of sales method is used for the consolidated income statement.

The following new or amended standards and interpretations have been used for the first time in the current financial year:

T.06 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

Standard	Title
First-time adoption in the current financial year	
IFRS 17 (including amendment IFRS 17)	Insurance contracts
Amendments to IAS 1	Disclosure of accounting policies
Amendments to IAS 8	Definition of accounting estimates
Amendments to IAS 12	Deferred taxes relating to assets and liabilities from a single transaction
Amendments to IFRS 17	First-time application of IFRS 17 and IFRS 9 – Comparative information
Amendments to IAS 12	International tax reform – Pillar Two model rules

The amendments to the standards and interpretations described below, which were to be initially adopted as of 1 January 2023, did not materially affect the PUMA consolidated financial statements.

The IFRS 17 standard regulates the accounting treatment of insurance contracts and replaces the previously valid transitional standard IFRS 4. The scope of application includes insurance contracts, reinsurance contracts and investment contracts with discretionary participation features. The amendment to IFRS 17 postponed the date of first mandatory application of IFRS 17 to 1 January 2023. These amendments have no effect on the PUMA consolidated financial statements.

The amendments to IAS 1 and IFRS Guideline Document 2 are intended to assist preparers in deciding which accounting policies they must disclose in the financial statements. This requires an enterprise to disclose essential information relating to accounting policies rather than just its significant accounting policies. This change has no material effect on the PUMA consolidated financial statements.

The amendment to IAS 8 is intended to help distinguish between accounting policies and accounting-related estimates. The definition of a change in accounting estimates has been replaced by a definition of accounting estimates. According to the new definition, accounting-related estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". This change has no effect on the PUMA consolidated financial statements.

The amendment to IAS 12 narrows the scope of the "initial recognition exemption" under which no deferred tax assets or liabilities are to be recognised at the time of recognition of an asset or liability. If temporary differences of the same amount are simultaneously deductible and taxable in a single transaction, they are no longer covered by the exception, meaning that deferred tax assets and liabilities must be recognised. This change does not materially affect PUMA's net assets, financial position and results of operations. However, the amendment to IAS 12 leads to a change in the disclosures to be made in the notes to the consolidated financial statements.

The amendment to IFRS 17 concerns companies that apply IFRS 17 and IFRS 9 simultaneously for the first time. The amendment allows an entity to present comparative information about a financial asset in such a way that the IFRS 9 rules on classification and measurement would have been previously applied to that financial asset. This change has no effect on the PUMA consolidated financial statements.

The amendments to IAS 12 introduce a temporary exemption for deferred tax accounting in the framework of the implementation of the global minimum taxation ("OECD Pillar Two Scheme"). This should help to ensure the consistency of financial statements while facilitating implementation of the rules. Targeted disclosure requirements will also be introduced to help investors better understand the impact of the reform on the company, especially before the country-specific legislation implementing minimum taxation enters into force. This change has no material effect on the PUMA consolidated financial statements.

NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

The following standards and interpretations have been released but will only become effective in later reporting periods and are not applied earlier by the Group:

T.07 NEW, BUT NOT YET MANDATORY, STANDARDS AND INTERPRETATIONS

Standard	Title	Date of adoption*	Planned adoption
Endorsed			
Amendments to IFRS 16	Lease liabilities as part of a sale and leaseback transaction	01/01/2024	01/01/2024
Endorsement pending			
Amendments to IAS 1	Classification of liabilities as current or non-current	01/01/2024	01/01/2024
Amendments to IAS 1	Non-current liabilities with covenants	01/01/2024	01/01/2024
Amendments to IAS 7 and IFRS 7	Supplier financing agreements	01/01/2024	01/01/2024
Amendments to IAS 21	Lack of exchangeability	01/01/2025	01/01/2025
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets	Postponed indefinitely	

* Adjusted by EU endorsement, if applicable

PUMA does not expect that these amendments will have any significant effects on the net assets, financial position and results of operations. However, the amendments to IAS 7 and IFRS 17 concerning supplier financing agreements expand the scope of future disclosures in the notes to the consolidated financial statements.

2. SIGNIFICANT CONSOLIDATION, ACCOUNTING AND VALUATION PRINCIPLES

CONSOLIDATION PRINCIPLES

The consolidated financial statements were prepared as of 31 December 2023, the reporting date of the annual financial statements of the PUMA SE parent company, on the basis of uniform accounting and valuation principles according to IFRS, as applied in the EU.

GROUP OF CONSOLIDATED COMPANIES

In addition to PUMA SE, the consolidated financial statements include all subsidiaries in which PUMA SE directly or indirectly holds existing rights that give it the current ability to direct the relevant activities. At present, control of all Group companies is based on a direct or indirect majority of voting rights.

Associated companies are generally accounted for in the Group using the equity method. As of 31 December 2023, however, the Group does not hold any investments in associated companies.

The changes in the number of Group companies (including the parent company PUMA SE) in the financial year 2023 were as follows:

T.08 GROUP OF CONSOLIDATED COMPANIES

As of	**31 Dec. 2022**	100
Formation of companies		1
Disposal of companies		-1
As of	**31 Dec. 2023**	100

The addition to the group of consolidated companies relates to the formation of PUMA Card Services NA LLC, USA.

The disposal in the group of consolidated companies concerns the merger of PUMA Sports SEA Trading Pte. Ltd., Singapore within the group of consolidated companies.

The changes in the group of consolidated companies did not have a significant effect on the net assets, financial position and results of operations.

The Group companies are allocated to regions as follows:

T.09 LIST OF SHAREHOLDINGS

AS OF 31 DECEMBER 2023

No.	Companies/Legal Entities	Country	City	Shareholder	Share of capital
	Parent company				
1.	PUMA SE	Germany	Herzogenaurach		
	EMEA				
2.	Austria Puma Dassler Gesellschaft m.b.H.	Austria	Salzburg	direct	100%
3.	stichd austria gmbh	Austria	Salzburg	indirect	100%
4.	Puma Czech Republic s.r.o.	Czech Republic	Prague	indirect	100%
5.	PUMA DENMARK A/S	Denmark	Aarhus	indirect	100%
6.	PUMA Estonia OÜ	Estonia	Tallinn	indirect	100%
7.	PUMA Finland Oy	Finland	Helsinki	indirect	100%
8.	PUMA FRANCE SAS	France	Strasbourg	indirect	100%
9.	stichd france SAS	France	Boulogne Billancourt	indirect	100%
10.	PUMA International Trading GmbH	Germany	Herzogenaurach	direct	100%
11.	PUMA Europe GmbH	Germany	Herzogenaurach	direct	100%
12.	PUMA Sprint GmbH	Germany	Herzogenaurach	direct	100%
13.	PUMA Mostro GmbH	Germany	Herzogenaurach	indirect	100%
14.	PUMA Blue Sea GmbH	Germany	Herzogenaurach	indirect	100%
15.	stichd germany gmbh	Germany	Düsseldorf	indirect	100%
16.	PUMA UNITED KINGDOM LTD	Great Britain	London	indirect	100%
17.	PUMA PREMIER LTD	Great Britain	London	indirect	100%
18.	STICHD UK LTD	Great Britain	Mansfield	indirect	100%
19.	STICHD SPORTMERCHANDISING UK LTD	Great Britain	London	indirect	100%
20.	GENESIS GROUP INTERNATIONAL LIMITED	Great Britain	Manchester	direct	100%
21.	Sport Equipment Hellas S. A. of Footwear, Apparel and Sportswear u.Li.	Greece	Athens	direct	100%[1)]
22.	PUMA ITALIA S.R.L.	Italy	Assago	indirect	100%
23.	STICHD ITALY SRL	Italy	Assago	indirect	100%
24.	Puma Sport Israel Ltd. In Liq	Israel	Hertzeliya	indirect	100%
25.	Puma Benelux B.V.	Netherlands	Leusden	direct	100%
26.	PUMA International Sports Marketing B.V.	Netherlands	Leusden	direct	100%
27.	stichd group B.V.	Netherlands	s-Hertogenbosch	direct	100%
28.	stichd international B.V.	Netherlands	s-Hertogenbosch	indirect	100%
29.	stichd sportmerchandising B.V.	Netherlands	s-Hertogenbosch	indirect	100%
30.	stichd B.V.	Netherlands	s-Hertogenbosch	indirect	100%
31.	stichd logistics B.V.	Netherlands	s-Hertogenbosch	indirect	100%
32.	stichd licensing B.V.	Netherlands	s-Hertogenbosch	indirect	100%
33.	PUMA NORWAY AS	Norway	Fornebu	indirect	100%
34.	PUMA POLSKA sp. z o.o.	Poland	Warsaw	indirect	100%

AS OF 31 DECEMBER 2023

No.	Companies/Legal Entities	Country	City	Shareholder	Share of capital
35.	PUMA SPORTS ROMANIA SRL	Romania	Voluntari	indirect	100%
36.	PUMA-RUS o.o.o.	Russia	Moscow	indirect	100%
37.	PUMA SPORTS DISTRIBUTORS (PTY) LTD	South Africa	Cape Town	indirect	100%
38.	PUMA SPORTS S A (PTY) LTD	South Africa	Cape Town	indirect	100%
39.	PUMA IBERIA SLU	Spain	Madrid	direct	100%
40.	STICHDIBERIA S.L.	Spain	Cornella de Llobregat	indirect	100%
41.	Nrotert AB	Sweden	Helsingborg	direct	100%
42.	PUMA Nordic AB	Sweden	Helsingborg	indirect	100%
43.	Nrotert Sweden AB	Sweden	Helsingborg	indirect	100%
44.	stichd nordic AB	Sweden	Helsingborg	indirect	100%
45.	MOUNT PUMA AG	Switzerland	Oensingen	direct	100%
46.	Puma Retail AG	Switzerland	Oensingen	indirect	100%
47.	stichd switzerland ag	Switzerland	Egerkingen	indirect	100%
48.	PUMA Spor Giyim Sanayi ve Ticaret A.S.	Türkiye	Istanbul	indirect	100%
49.	PUMA UKRAINE LIMITED LIABILITY COMPANY	Ukraine	Kiew	indirect	100%
50.	PUMA Middle East FZ-LLC	United Arab Emirates	Dubai	indirect	100%
51.	PUMA UAE (L.L.C)	United Arab Emirates	Dubai	indirect	100%
	Americas				
52.	PUMA Sports Argentina S.A. (former Unisol S.A.)	Argentina	Buenos Aires	indirect	100%
53.	PUMA Sports Ltda.	Brazil	Sao Paulo	indirect	100%
54.	PUMA Canada, Inc.	Canada	Toronto	indirect	100%
55.	PUMA United Canada ULC	Canada	Vancouver	indirect	51%
56.	PUMA CHILE SpA	Chile	Santiago	direct	100%
57.	PUMA SERVICIOS SpA	Chile	Santiago	indirect	100%
58.	PUMA México Sport, S.A. de C.V.	Mexico	Mexico City	direct	100%
59.	Importaciones RDS, S.A. de C.V.	Mexico	Mexico City	direct	100%
60.	GLOBAL LICENSE STICHD GROUP MEXICO S.A. de C.V.	Mexico	Mexico City	indirect	100%
61.	Importationes Brand Plus Licensing S.A. de C.V.	Mexico	Mexico City	indirect	100%
62.	Distribuidora Deportiva PUMA S.A.C.	Peru	Lima	indirect	100%
63.	Distribuidora Deportiva PUMA Tacna S.A.C.	Peru	Tacna	indirect	100%
64.	PUMA Sports LA S.A.	Uruguay	Montevideo	direct	100%
65.	PUMA Suede Holding, Inc.	USA	Wilmington	indirect	100%
66.	PUMA North America, Inc.	USA	Wilmington	indirect	100%
67.	Cobra Golf Incorporated	USA	Wilmington	indirect	100%

AS OF 31 DECEMBER 2023

No.	Companies/Legal Entities	Country	City	Shareholder	Share of capital
68.	PUMA United Aviation North America LLC	USA	Wilmington	indirect	70%
69.	PUMA United Canada Holding, Inc.	USA	Wilmington	indirect	100%
70.	PUMA United North America LLC	USA	Dover	indirect	51%
71.	Janed Canada, LLC	USA	Dover	indirect	51%
72.	stichd NA, Inc.	USA	Lewes	indirect	100%
73.	PUMA Card Services NA, LLC.	USA	Plantation	indirect	100%
	Asia/Pacific				
74.	PUMA Australia Pty. Ltd.	Australia	Melbourne	indirect	100%
75.	White Diamond Australia Pty. Ltd.	Australia	Melbourne	indirect	100%
76.	White Diamond Properties Pty. Ltd.	Australia	Melbourne	indirect	100%
77.	PUMA China Ltd. (彪马(上海)商贸有限公司)	China	Shanghai	indirect	100%
78.	stichd Trading (Shanghai) Co., Ltd. (斯梯起特贸易(上海)有限公司)	China	Shanghai	indirect	100%
79.	Guangzhou World Cat Information Consulting Services Company Ltd. (广州寰彪信息咨询服务有限公司)	China	Guangzhou	indirect	100%
80.	World Cat Ltd. (寰彪有限公司)	China	Hong Kong	direct	100%
81.	Development Services Ltd.	China	Hong Kong	direct	100%
82.	PUMA International Trading Services Ltd.	China	Hong Kong	indirect	100%
83.	PUMA ASIA PACIFIC LTD (彪馬亞太區有限公司)	China	Hong Kong	direct	100%
84.	PUMA Hong Kong Ltd. (彪馬香港有限公司)	China	Hong Kong	indirect	100%
85.	stichd Limited	China	Hong Kong	indirect	100%
86.	PUMA Sports India Private Ltd.	India	Bangalore	indirect	100%
87.	PT PUMA Cat Indonesia	Indonesia	Jakarta	indirect	100%
88.	PT PUMA Sports Indonesia	Indonesia	Jakarta	indirect	100%
89.	PUMA Japan K.K. (プーマジャパン株式会社)	Japan	Tokyo	indirect	100%
90.	PUMA Korea Ltd. (푸마코리아 유한회사)	(South) Korea	Seoul	direct	100%
91.	Stichd Korea Ltd	(South) Korea	Incheon	indirect	100%
92.	PUMA Sports Goods Sdn. Bhd.	Malaysia	Petaling Jaya	indirect	100%
93.	STICHD SOUTHEAST ASIA SDN. BHD.	Malaysia	Kuala Lumpur	indirect	100%
94.	PUMA New Zealand Ltd.	New Zealand	Auckland	indirect	100%

AS OF 31 DECEMBER 2023

No.	Companies/Legal Entities	Country	City	Shareholder	Share of capital
95.	PUMANILA IT SERVICES INC.	Philippines	City of Makati	indirect	100%
96.	PUMA Sports Philippines Inc.	Philippines	City of Makati	indirect	100%
97.	PUMA SOUTH EAST ASIA PTE. LTD.	Singapore		indirect	100%
98.	PUMA Taiwan Sports Ltd. (台灣彪馬股份有限公司)	China (Taiwan)	Taipei	indirect	100%
99.	PUMA Sports (Thailand) Co., Ltd.	Thailand	Bangkok	indirect	100%
100.	World Cat Vietnam Sourcing & Development Services Company Limited (CÔNG TY TNHH DỊCH VỤ PHÁT TRIỂN & NGUỒN CUNG ỨNG WORLD CAT VIỆT NAM)	Vietnam	Ho Chi Minh City	indirect	100%

1) subsidiaries which are assigned to be economically 100% PUMA Group

PUMA Mostro GmbH, PUMA Blue Sea GmbH and PUMA Sprint GmbH have made use of the exemption provision under Section 264(3) of the German Commercial Code (HGB). PUMA Europe GmbH and PUMA International Trading GmbH have also made use of the exemption provision under Section 264(3) HGB, but waive the exemption from the third subsection.

CURRENCY CONVERSION

In general, monetary items in foreign currencies are converted in the individual financial statements of the Group companies at the exchange rate valid on the balance sheet date. Any resulting currency gains and losses are immediately recognised in the income statement. Non-monetary items are converted at historical acquisition and manufacturing cost.

The assets and liabilities of foreign subsidiaries, whose functional currency is not the euro, have been converted to euros at the exchange rates valid on the balance sheet date. Expenses and income have been converted at the annual average exchange rates. Any differences resulting from the currency conversion of net assets relative to exchange rates that had changed in comparison with the previous year were adjusted directly in other comprehensive income.

The significant conversion rates per euro are as follows:

T.10 SIGNIFICANT CONVERSION RATES

	2023		2022	
Currency	Reporting date exchange rate	Average exchange rate	Reporting date exchange rate	Average exchange rate
USD	1.1050	1.0813	1.0666	1.0530
CNY	7.8509	7.6600	7.3582	7.0788
JPY	156.3300	151.9903	140.6600	138.0274
MXN	18.7231	19.1830	20.8560	21.1869
ARS *	892.9166	–	188.7249	–
GBP	0.8691	0.8698	0.8869	0.8528

* Due to the application of accounting for hyperinflationary economies in Argentina, all items in the financial statements are converted at the exchange rate applicable on the reporting date.

Argentina and Türkiye are in a hyperinflation environment. In 2022, the subsidiaries whose functional currency is the Argentine peso or the Turkish lira applied the accounting for hyperinflationary economies in accordance with IAS 29 for the first time, with retroactive effect from 1 January 2022. The carrying amounts of non-monetary assets and liabilities, shareholders' equity and other comprehensive income are translated into the unit of measurement applicable at the balance sheet date and thus adjusted to reflect price changes. The financial statements are based on the concept of historical acquisition and/or production costs. The exchange rate as of 31 December 2023 was used for conversion into the reporting currency, the euro, for all items.

Gains and losses on the net monetary position are included in the financial result. In the financial year 2023, the net profit from the monetary items amounted to €7.7 million (previous year: €0.9 million). The amount also includes interest income from invested liquid funds in accordance with IAS 29.28.

The price index used for Türkiye as of 31 December 2023 was 1,859.4 (31 December 2022: 1,128.5) and is based on the consumer price index. The general price index used for Argentina as of 31 December 2023 was 3,500.4 (31 December 2022: 1,134.3).

ACCOUNTING AND VALUATION PRINCIPLES

FINANCIAL INSTRUMENTS

Financial instruments are classified and recognised in accordance with IFRS 9. Acquisitions and disposals of financial assets, with the exception of trade receivables, are initially recognised on the settlement date and are recorded at fair value.

For investments (equity instruments), IFRS 9 allows a measurement at fair value through other comprehensive income (FVOCI) under certain conditions. If these investments, however, are disposed of or adjusted in value, the gains and losses from these investments which were not realised up to this point are reclassified to retained earnings in accordance with IFRS 9.

DERIVATIVE FINANCIAL INSTRUMENTS/HEDGE ACCOUNTING

In relation to the accounting of hedge relationships, PUMA made use of the option to continue applying the rules of IAS 39 for hedge accounting.

Derivative financial instruments are recognised at fair value at the time a contract is entered into and thereafter. At the time a hedging instrument is concluded, PUMA classifies the derivatives either as hedges of a planned transaction and hedging variable interest flows from the promissory note loans (cash flow hedge accounting), or as hedges of the fair value of a recognised asset or liability (fair value hedge).

At the time when the transaction is concluded, the hedging relationship between the hedging instrument and the underlying transaction as well as the purpose of risk management and the underlying strategy are documented. In addition, assessments as to whether the derivatives used in the hedge accounting compensate effectively for a change in the fair value or the cash flow of the underlying transaction are documented at the beginning of the hedging relationship and continuously thereafter.

The Group designates the spot rate for forward transactions and the intrinsic value for options contracts. The interest component and/or fair value are excluded from the designation of the hedging instrument and are recorded in the financial result through profit or loss.

The Group determines the existence of an economic relationship between the hedging instrument and the hedged underlying transaction on the basis of the key valuation parameters, such as the reference interest rate, the currency, the amount and the time of their respective cash flows (critical terms match method). The Group uses the cumulative dollar offset method to assess whether the derivative designated in each hedging relationship is expected to be prospectively effective and retroactively effective in relation to offsetting changes in the cash flows of the hedged underlying transaction.

The main reason for ineffectiveness is the decline or loss of hedged transactions in these hedging relationships.

Changes in the market value of derivatives that are intended and suitable for cash flow hedging and that prove to be effective are adjusted directly in other comprehensive income, taking into account deferred taxes. If there is no complete effectiveness, the ineffective part is recognised in the income statement. The amounts recognised in other comprehensive income are recognised in the income statement during the same period in which the hedged planned transaction affects the income statement. If, however, a hedged future transaction results in the recognition of a non-financial asset or a liability, gains or losses previously recorded in other comprehensive income are included in the initial measurement of the acquisition costs of the respective asset or liability.

Changes in the market value of derivatives that qualify for and are designated as fair value hedges are recognised directly in the consolidated income statement, together with changes in the fair value of the underlying transaction attributable to the hedged risk. The changes in the market value of the derivatives and the change in the underlying transaction attributable to the hedged risk are reported in the consolidated income statement under the item relating to the underlying transaction.

The fair values of the derivative instruments used to secure planned transactions and for hedging the variable cash flows from the promissory note loans (cash flow hedge accounting) and to secure the fair value of a recognised asset or liability (fair value hedge) are shown under "Other current and non-current financial assets or liabilities".

PUMA AS LESSEE

The leases for which PUMA acts as a lessee are identified at the individual contract level. For these leases, PUMA recognises a right-of-use asset and a respective lease liability, with the exception of short-term leases (defined as leases with a term of no more than 12 months) and low-value lease agreements (with a value of less than €5,000 at contract conclusion). In the case of a short-term lease or low-value lease, the Group recognises the lease payments on a straight-line basis over the term of the lease agreement as other operating expense.

In addition, right-of-use assets are not recognised for intangible assets. PUMA has made use of the option and decided not to apply IFRS 16 with regard to leases for intangible assets.

The lease liability at initial recognition is measured at the present value of the not yet paid lease payments at the beginning of the lease agreement. The present value is calculated using the incremental borrowing rate, as the interest rate implicit in the lease is usually not known.

A number of lease agreements, particularly for real estate properties, contain extension and termination options. When determining agreement terms, all facts and circumstances are taken into account that offer a financial incentive to exercise the extension option or not to exercise the termination option. The changes in the term of a lease due to the exercise or non-exercise of such options are only taken into account for the agreement term if they are sufficiently certain.

The lease liability is recognised as a separate line item on the consolidated balance sheet.

The right-of-use assets comprise the respective lease liability as part of initial valuation. Lease instalments that are paid before or at the beginning of the lease are added. Lease incentives received from the lessor are deducted and initial direct costs are included. If dismantling obligations exist with regard to the leased assets, they are included in the valuation of the right-of-use assets. The subsequent valuation of the right-of-use assets is at acquisition cost less accumulated depreciation and impairment losses.

The right-of-use assets are generally depreciated over the term of the lease. If the useful life of the asset underlying the lease is shorter, this limits the depreciation period accordingly. Depreciation starts with the commencement of the lease.

As part of the practical expedient, IFRS 16 permits dispensing with a separation between non-lease components and lease components. With regard to land and buildings, PUMA generally does not apply the practical expedient, meaning that the right-of-use assets relating to land and buildings only contain leasing components. With regard to other right-of-use assets (comprising technical equipment & machines and motor vehicles), the practical expedient is generally applied, the result of which is that the leasing components and non-leasing components are both recognised.

The right-of-use assets are recognised as a separate line item in the consolidated balance sheet.

The rights of use are subject to the impairment regulations pursuant to IAS 36. As a general rule, the right-of-use assets are tested for impairment (impairment test) if there is any indication that the value of the asset could be impaired. The right-of-use assets, in particular in connection with the Group's own retail stores, are subjected to an impairment test if there are indicators or changes in planning assumptions that suggest that the carrying amount of the assets may not be recoverable. To this end, a triggering event test of all retail stores, each of which is a separate cash-generating unit, is carried out after preparation of the annual budget planning or on an ad-hoc basis.

For the purposes of the triggering event test, the recoverable amount of the respective retail stores is determined as a value in use using a simplified discounted cash flow method. The value in use is determined on the basis of the planned cash flows for the retail stores according to the budget, which is prepared on a bottom-up basis and approved by management. The forecast period is derived from the expected useful lives of the respective retail store and is reviewed annually. Following the bottom-up budget, revenue and cost developments are used as a basis for the remaining useful life, the growth rate of which is based on expected nominal retail growth. Growth rates in the single-digit percentage range are expected for all retail stores over the three-year detailed planning period. In calculating the value in use of retail transactions, cash flows in non-inflationary countries were measured at a weighted cost of capital rate of between 8.8% and 38.0% (previous year: between 8.2% and 25.3%) and the cash flows of retail transactions in the two high-inflation countries with a weighted cost of capital between 31.2% and 145.0% (previous year: between 20.0% and 62.7%). This was based on a risk-free interest rate on equivalent term structures of 3.1% (previous year: 2.3%) and a market risk premium of 7.0% (previous year: 7.3%) are used as a basis.

If, in the triggering event test, the carrying amount of the retail store assets exceeds the simplified value in use, the recoverable amount of this cash-generating unit is calculated with the discounted cash flow method using the above cost of capital rates. This is based on the individual planning of cash flows for the retail store. If an impairment arises, the right of use is impaired first.

If there are indications that retail stores for which impairment has been recorded in the past have been able to achieve a turnaround and that their rights of use are recoverable, the impairment is reversed up to a maximum of the amount of amortised costs.

If there is an impairment loss or a reversal of an impairment loss, this is allocated to the central area in the segment reporting under IFRS 8. However, the impaired assets are reported in the relevant operating segments.

PUMA AS LESSOR

In financial year 2023, the accounting principles of IFRS 16 were applied for PUMA as a lessor for the first time. If PUMA acts as a lessor, it is determined at the beginning of the lease whether it is a finance lease or an operating lease. In order to classify the lease agreement, PUMA makes an overall assessment of whether the lease essentially transfers all the risks and benefits associated with ownership of the underlying asset. If this is the case, it is classified as a finance lease. If not, it is classed as an operating lease. Various indicators are taken into account as part of this assessment, such as whether the lease ratio comprises the majority of the economic useful life of the underlying asset. At our discretion, the leases in which PUMA acts as an intermediate lessor are in most cases finance leases, as subletting always covers most of the term of the main lease. If PUMA acts as an interim lessor, the shares in the main lease contract and the sub-lease contract are accounted for separately.

In the case of finance leases, a net investment (receivable) equal to the discounted future rental payments to be received is recognised in the balance sheet and reported under other assets (without inclusion in working capital). The marginal debt interest rate is used to determine the discount, as the interest rate underlying the lease is generally unknown. Interest income from finance leases is reported in the cash flow from investing activities.

If the lease is classified as operating leases, the lease payments are immediately recognised in profit or loss as rental income.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and bank balances. This also includes free cash and cash equivalents that are invested as a fixed-term deposit with a term of up to three months. The total amount of cash and cash equivalents is consistent with the cash and cash equivalents stated in the cash flow statement.

Cash and cash equivalents are measured at amortised cost. They are subject to the impairment requirements in accordance with IFRS 9 "Financial Instruments". PUMA monitors the credit risk of these financial instruments taking into account the economic situation, external credit rating and/or premiums for credit default swaps (CDS) of other financial institutions. The credit risk from cash and cash equivalents is classified as immaterial, due to the relatively short terms and the investment-grade credit rating of the counterparty, which signals a low probability of default for the financial instruments.

INVENTORIES

The Group procures inventories primarily from third parties and these are reported as goods within inventories. To a small extent, footwear and golf clubs are produced in-house, which are reported as finished goods together with the goods within the inventories.

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. The acquisition cost of merchandise is determined using an averaging method. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices.

TRADE RECEIVABLES

Trade receivables are initially measured at the transaction price and subsequently at amortised cost with deduction of value adjustments, in the form of a provision for risks.

When determining the provision for risks for trade receivables, PUMA uniformly applies the simplified method in order to determine the expected credit losses over the remaining lifetime of the trade receivables (called "lifetime expected credit losses") in accordance with the provisions of IFRS 9 "Financial Instruments". For this, trade receivables are classified by geographic region into suitable groups with shared credit risk characteristics. The expected credit losses are calculated using a matrix that presents the age structure of the receivables and depicts a likelihood of loss for the individual maturity bands of the receivables on the basis of historic credit loss events and future-based factors. The percentage rates for the loss likelihoods are checked regularly to ensure they are up to date. If objective indications of a credit impairment are found regarding the trade receivables of a certain customer, a detailed analysis of this customer's specific credit risk is conducted and an individual provision for risks is established for the trade receivables with respect to this customer. If a credit insurance is in place, it is taken into account when determining the amount of the risk provision.

The Group assumes that the default risk of a financial asset has increased significantly if it is more than 30 days overdue.

OTHER FINANCIAL ASSETS

Other financial assets are classified based on the business model for control and the cash flows of the financial assets. In the Group, financial assets are generally held under a business model that provides for "holding" the asset until maturity, in order to collect the contractual cash flows. The second condition is that the terms and conditions of the financial asset result in cash flows at specified times, which exclusively represent repayments and interest payments on the outstanding nominal amount.

The "trading" business model is used for financial assets in the form of derivatives without a hedging relationship. These are valued at fair value through profit or loss (FVPL).

Non-current financial assets include rental deposits and other assets. Non-interest-bearing non-current assets are discounted to present value if the resulting effect is significant.

INVESTMENTS

The investment recognised under non-current financial assets belongs to the category "measured at fair value through other comprehensive income" (FVOCI), since these investments are held over the long term for strategic reasons.

All purchases and disposals of investments are recorded on the settlement date. Investments are initially recognised at fair value plus transaction costs. They are also recognised at fair value in subsequent periods. Unrealised gains and losses are recognised in other comprehensive income, taking into account deferred taxes. The gain or loss on disposal of investments is transferred to retained earnings.

The category "measured at fair value through profit or loss" (FVPL) is not used with regard to investments.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at acquisition cost, net of accumulated depreciation. The depreciation period depends on the expected useful life of the respective item. The straight-line method of depreciation is applied. The useful life depends on the type of the assets involved. Buildings are subject to a useful life of between ten and fifty years, and a useful life of between three to ten years is assumed for movable assets.

Repair and maintenance costs are recorded as an expense as of the date on which they were incurred. Substantial improvements and upgrades are capitalised to the extent that the criteria for capitalisation of an asset item apply.

INVESTMENT PROPERTY

In the financial year 2023, accounting for investment property was applied for the first time in accordance with IAS 40. These are accounted for in the same way as property, plant and equipment in accordance with the cost model, with their acquisition or production costs less scheduled depreciation and any necessary impairment losses. Depreciation is carried out on a straight-line basis and the useful lives are generally equivalent to those of property, plant and equipment used in-house.

OTHER INTANGIBLE ASSETS (NOT INCLUDING GOODWILL)

Acquired intangible assets largely consist of concessions, intellectual property rights and similar rights. These are measured at acquisition cost, net of accumulated amortisation. The useful life of intangible assets is between three and ten years. Scheduled depreciation is done on a straight-line basis.

If the capitalisation requirements of IAS 38.57 "Intangible Assets" are met cumulatively, expenses in the development phase for internally generated intangible assets are capitalised at the time they arise. In subsequent periods, internally generated intangible assets and acquired intangible assets are measured at cost less accumulated amortisation and impairment losses. In the Group, internally generated intangible assets are generally depreciated on a straight-line basis over a useful life of 3 years.

There are also trademark rights acquired for a fee in relation to Cobra Golf. Cobra Golf, founded in 1978, has a brand history spanning over 40 years in golf. The Cobra brand represents the core of the Golf business area and is continued through ongoing marketing investments by the PUMA Group in the Cobra brand. Due to the stability of the golf market and the continuation of the brand by PUMA, an indefinite useful life is assumed for the Cobra brand.

IMPAIRMENT OF ASSETS

Intangible assets with an indefinite useful life are not amortised according to schedule but are subjected to an annual impairment test. Property, plant and equipment, right-of-use assets, and other intangible assets with finite useful lives are tested for impairment if there is any indication of impairment in the value of the asset concerned. In order to determine whether there is a requirement to record the impairment of an asset, the recoverable amount of the respective asset (the higher amount of the fair value less costs to sell and value in use) is compared with the carrying amount of the asset. If the recoverable amount is lower than the carrying amount, the difference is recorded as an impairment loss. The test for impairment is performed, if possible, at the level of the respective individual asset, otherwise at the level of the cash-generating unit. Goodwill, on the other hand, is tested for impairment only at the level of a group of cash-generating units. If it is determined within the scope of the impairment test that an asset needs to be impaired, then the goodwill, if any, of the group of cash-generating units is written down initially and, in a second step, the remaining amount is distributed proportionately over the remaining assets within the application scope of IAS 36. If the reason for the recorded impairment no longer applies, a reversal of impairment loss is recorded to the maximum amount of the amortised costs. There is no reversal of an impairment loss for goodwill.

The recoverable amount is primarily calculated using the discounted cash flow method. For determining the fair value less costs to sell and value in use, the expected cash flows are based on corporate planning data. Expected cash flows are discounted using an interest rate in line with market conditions. As part of the fair value determination less cost to sell, no special synergies of cash-generating units are taken into account, and corporate planning data is adjusted to the assumptions of market participants, if required. Moreover, there is a difference between the fair value less costs to sell and the value in use because the costs to sell are also taken into account.

Trademarks with an indefinite useful life are subjected to an impairment test based on the relief from royalty-method during the financial year or when the occasion arises. If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the relief from royalty-method, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined.

See chapter 11 for further details, in particular regarding the assumptions used for the calculation.

BORROWINGS, OTHER FINANCIAL LIABILITIES AND OTHER LIABILITIES

In general, these items are recognised at fair value, taking into account transaction costs, and subsequently recognised at amortised cost. Non-interest or low-interest-bearing liabilities with a term of at least one year are recognised at present value, taking into account an interest rate in line with market conditions, and are compounded until their maturity at their repayment amount.

The "trading" business model is used for financial liabilities in the form of derivatives without a hedge relationship. These are valued at fair value through profit or loss (FVPL).

Current borrowings also include those long-term loans that have a maximum residual term of up to one year.

PUMA offers its suppliers a supplier financing programme. This is reverse factoring, the financing conditions of which are also linked to the achievement of sustainability targets by the suppliers in most cases. Participation in the programme is voluntary for the suppliers and helps them to already pre-finance the supplier invoices to PUMA from one of the partner banks against an interest discount significantly before the customary payment date. PUMA is not affected by the participation of the suppliers in the supplier financing programme (in particular no changes to the payment terms, no changes to the payment methods and/or no changes to the original contractual conditions). Accordingly, the liabilities are recognised in the balance sheet as trade payables, and cash outflows are allocated to the cash inflow from operating activities in the cash flow statement.

PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

In addition to defined benefit plans, some companies apply defined contribution plans, which do not result in any additional pension commitment other than the current contributions. The pension provision under defined benefit plans is generally calculated using the projected unit credit method. This method takes into account not only known pension benefits and pension rights accrued as of the reporting date, but also expected future salary and pension increases. The defined benefit obligation (DBO) is calculated by discounting expected future cash outflows at the rate of return on senior, fixed-rate corporate bonds. The currencies and maturity periods of the underlying corporate bonds are consistent with the currencies and maturity periods of the obligations to be satisfied. In some of the plans, the obligation is accompanied by a plan asset. In that case, the pension provision shown is reduced by the plan asset.

Details regarding the assumed life expectancy, the mortality tables used and other assumptions are shown in chapter 15.

OTHER PROVISIONS

Provisions for the expected expenses from warranty obligations pursuant to the respective national sales contract laws are recognised at the time of sale of the relevant products, according to the best estimate in relation to the expenditure needed in order to fulfil the Group's obligation.

Provisions are also made to account for onerous contracts. An onerous contract is assumed to exist where the unavoidable costs for fulfilling the contract exceed the economic benefit arising from this contract.

MANAGEMENT INCENTIVE PROGRAMMES

PUMA uses cash-settled share-based payments, share-based payments settled in cash or equities, and key performance indicator-based long-term incentive programmes. The share-based payments settled in cash or equities are accounted for in the same way as cash-settled share-based payments.

Detailed information on the management incentive programmes is presented in Chapter 18.

RECOGNITION OF SALES

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. Amounts collected on behalf of third parties (such as VAT) are not included in sales. The Group records sales at the time when PUMA fulfils its performance obligation to customers and has transferred the right of disposal over the product to customers.

The Group sells footwear, apparel and accessories both to wholesalers and directly to customers through its own retail activities and online sales channels. Meanwhile, the sales-related warranty services cannot be purchased separately and do not lead to services that go beyond the assurance of the specifications at the time of the transfer of risk. Accordingly, the Group records warranties in the balance sheet in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets".

In the case of sales of products to wholesalers, the sales revenue is recorded at the date on which the right of disposal over the products is transferred to customers, in other words, when the products have been shipped to the specific location of the wholesaler (delivery). After delivery, the wholesaler bears the inventory risk and has full right of disposal over the manner and means of distribution and the selling price of the products. In the case of sales to end customers in the Group's own retail stores, the sales are recorded at the date when the right of disposal over the products is transferred to the end customer, in other words, the date on which the end customer buys the products in the retail store. The payment of the purchase price is due as soon as the customers purchase the products. In the case of sales of goods through our own online sales channels, sales are realised when the end customers have accepted the goods and the power of disposal over the goods has been passed to the end customer. The payment terms applied correspond to the standard industry payment terms for each country.

Under certain conditions and according to the contractual stipulations, customers have the option to exchange products or return them for a credit. The amount of the expected returns is estimated on the basis of past experience and is deducted from sales in the form of a liability based on refund obligations. The asset value of the right arising from the product return claim is recorded under inventories and leads to a corresponding reduction of cost of sales.

ROYALTY AND COMMISSION INCOME

The Group recognises license and commission income from the out-licensing of trademark rights to third parties in accordance with IFRS 15 Revenue from contracts with customers. Income from royalties is recognised in the income statement in accordance with the invoices to be submitted by the licensees. In certain cases, values must be estimated in order to permit accounting on an accrual basis. Commission income is invoiced if the underlying purchase transaction is classified as realised.

ADVERTISING AND PROMOTIONAL EXPENSES

Advertising expenses are recognised in the income statement at the time they are incurred. In general, promotional expenses stretching over several years are recognised as an expense over the contractual term on an accrual basis. Any expenditure surplus exceeding the economic benefit that results from this allocation of expenses after the balance sheet date is recognised in the financial statements in the form of an impairment of assets and, if necessary, a provision for anticipated losses. If promotional and advertising contracts provide for additional payments when predefined targets are achieved (e.g. medals, championships), which cannot be predicted exactly in terms of time and amount, they are recognised in full in profit or loss at the relevant date.

FINANCIAL RESULT

The financial result includes interest income from financial investments and interest expenses from loans, along with interest income and expenses in connection with derivative financial instruments. Financial results also include interest expenses from lease liabilities as well as discounted, non-current liabilities associated with acquisitions and those arising from the valuation of pension commitments, in addition to interest income from finance leases.

Exchange rate effects that can be directly allocated to an underlying transaction are shown in the respective income statement item.

INCOME TAXES

Current income taxes are determined in accordance with the tax regulations of the respective countries where the individual Group companies conduct their operations.

PUMA management regularly assesses individual tax issues to determine whether there is scope for interpretation in view of existing tax regulations. If appropriate, these issues are taken into account in income tax liabilities or deferred taxes. The income tax assessment is generally carried out at the level of the individual case, taking into account any possible interactions. Appropriate balance sheet provisions have been made for potential risks from uncertain tax positions, taking into account IFRIC 23.

DEFERRED TAXES

Deferred taxes resulting from temporary valuation differences between the IFRS and tax balance sheets of individual Group companies and from consolidation procedures, which are levied by the same taxation authority and can be netted, are charged to each taxable entity and recognised either as deferred tax assets or deferred tax liabilities.

Deferred tax assets may also include claims for tax reductions that result from the expected utilisation of existing losses carried forward to subsequent years and which is likely to materialise. Deferred tax assets or liabilities may also result from accounting treatments that do not affect the income statement.

Deferred tax assets are recognised only to the extent that the respective tax advantage is likely to materialise.

ESTIMATION UNCERTAINTY

The preparation of the consolidated financial statements requires some assumptions and estimates that have an impact on the measurement and presentation of the recognised assets and liabilities, income and expenses, and contingent liabilities. The assumptions and estimates are based on premises, which in turn are based on currently available information. In individual cases, the actual values may deviate from the assumptions and estimates made. Consequently, future periods involve a risk of adjustment to the carrying amount of the assets and liabilities concerned. If the actual development differs from the expectation, the premises and, if necessary, the carrying amounts of the relevant assets and liabilities are adjusted with an effect on profit or loss.

All assumptions and estimates are continuously reassessed. They are based on historical experiences and other factors, including expectations regarding future global and industry-related trends that appear reasonable under the current circumstances. Assumptions and estimates mainly relate to the valuation of goodwill and trademarks, inventories, liabilities from refund obligations, taxes and leases in which PUMA is the lessee. The most significant forward-looking assumptions and sources of estimation and uncertainty as of the reporting date concerning the above-mentioned items are discussed below.

Goodwill and brands

A review of the impairment of goodwill is based on the calculation of the value in use as a leading valuation concept. In order to calculate the value in use, the Group must estimate the future cash flows from those cash-generating units to which the goodwill is allocated. To this end, the data used were from the three-year plan, which is based on forecasts of the overall economic development and the resulting industry-specific consumer behaviour. Another key assumption concerns the determination of an appropriate interest rate for discounting the cash flow to present value (discounted cash flow method). The relief from royalty-method is used to value brands. See chapter 11 for further details, in particular regarding the assumptions used for the calculation.

Inventories

Inventories are measured at acquisition or manufacturing cost or at the lower net realisable values derived from the selling price at the balance sheet date. Value adjustments are adequately recorded, depending on age, seasonality and realisable market prices. Further details on the inventory valuation are provided in chapter 4.

Liabilities from refund obligations

The Group recognises sales from the sale of sporting goods. The sales are measured at fair value of the consideration to which the Group expects to be entitled from the contract with customers, taking into account returns, discounts and rebates. As customers have the opportunity to exchange goods under certain conditions and in accordance with the contractual agreements, the amount of expected return deliveries is estimated on the basis of experience. The accrual of sales takes place via the liability from refund obligations.

Taxes

Tax items are determined taking into account the various prevailing local tax laws and the relevant administrative opinions and, due to their complexity, may be subject to different interpretations by persons subject to tax on the one hand and the tax authorities on the other hand. Differing interpretations of tax laws may result in subsequent tax payments for past years; these are included based on the assessment of the management, using the most probable amount or the expected value for the individual case.

The recognition of deferred taxes requires that estimates and assumptions be made concerning future tax planning strategies as well as expected dates of occurrence and the amount of future taxable income. The taxable income from the relevant corporate planning is derived for this assessment. It takes into account the past financial position and the business development expected in the future. Deferred tax assets are recorded in the event of companies incurring a loss only if it is highly probable that future positive results will be achieved. See Chapter 8 for further information.

PUMA as lessee

The measurement of lease liabilities under leases in which PUMA is the lessee is based on assumptions for the discount rates used, the lease term and the determination of fixed lease payments. To determine the present value of future minimum lease payments, PUMA uses country- and currency-specific interest rates on borrowings with compatible terms. In addition to the basic lease period, the Group includes extension options in the determination of the lease term if management is sufficiently certain that such options will be exercised after taking into account all facts and circumstances. The fixed lease payments also include firmly agreed upon minimum amounts for agreements with a predominantly variable lease amount.

DISCRETIONARY DECISIONS

The preparation of the consolidated financial statements requires discretionary decisions relating to the application of accounting methods and the amounts of assets, liabilities, income and expenses reported. Information on the application of accounting policies that have the most material impact on the amounts recorded in the financial statements can be found in the following notes:

Evaluation of the control of companies with non-controlling interests

The determination as to whether the Group controls the companies with non-controlling interests is presented in chapter 28, Information on non-controlling interests.

PUMA as lessee

The accounting for leases in which PUMA is the lessee includes discretionary decisions, in particular in relation to the term of the lease agreements with regard to determining whether the exercise of extension options is sufficiently certain.

Some real estate leases contain extension options that can only be exercised by PUMA and not by the lessor. If possible, the Group seeks to include extension options when concluding new leases in order to ensure operational flexibility. On the date of provision, the Group assesses whether it is sufficiently certain that the extension options will be exercised. The assessment is carried out individually for each contract and takes into account the amount of the company's own investments and the possibility of changing macroeconomic conditions in the future. If significant events or significant changes occur during the term of the contract that are within PUMA's control, it will be reassessed as to whether it is sufficiently certain that the extension option will be exercised.

Significant discretionary decisions are made in the subsequent valuation of rights of use for retail stores in the context of assessing the existence of an impairment and determining the impairment requirement. Among other things, assumptions are made about the duration of the lease, the future economic development and profitability of the retail stores, and also the underlying interest rate.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

3. CASH AND CASH EQUIVALENTS

As of 31 December 2023, the Group has €552.9 million (previous year: €463.1 million) in cash and cash equivalents. This includes bank balances, including short-term financial investments with an original term of up to three months. The average effective interest rate of the financial investments was 1.1% (previous year: 1.7%) for countries without hyperinflation. In countries with hyperinflation, the average effective interest rate of financial investments was 40.9% (previous year: 33.4%). Due to currency exchange controls, transfer restrictions of €45.6 million (previous year: €93.3 million) were placed on the cash and cash equivalents reported.

4. INVENTORIES

Inventories are allocated to the following main groups:

T.11 INVENTORIES (in € million)

	2023	2022
Goods/inventory and finished goods		
Footwear	625.9	750.2
Apparel	420.8	519.0
Accessories/Other	216.0	266.4
Raw materials, consumables and supplies	34.9	46.8
Prepayments made	2.9	3.2
Goods in transit	458.7	592.6
Inventory adjustments related to returns	45.2	66.9
Total	1,804.4	2,245.1

The raw materials, consumables and supplies mainly relate to raw materials for the production of golf clubs and footwear.

The table shows the carrying amounts of the inventories net of value adjustments. Of the value adjustments in the amount of €157.1 million (previous year: €217.0 million) approx. 64.3% (previous year: approx. 67.5%) were recognised as an expense under cost of sales in financial year 2023. The volume of inventories recorded as an expense during the period mainly includes the cost of sales shown in the consolidated income statement.

The inventory adjustments related to returns represents the historical acquisition or production costs of the inventories for which a return is expected.

5. TRADE RECEIVABLES

The trade receivables are broken down as follows:

T.12 TRADE RECEIVABLES (in € million)

	2023	2022
Trade receivables, gross	1,183.4	1,122.8
Less provision for risks	-65.0	-57.9
Trade receivables, net	1,118.4	1,064.9

The change in the provision for risks for financial assets in the "trade receivables" class measured at amortised cost relates to receivables in connection with revenues from contracts with customers and has developed as follows:

T.13 CHANGE OF RISK PROVISIONS FOR TRADE RECEIVABLES (in € million)

	2023	**2022**
Status of provision for risks as of 1 January	57.9	58.7
Exchange rate differences	-1.6	0.4
Additions	26.7	20.3
Utilization	-3.8	-5.6
Reversals of unused provision for risks	-14.3	-15.8
Status of provision for risks as of 31 December	65.0	57.9

The age structure of the trade receivables is as follows:

T.14 AGE STRUCTURE 2023 (in € million)

			overdue			
2023	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Gross carrying amount – Trade receivables	1,183.4	952.3	92.4	83.4	14.1	41.4
Provision for risks	-65.0	-16.4	-4.0	-8.2	-4.5	-31.9
Net carrying amount – Trade receivables	1,118.4	935.8	88.4	75.2	9.6	9.5
Expected loss rate		1.7%	4.3%	9.8%	32.0%	77.1%

T.15 AGE STRUCTURE 2022 (in € million)

			overdue			
2022	**Total**	**Not due**	**0–30 days**	**31–90 days**	**90–180 days**	**Over 180 days**
Gross carrying amount – Trade receivables	1,122.8	986.7	58.5	26.4	11.6	39.7
Provision for risks	-57.9	-21.2	-3.7	-2.7	-2.7	-27.6
Net carrying amount – Trade receivables	1,064.9	965.5	54.8	23.7	8.9	12.1
Expected loss rate		2.1%	6.3%	10.2%	23.6%	69.6%

With respect to the net carrying amounts of trade receivables, PUMA assumes that the debtors will satisfy their payment obligations or that, in the event of a default, the net carrying amount will be covered by existing credit insurance. There are no significant risk concentrations as the customer base is very broad and there are no correlations.

6. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets are broken down as follows:

T.16 OTHER CURRENT FINANCIAL ASSETS (in € million)

	2023	**2022**
Fair value of derivative financial instruments	34.5	115.9
Lease receivables	14.9	0.0
Other financial assets	45.6	21.6
Total	94.9	137.4

The amount shown is due within one year. The fair value corresponds to the carrying amount.

7. OTHER CURRENT ASSETS

Other current assets are broken down as follows:

T.17 OTHER CURRENT ASSETS (in € million)

	2023	**2022**
Prepaid expense relating to the subsequent period	98.3	86.2
Other receivables	172.1	149.8
Total	270.4	235.9

The amount shown is due within one year. The fair value corresponds to the carrying amount.

Other receivables mainly comprise receivables relating to VAT of €98.9 million (previous year: €97.9 million) and other taxes of €25.6 million (previous year: €30.3 million).

8. DEFERRED TAXES

Deferred taxes relate to the items shown below:

T.18 DEFERRED TAXES[1] (in € million)

	2023	**2022**
Tax loss carryforwards	76.9	57.5
Inventories	74.5	90.8
Remaining current assets	13.5	13.5
Non-current assets	56.3	37.6
Lease liabilities (current and non-current)	290.8	289.6
Provisions and other liabilities	118.1	142.6
Deferred tax assets (before netting)	630.1	631.6
Current assets	17.4	37.6
Intangible assets	42.1	44.1
Right-of-use assets	258.2	260.5
Remaining non-current assets	24.6	32.4
Provisions and other liabilities	4.1	4.0
Deferred tax liabilities (before netting)	346.4	378.5
Deferred tax assets, net	283.7	253.1

1 In order to better provide decision-relevant information, the data – including the previous year's figures – has been adjusted.

As of 31 December 2023, tax losses carried forward amounted to a total of €447.9 million (previous year: €360.7 million). Deferred tax assets were recognised for these items in the amount at which the associated tax advantages are likely to be realised in the form of future profits for income tax purposes. In financial year 2023, no deferred tax items were recognised for the losses carried forward in the amount of €102.9 million (previous year: €93.5 million), of which €94.5 million (previous year: €88.2 million) are vested. The remaining tax losses carried forward, for which no deferred tax items were recognised, in the amount of €8.3 million (previous year: €5.3 million) will expire within the next six years[1].

In addition, no deferred tax items were recognised for temporary differences in the amount of €27.0 million (previous year: €22.6 million) because they were not expected to be realised as of the balance sheet date.

For Group companies that achieved a negative tax result in this or the previous financial year, a total of deferred tax assets in the amount of €157.1 million were recognised after deduction of any deferred tax liabilities (previous year: €70.0 million) as sufficiently positive tax results can be expected in the future on the basis of the relevant projections.

No deferred taxes on retained profits at subsidiaries were recognised where these gains are to be reinvested on an ongoing basis and there is no intention to make a distribution in this respect.

1 In order to better provide decision-relevant information, the data – including the previous year's figures – has been adjusted.

Deferred tax assets and liabilities are netted if they relate to a taxable entity and can in fact be netted. Accordingly, they are shown in the balance sheet as follows:

T.19 DEFERRED TAX ASSETS AND LIABILITIES (in € million)

	2023	**2022**
Deferred tax assets	296.1	295.0
Deferred tax liabilities	12.4	42.0
Deferred tax assets, net	283.7	253.1

The changes in deferred tax assets (net) were as follows:

T.20 MOVEMENT OF DEFERRED TAXES (in € million)

	2023	**2022**
Deferred tax assets, net as of 1 January	253.1	231.1
Recognition in the income statement	22.8	25.1
Adjustment related to remeasurements of the net defined benefit liability, recognised in other comprehensive income	0.2	-2.5
Adjustment related to the market value of hedging contracts, recognised in other comprehensive income	10.1	-0.7
Currency exchange effects	-2.5	0.0
Deferred tax assets, net as of 31 December	283.7	253.1

9. PROPERTY, PLANT AND EQUIPMENT

The development of property, plant and equipment is shown in the following tables:

T.21 MOVEMENTS PROPERTY, PLANT & EQUIPMENT 2023 (in € million)

	Real Estate	Technical equipment and machines	Other equipment, factory and office equipment	Payments on account and assets under construction	Total
Purchase costs as of 1 January 2023	175.2	170.8	706.2	75.1	1,127.3
Additions	23.9	16.6	118.4	66.5	225.4
Disposals	-4.8	-0.4	-41.0	-2.8	-49.0
Transfers	0.1	39.7	2.2	-42.3	-0.4
Currency changes	-5.0	-4.1	-32.6	-1.8	-43.4
As of 31 December 2023	189.5	222.5	753.2	94.8	1,260.0
Accumulated depreciation as of 1 January 2023	-54.5	-37.3	-443.2	-0.1	-535.2
Depreciation	-6.2	-15.0	-84.4	0.0	-105.7
Disposals	3.5	0.4	38.6	0.0	42.5
Transfers	0.0	-0.3	-0.0	0.0	-0.3
Currency changes	1.2	2.5	20.3	0.1	24.2
As of 31 December 2023	-56.0	-49.7	-468.7	0.0	-574.4
Net carrying amount as of 31 December 2023	133.5	172.8	284.6	94.8	685.6

T.22 MOVEMENTS PROPERTY, PLANT & EQUIPMENT 2022 (in € million)

	Real Estate	Technical equipment and machines	Other equipment, factory and office equipment	Payments on account and assets under construction	Total
Purchase costs as of 1 January 2022	168.6	145.2	574.1	42.1	930.0
Additions	0.9	6.8	112.7	79.5	199.9
Disposals	-0.2	-0.5	-45.0	-2.4	-48.1
Transfers	-4.2	12.8	44.9	-44.8	8.5
Currency changes	10.1	6.5	19.6	0.8	37.0
As of 31 December 2022	175.2	170.8	706.2	75.1	1,127.3
Accumulated depreciation as of 1 January 2022	-47.0	-19.5	-391.1	0.0	-457.6
Depreciation	-6.0	-9.0	-78.7	0.0	-93.7
Disposals	0.1	0.4	43.6	0.0	44.2
Transfers	0.1	-4.1	-0.0	-0.1	-4.2
Impairment	0.0	0.0	-0.6	0.0	-0.6
Currency changes	-1.7	-5.2	-16.4	0.0	-23.2
As of 31 December 2022	-54.5	-37.3	-443.2	-0.1	-535.2
Net carrying amount as of 31 December 2022	120.7	133.5	263.1	75.0	592.2

Investment properties are included under real estate within property, plant and equipment with a carrying amount of €21.1 million (previous year: €0.0 million) as of 31 December 2023. The fair value of investment properties as of 31 December 2023 is €23.3 million (previous year: €0.0 million). This was determined by external, independent experts who have relevant professional qualifications and current experience with the location and type of properties to be valued. The fair value was determined on the basis of the market-comparative approach, which reflects the most recent transaction prices for similar properties.

The rental income generated by the Group from investment properties amounted to €0.6 million in the financial year (previous year: €0.0 million). Direct operating expenses for investment properties, which generated rental income in the financial year, amounted to €0.0 million (previous year: €0.0 million).

10. LEASES

PUMA AS LESSEE

The Group rents and leases offices, warehouses, facilities, technical equipment and machinery, motor vehicles and sales rooms for its own retail business. As a rule, the lease agreements have a term of between one and fifteen years. Some agreements include renewal options and price adjustment clauses.

The carrying amounts for right-of-use assets recognised in the balance sheet relate to the following asset classes:

T.23 RIGHT-OF-USE ASSETS 2023 (in € million)

	Real Estate – Retail stores	Real Estate – Warehouses & offices	Others (technical equipment and machines and vehicles)	Total
Depreciation	107.1	89.7	12.2	209.0
Additions	174.1	71.9	14.3	260.3
Net carrying amount as of 31 December 2023	464.2	557.7	65.7	1,087.7

T.24 RIGHT-OF-USE ASSETS 2022 (in € million)

	Real Estate – Retail stores	Real Estate – Warehouses & offices	Others (technical equipment and machines and vehicles)	Total
Depreciation	110.1	82.1	10.6	202.8
Additions	187.1	188.8	29.5	405.4
Net carrying amount as of 31 December 2022	430.9	613.1	67.3	1,111.3

The following lease liabilities result:

T.25 LEASE LIABILITIES (in € million)

	2023	2022
Current lease liabilities	212.4	200.2
Non-current lease liabilities	1,020.0	1,030.3
Total	1,232.4	1,230.4

The amounts recognised in the income statement are as follows:

T.26 RECOGNISED IN INCOME STATEMENT (in € million)

	2023	**2022**
Depreciation of right-of-use assets incl. impairment losses and reversal of impairment losses (included in operating expenses)	202.8	228.1
Interest expense (included in financial expenses)	46.8	38.6
Expenses short-term leases (included in operating expenses)	11.3	10.1
Expenses leases of low-value assets (included in operating expenses)	1.2	1.0
Expenses variable lease payments (included in operating expenses)	35.4	29.7
Total	297.5	307.6

Variable lease payments are incurred in connection with the Group's own retail stores. These are based on the sales amount and are therefore dependent on the overall economic development.

Total cash outflows from lease liabilities in 2023 amounted to €254.8 million (previous year: €228.7 million).

Due to reduced earnings prospects based on updated financial planning and estimates as well as retail store closures, impairment expenses in the total amount of €5.7 million were recorded for the right of use of assets in connection with PUMA's own retail stores in financial year 2023 (previous year: €25.4 million). To determine the impairment, the recoverable amount was calculated for the individual retail stores. This amounted to €65.3 million for impaired retail stores (previous year: €111.4 million). In the financial year, impairment reversals in the amount of €11.9 million (previous year: €0.0 million) were recorded for retail stores. There were no impairment losses or impairment reversals in the other categories of right-of-use assets.

In 2023, PUMA entered into lease agreements that had not yet commenced by year-end. As a result, no lease liabilities and corresponding right-of-use assets had been recognised as of 31 December 2023. Future lease payments in connection with these agreements amount to €2.0 million (previous year: €2.6 million) for the next year, €28.2 million for years two to five (previous year: €13.7 million) and €48.5 million for the subsequent period (previous year: €8.7 million). The lease terms for these are up to 15 years.

The maturity analysis of lease liabilities is as follows:

T.27 MATURITY ANALYSIS OF LEASE LIABILITIES (in € million)

	2023	**2022**
Due within one year	255.8	234.0
Due between one and five years	679.6	665.3
Due after five years	510.4	541.2
Total (undiscounted)	1,445.8	1,440.6
Interest expense (not yet realised)	-213.4	-210.2
Total	1,232.4	1,230.4

PUMA AS LESSOR

PUMA rents out properties owned and leased as a lessor. From the lessor's point of view, these (sub)leases are classified as operating or finance leases. In the previous year, PUMA did not rent out any properties.

The net investments from finance leases are shown as receivables in the balance sheet and are reduced by the repayment portion included in the lease payment. The interest portion included in the lease payment is reported as interest income in the financial result.

The maturities of the existing receivables on lease payments against third parties classified as finance leases are as follows:

T.28 MATURITY ANALYSIS OF LEASE RECEIVABLES (in € million)

	2023
Due within one year	16.8
Due between one and five years	24.8
Due after five years	4.5
Total (undiscounted)	46.1
Interest income (not yet realised)	-5.4
Provision for risks	-0.5
Total	40.2

The following income was recognised in the income statement in connection with leases:

T.29 RECOGNISED IN INCOME STATEMENT (in € million)

	2023
Operating leases	
Fixed rental income	1.0
Finance leases	
Variable rental income	0.4
Total rental income (included in other operating income)	1.4
Selling profit (included in other operating income)	8.0
Interest income (included in financial income)	1.2

Future lease payments from operating leases for the coming year amount to €1.6 million (previous year: €0.0 million) and to €5.1 million for years two to five (previous year: €0.0 million).

11. INTANGIBLE ASSETS

Intangible Assets mainly include goodwill, intangible assets with indefinite useful lives (e.g. brands), assets associated with the Company's own retail activities and software licenses.

The development of intangible assets is shown in the following table:

T.30 MOVEMENTS INTANGIBLE ASSETS 2023 (in € million)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Purchase costs as of 1 January 2023	289.3	151.0	341.0	781.2
Additions	0.0	0.0	74.2	74.2
Disposals	0.0	0.0	-16.8	-16.8
Transfers	0.0	0.0	0.6	0.6
Currency changes	-4.0	-4.6	-1.5	-10.1
As of 31 December 2023	285.3	146.3	397.5	829.1
Accumulated depreciation as of 1 January 2023	-46.6	-17.6	-210.5	-274.7
Depreciation	0.0	0.0	-37.0	-37.0
Disposals	0.0	0.0	11.9	11.9
Transfers	0.0	0.0	-0.1	-0.1
Currency changes	0.4	0.0	1.3	1.6
As of 31 December 2023	-46.3	-17.6	-234.5	-298.2
Net carrying amount as of 31 December 2023	239.0	128.7	163.0	530.8

T.31 MOVEMENTS INTANGIBLE ASSETS 2022 (in € million)

	Goodwill	Intangible assets with an indefinite useful life	Other intangible assets	Total
Purchase costs as of 1 January 2022	291.5	143.2	276.6	711.4
Additions	0.0	0.0	64.0	64.0
Disposals	0.0	0.0	-2.4	-2.4
Transfers	0.0	0.0	1.3	1.3
Currency changes	-2.2	7.8	1.4	6.9
As of 31 December 2022	289.3	151.0	341.0	781.2
Accumulated depreciation as of 1 January 2022	-46.8	-17.6	-175.1	-239.5
Depreciation	0.0	0.0	-36.3	-36.3
Disposals	0.0	0.0	2.2	2.2
Transfers	0.0	0.0	-0.2	-0.2
Currency changes	0.2	0.0	-1.1	-1.0
As of 31 December 2022	-46.6	-17.6	-210.5	-274.7
Net carrying amount as of 31 December 2022	242.7	133.4	130.4	506.5

The item Other intangible assets includes advance payments in the amount of €21.6 million (previous year: €5.6 million).

The current amortisation of intangible assets in the amount of €37.0 million (previous year: €36.3 million) is included in the other operating expenses. Of this, €11.5 million relate to sales and distribution expenses (previous year: €7.7 million), €0.1 million to expenses for product management/merchandising (previous year: €0.1 million), €0.0 to development expenses (previous year: €1.9 million), and €25.3 million to administrative and general expenses (previous year: €26.5 million).

INFORMATION ON PLANNING ASSUMPTIONS FOR IMPAIRMENT TESTS

Goodwill and intangible assets with indefinite useful lives are not amortised according to schedule. Impairment tests with regard to goodwill were performed in the past financial year using the discounted cash flow method. The data from the three-year plan for the respective cash-generating unit or group of cash-generating units was used as a basis for this. Planning on the level of the cash-generating units was thereby derived from the PUMA Group's three-year plan. The following key assumptions have been made for the PUMA Group plans:

Based on the basic assumptions regarding overall economic development, planning at Group level assumes that geopolitical tensions will not increase any further. Under these conditions, we expect our business to continue to grow profitably.

Planned sales growth is based on the good future growth prospects in the sporting goods industry and on market share gains by PUMA. This is to be achieved, in particular, via the continued consistent implementation of the Forever Faster corporate strategy and the increase in PUMA's brand heat.

The improvement in EBIT margin in the planning period is the result of a slight increase in gross profit margin due to, for example, a higher share of own retail sales as a result of above-average growth of the e-commerce distribution channel. Furthermore, the slightly weaker percentage increase of other operating income and expenses compared to sales growth is also expected to contribute to the improvement of the EBIT margin; for example, the operating requirements for planned sales growth over the coming years have essentially been met, meaning that economies of scale can be realised.

The planning of investments and working capital is based on historical experience and is carried out in accordance with strategic objectives.

The future tax payments are based on current tax rates in the respective country.

For periods beyond the three-year plan, an annual growth rate is determined and used to forecast future cash flows beyond the three-year period. The assumed growth rate is based on long-term expectations of inflation rates and does not exceed the long-term average growth rates for the business area in which the respective cash-generating unit, or group of cash-generating units, operates.

The recoverable amount for the respective cash-generating unit or group of cash-generating units was determined on the basis of the value-in-use. This did not result in impairment losses for any cash-generating units.

INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

In connection with the Golf business unit (CPG – Cobra PUMA Golf), the Cobra brand exists as an intangible asset with an indefinite useful life amounting to €128.7 million (previous year: €133.4 million). The carrying amount of the Cobra brand is significant in comparison to the overall carrying amount of the intangible assets with an indefinite useful life. It was assigned to the North America business segment, where the headquarters of Cobra PUMA Golf is located. The recoverable amount of the Cobra brand was determined using the relief from royalty-method (level 3 – see explanation in chapter 14). A discount rate of 10.6% p.a. (previous year: 9.4% p.a.), a royalty rate of 6.0% (previous year: 8.0%) and a sustainable 2.0% growth rate (previous year: 2.0%) was used. Cobra or CPG's three-year plan shows average revenue growth in the high single-digit percentage range. The Management's key assumptions about improvement in the EBIT margin in Cobra's or CPG's three-year plan are essentially in line with the fundamental assumptions in the plans at Group level.

A reduction of the royalty rate to approximately 5.4% or a reduction of the average planned sales revenues by approx. 10.3% would not result in any impairment requirement for the Cobra brand, and the recoverable amount would correspond to the carrying amount.

If there is evidence that the underlying Cobra business is insufficiently profitable, the trademark is not only valued individually using the relief from royalty-method, but the recoverable amount of the cash-generating units to which the trademark is attributable is determined. In 2023, there were no indications of an impairment.

GOODWILL

Goodwill is allocated to the Group's identifiable groups of cash-generating units (CGUs) according to the countries where the activities are carried out. Summarised by regions, goodwill is allocated as follows:

T.32 COMPOSITION OF GOODWILL (in € million)

	2023	**2022**
PUMA UK	1.6	1.6
Genesis	7.0	6.9
Subtotal Europe	8.7	8.5
PUMA Canada	9.7	9.9
PUMA United NA	2.0	2.1
Subtotal North America	11.7	11.9
PUMA Argentina	15.8	16.4
PUMA Chile	0.5	0.5
PUMA Mexico	12.2	10.9
Subtotal Latin America	28.5	27.8
PUMA China	2.5	2.5
PUMA Taiwan	13.3	13.7
Subtotal Greater China	15.8	16.2
PUMA Japan	35.0	38.9
Subtotal Asia/Pacific (excluding Greater China)	35.0	38.9
stichd	139.4	139.4
Total	239.0	242.7

Assumptions used in conducting the impairment tests in 2023:

T.33 ASSUMPTIONS IMPAIRMENT TEST 2023

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
Europe	19.0%	13.3%	11.1%
North America*	26.2%	12.7%	10.3%
Latin America	27.0%–35.0%	16.5%–64.1%	12.1%–51.7%
Greater China	20.0%–25.0%	12.9%–14.0%	10.5%–11.2%
Asia/Pacific (excluding Greater China)*	38.1%	16.4%	10.5%
stichd*	25.0%	13.1%	10.2%

* The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

The tax rates used for the impairment test correspond to the actual tax rates in the respective countries. The weighted average cost of capital (WACC) was derived on the basis of the weighted average cost of total capital, taking into account a standard market capital structure (ratio of debt to equity) and including the most important listed competitors (peer group).

In addition, a growth rate of 2.0% (previous year: 2.0%) is generally assumed. A growth rate of less than 2.0% (previous year: less than 2.0%) was applied only in justified exceptional cases, where the long-term expectations on inflation rate for the country in which the cash-generating unit operates were lower than the assumed growth rate; this applies, in particular, to the UK, Japan and Taiwan.

The cash-generating unit stichd includes goodwill of €139.4 million (previous year: €139.4 million), which is significant in comparison to the overall carrying amount of goodwill. The recoverable amount was determined by a value-in-use calculation with a discount rate of 10.2% p.a. (previous year: 9.4% p.a.) and a growth rate of 2.0% (previous year: 2.0%). Stichd's three-year plan shows sales growth in the low double-digit percentage range. In the three-year plan for stichd, a lower improvement in the EBIT margin is expected compared to the Group, as the EBIT margin of stichd is already higher than for the Group as a whole.

The cash-generating unit PUMA Japan includes goodwill of €35.0 million (previous year: €38.9 million), which is significant in comparison to the overall carrying amount of goodwill. The recoverable amount was determined by a value-in-use calculation with a discount rate of 10.5% p.a. (previous year: 9.4% p.a.) and a growth rate of 1.2% (previous year: 1.0%). PUMA Japan's three-year plan shows sales growth in the high single-digit percentage range. PUMA Japan's three-year plan shows that the company expects a strong improvement in the EBIT margin and a return to the historical profitability level of PUMA Japan.

The following table contains the assumptions for the performance of the impairment test in the previous year:

T.34 ASSUMPTIONS IMPAIRMENT TEST 2022

	Tax rate (range)	WACC before tax (range)	WACC after tax (range)
Europe	19.0%	12.3%–12.4%	10.4%
North America*	26.2%	11.8%	9.1%
Latin America	27.0%–34.9%	14.8%–65.4%	11.2%–58.3%
Greater China	20.0%–25.0%	12.1%–13.5%	10.0%–10.6%
Asia/Pacific (excluding Greater China)*	38.1%	14.3%	9.4%
stichd*	25.0%	12.0%	9.4%

* The information for North America, Asia/Pacific (excluding Greater China) and stichd relates in each case to only one cash-generating unit (CGU)

12. OTHER NON-CURRENT ASSETS

Other non-current financial and non-financial assets consist of:

T.35 OTHER NON-CURRENT ASSETS (in € million)

	2023	**2022**
Investments	21.2	21.7
Fair value of derivative financial instruments	1.4	2.5
Lease receivables	25.3	0.0
Other financial assets	35.7	34.2
Total of other non-current financial assets	83.6	58.4
Other non-current non-financial assets	25.6	8.8
Other non-current assets, total	109.1	67.2

The investments relate to the 5.32% shareholding in Borussia Dortmund GmbH & Co. Kommanditgesell-schaft auf Aktien (BVB) with registered office in Dortmund, Germany. According to the audited IFRS consolidated financial statements 2022/2023 of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, equity as of 30 June 2023 amounted to €282.7 million and the result of the last financial year was €9.6 million.

Other financial assets mainly include rental deposits in the amount of €31.9 million (previous year: €29.8 million). The other non-current non-financial assets mainly include accruals and deferrals in connection with promotional and advertising agreements.

13. LIABILITIES

The residual terms of liabilities are as follows:

T.36 LIABILITIES (in € million)

	2023				2022			
		Residual term of				Residual term of		
	Total	up to 1 year	1 to 5 years	over 5 years	Total	up to 1 year	1 to 5 years	over 5 years
Borrowings	572.0	145.9	426.1	0.0	327.4	75.9	251.5	0.0
Trade payables	1,499.8	1,499.8	0.0	0.0	1,734.9	1,734.9	0.0	0.0
Other liabilities*			0.0					
Liabilities from other taxes	110.0	110.0	0.0	0.0	82.6	82.6	0.0	0.0
Liabilities relating to social security	10.6	10.6	0.0	0.0	10.0	10.0	0.0	0.0
Payables to employees	123.6	123.6	0.0	0.0	137.2	137.2	0.0	0.0
Liabilities from refund obligations	236.9	236.9	0.0	0.0	373.9	373.9	0.0	0.0
Liabilities from derivative financial instruments	58.2	47.7	10.5	0.0	52.4	39.5	12.9	0.0
Remaining other liabilities	45.4	43.2	2.0	0.2	54.0	51.6	2.0	0.3
Total	2,656.5	2,217.7	438.5	0.2	2,772.5	2,505.8	266.3	0.3

* The maturity analysis on lease liabilities is presented in chapter 10.

The liabilities from refund obligations result from contracts with customers and essentially comprise obligations from customer return rights.

14. FINANCIAL INSTRUMENTS

CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND ALLOCATION TO VALUATION CATEGORIES

T.37 CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS AND THEIR FAIR VALUE (in € million)

	Measurement categories under IFRS 9	Carrying amount 2023	Fair value 2023	Level 1	Level 2	Level 3	Carrying amount 2022	Fair value 2022	Level 1	Level 2	Level 3
Assets											
Cash and cash equivalents	[1]AC	552.9					463.1				
Trade receivables	AC	1,118.4					1,064.9				
Other current financial assets											
Derivatives – hedge accounting	n/a	22.8	22.8		22.8		56.1	56.1		56.1	
Derivatives – no hedge accounting	[2]FVPL	11.6	11.6		11.6		59.8	59.8		59.8	
Lease receivables	n/a	14.9					0.0				
Remaining current financial assets	AC	45.6					21.6				
Other non-current financial assets											
Derivatives – hedge accounting	n/a	1.4	1.4		1.4		2.5	2.5		2.5	
Investments	[3]FVOCI	21.2	21.2	21.2			21.7	21.7	21.7		
Lease receivables	n/a	25.3					0.0				
Remaining non-current financial assets	AC	35.7					34.2				
Liabilities											
Current borrowings											
Bank liabilities	AC	15.2					15.9				
Promissory note loans	AC	130.8	124.9		124.9		60.0	59.3		59.3	
Trade payables	AC	1,499.8					1,734.9				
Current lease liabilities	n/a	212.4					200.2				
Other current financial liabilities											
Derivatives – hedge accounting	n/a	22.6	22.6		22.6		23.6	23.6		23.6	
Derivatives – no hedge accounting	[2]FVPL	25.1	25.1		25.1		15.9	15.9		15.9	
Remaining current financial liabilities	AC	30.9					36.5				
Non-current borrowings (promissory note loans)	AC	426.1	427.4		427.4		251.5	239.5		239.5	
Non-current lease liabilities	n/a	1,020.0					1,030.3				
Other non-current financial liabilities											
Derivatives – hedge accounting	n/a	10.5	10.5		10.5		12.9	12.9		12.9	
Remaining non-current financial liabilities	AC	0.9					1.0				
Total financial assets at amortised cost		1,752.6					1,583.8				
Total financial liabilities at amortised cost		2,103.6					2,099.8				
Total financial assets at fair value through profit or loss		11.6					59.8				
Total financial liabilities at fair value through profit or loss		25.1					15.9				
Total financial assets at FVOCI		21.2					21.7				

1) AC = at amortised cost

2) FVPL = fair value through PL

3) FVOCI (fair value through OCI) = equity instruments at fair value through other comprehensive income

Financial instruments that are measured at fair value in the balance sheet were determined using the following hierarchy:

Level 1: Use of prices quoted on active markets for identical assets or liabilities.

Level 2: Use of input factors that do not involve the quoted prices stated under level 1, but can be observed for the asset or liability either directly (i.e. as the price) or indirectly (i.e. derived from the price).

Level 3: Use of factors for the valuation of the asset or liability that are based on non-observable market data.

Reclassification between different levels of the fair value hierarchy are recorded at the end of the reporting period in which the change occurred.

The fair value of the investments held for strategic reasons only refers to equity instruments of the category "fair value through OCI" (FVOCI) and is determined on the basis of level 1. The market values of the derivative assets and liabilities as well as the fair value of the promissory note loans were determined in accordance with level 2.

The following table shows the measurement techniques used for determining Level 2 fair values for financial instruments.

T.38 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – LEVEL 2

Type	Measurement technique	Material, non-observable input factors	Connection between material, non-observable input factors and fair value measurement
Currency forward transactions	The fair values are determined on the basis of current market parameters, i.e., reference prices observable on the market, taking into account forward premiums and discounts. The discounted result of the comparison of the forward price on the reporting date with the forward price of the valuation date is included in the measurement. The fair values are also checked for the counterparty's non-performance risk. In doing this, PUMA calculates credit value adjustments (CVA) or debt value adjustments (DVA) on the basis of an up/down method, taking current market information into account, in particular the creditworthiness of the company's business partners. No material deviations were found, so that no adjustments were made to the fair value determined.	Not applicable	Not applicable
Currency options	The valuation is based on Garman Kohlhagen model, an extended version of the Black Scholes model.	Not applicable	Not applicable
Promissory note loans	The valuation takes into account the cash value of expected payments, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable
Interest options	The valuation is based on the Black Scholes model.	Not applicable	Not applicable

Of the fair value of the derivatives with a hedge relationship with positive market values of €24.2 million (previous year: €58.6 million), €24.5 million (previous year: €65.9 million) related to the valuation of the spot component. Of the fair value of the derivatives with a hedge relationship with negative market values of €33.1 million (previous year: €36.5 million), €40.7 million (previous year: €46.9 million) related to the valuation of the spot component.

Cash and cash equivalents, trade receivables and other receivables have short maturities. Accordingly, as of the reporting date, the carrying amount approximates fair value. Receivables are stated at nominal value, taking into account deductions for default risk.

The fair values of other financial assets correspond to their carrying amount, as the interest calculation occurs at the prevailing market interest rates on the balance sheet date. Other (current and non-current) financial assets include €40.3 million (previous year: €37.8 million) that were pledged as rental deposits at usual market rates.

Trade payables have short residual maturities; their carrying amounts therefore approximate fair value.

The remaining financial liabilities have short residual maturities; the recognised amounts therefore approximate fair value.

NET RESULT BY VALUATION CATEGORIES

The following table shows the net result by valuation category:

T.39 NET GAINS/LOSSES FROM FINANCIAL INSTRUMENTS (in € million)

	2023	**2022**
Financial assets at amortised cost (AC)	5.8	26.0
Financial liabilities at amortised cost (AC)	-89.3	-7.1
Derivatives without hedging relationship measured at fair value through profit or loss (FVPL)	7.7	-47.6
Financial assets measured at fair value through other comprehensive income (FVOCI)	-0.5	-3.4

The net result was determined by taking into account interest income and expense, currency exchange effects, changes in provisions for risks as well as gains and losses from disposal. It also includes effects from the fair value measurement of derivatives without a hedging relationship.

The net result includes interest income of €36.6 million (previous year: €31.8 million) and interest expenses of €47.7 million (previous year: €15.2 million) according to the effective interest method.

General administrative expenses include changes in risk provisions for receivables.

DISCLOSURES RELATING TO FINANCIAL RISKS

The PUMA Group is exposed to the following risks from the use of financial instruments:

- Default risk
- Liquidity risk
- Market risk

These risks and the principles of risk management are explained below.

PRINCIPLES OF RISK MANAGEMENT

The Management Board of PUMA SE is responsible for developing and monitoring risk management in the PUMA Group. To this end, the Management Board has set up a Risk Management Committee that is responsible for designing, reviewing and adapting the risk management system. The Risk Management Committee regularly reports to the Management Board on its work.

The guidelines for the risk management system define the responsibilities, tasks and processes of the risk management system. The guidelines for the risk management system and the risk management system itself are reviewed regularly in order to be able to pick up on any changes in market conditions and PUMA's activities and incorporate them accordingly.

The Audit Committee, on the one hand, monitors the Management Board's compliance with the guidelines and the Group risk management processes. On the other hand, the Audit Committee monitors the effectiveness of the risk management system with regard to the risks to which the PUMA Group is exposed. The Internal Audit department supports the Audit Committee in its monitoring tasks. To this end, regular audits and ad hoc audits are also carried out by the Internal Audit department. Their results are reported directly to the Audit Committee.

DEFAULT RISK

Default risk is the risk of financial losses if a customer or party to a financial instrument fails to meet its contractual obligations. Default risk arises in principle from trade receivables and from other contractual financial obligations of the counterparty, such as bank deposits and derivative financial instruments.

Without taking into account any existing credit insurance policies or other guarantees received, the maximum default risk is equal to the carrying amount of the financial assets.

At the end of financial year 2023, there was no relevant concentration of default risk by customer type or region. Default risk is mainly influenced by individual customer characteristics. In accordance with our credit guidelines, new customers are checked for creditworthiness before we offer them our regular payment and delivery terms. In addition, we set specific receivables limits for each customer. In particular, the international credit insurance programme that PUMA has concluded for all major subsidiaries contributes to risk mitigation. The creditworthiness of our customers and the limits on receivables are monitored on an ongoing basis, which also includes requests for individual credit limits from credit insurance providers for all customers who have external accounts that exceed a certain value limit. The credit insurer's response to such credit limit requests always includes information on the creditworthiness. Customers with a credit rating that does not meet the minimum requirements set may, as a rule, only acquire products against advance payment.

Further activities to reduce default risk include retention of title clauses, and also in individual cases the selective sale of trade receivables (without recourse) and the obtaining of bank guarantees or parent company guarantees for our customers.

At the end of the financial year 2023, no individual customers accounted for more than 10% of trade receivables.

The central Treasury department has a comprehensive overview of the banks involved in currency hedging instruments and the management of cash and cash equivalents. Business with banks is focused on core banks with the appropriate credit rating (currently a minimum rating of BBB+ or better), while maximum risk amounts are specified for banks that have also been engaged in addition to this. The counterparty risks resulting from this are reviewed at least once every six months.

PUMA held derivative financial instruments with a positive market value of €35.8 million in 2023 (previous year: €118.3 million). The maximum default risk for an individual bank from such assets amounted to €7.5 million (previous year: €24.8 million).

In accordance with IFRS 7, the following table contains further information on the offsetting options for derivative financial assets and liabilities. Most agreements between financial institutions and PUMA include a mutual right to offsetting; the right to offsetting is only enforceable in the event of the default of a business partner. Therefore, the criteria for offsetting in the balance sheet are not met.

The carrying amounts of the derivative financial instruments affected by the aforementioned offsetting agreements are shown in the following table:

T.40 OFFSETTING POSSIBILITIES OF DERIVATIVE FINANCIAL INSTRUMENTS (in € million)

	2023	**2022**
Assets		
Gross amounts of financial assets recognised in the balance sheet	35.8	118.3
Financial instruments that qualify for offsetting	0.0	0.0
= Net book value of financial assets	35.8	118.3
Offsettable on the basis of framework agreements	-34.5	-50.6
Total net value of financial assets	1.3	67.7

	2023	**2022**
Liabilities		
Gross amounts of financial liabilities recognised in the balance sheet	58.2	52.4
Financial instruments that qualify for offsetting	0.0	0.0
= Net book value of financial liabilities	58.2	52.4
Offsettable on the basis of framework agreements	-34.5	-50.6
Total net value of financial liabilities	23.7	1.8

LIQUIDITY RISK

Liquidity risk is the risk that the Group may not be able to meet its financial liabilities by delivering cash or other financial assets in accordance with the agreement. The objective of the Group in managing liquidity is to ensure that, as far as possible, sufficient cash and cash equivalents are always available in order to meet the payment obligations upon maturity, under both normal and strained conditions.

PUMA aims to maintain the amount of cash, cash equivalents and fixed loan commitments at a level that covers the effects of an assumed worst-case scenario. This scenario is based on the events and financial impact of the COVID-19 crisis in Q2 2020, which must be covered accordingly.

PUMA has confirmed credit lines amounting to a total of €1,552.8 million (previous year: €1,271.0 million), of which €986.1 million had not been used as at 31 December 2023 (previous year: €943.7 million).

No financial liabilities were utilised from credit lines granted only until further notice.

The effective interest rate of the financial liabilities ranged from 0.0% to 1.3% (previous year: 0.0% to 0.9%).

The following table shows the future cash outflows from the financial liabilities existing as at the reporting date, as well as the contractual cash flows in connection with derivatives with a negative market value. These are non-discounted gross amounts including expected interest payments, but exclude presentation of the effects of offsetting:

T.41 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2023 (in € million)

	Total	2024	2025	2026 et seq.
Non-derivative financial liabilities				
Borrowings	634.0	166.9	85.1	382.0
Trade payables	1,499.8	1,499.8		
Other liabilities	31.8	30.9	0.5	0.4
Derivative financial liabilities	47.0	43.8	2.2	1.0
Cash inflow derivative financial liabilities	-2,876.6	-2,397.1	-479.5	
Cash outflow derivative financial liabilities	2,923.6	2,440.8	481.8	1.0

The following values were determined for the previous year:

T.42 CONTRACTUAL CASH FLOWS FROM FINANCIAL LIABILITIES 2022 (in € million)

	Total	2023	2024	2025 et seq.
Non-derivative financial liabilities				
Borrowings	332.7	78.3	126.6	127.8
Trade payables	1,734.9	1,734.9		
Other liabilities	37.5	36.5	0.8	0.2
Derivative financial liabilities	34.5	34.2	0.3	
Cash inflow derivative financial liabilities	-1,905.7	-1,303.9	-601.8	
Cash outflow derivative financial liabilities	1,940.2	1,338.1	602.1	

[1)] The previous year's figures have been adjusted

MARKET RISK

Market risk is the risk that market prices, such as exchange rates, share prices or interest rates, may change, thereby affecting the income of the Group or the value of the financial instruments held.

The aim of market risk management is to manage and control market risk within acceptable margins while optimising returns.

To manage market risks, PUMA acquires and sells derivatives and also enters into financial liabilities. All transactions are carried out within the framework of the Group's risk management regulations.

CURRENCY RISK

PUMA is exposed to transactional foreign currency risks such that the quoted currencies used for acquisition, disposal and credit transactions and for receivables do not match the functional currency of the Group companies.

In financial year 2023, PUMA designated currency hedges in Cashflow Hedge Accounting in order to hedge the amount payable of purchases denominated in USD, and converted to euros, as well as for other currency risks resulting from internal resale to PUMA subsidiaries.

Furthermore, currency swaps and forward exchange contracts are used to hedge foreign exchange risks when measuring intra-group loans denominated in foreign currencies.

The estimated foreign currency risks are initially subjected to a quantitative materiality test, while simultaneously taking hedging costs into account. Material risks are then hedged, in accordance with the Group directive, up to a hedging ratio of up to 95% of the estimated foreign currency risks from expected acquisition and disposal transactions over the next 12 to 15 months. Forward exchange contracts and currency options, usually with a term of around 12 months from the reporting date, are used to hedge the foreign currency risk. For significant risks that are subject to large hedging costs, high hedging ratios can only be achieved over shorter terms.

The summarised quantitative information about the Group's currency risk is as follows:

T.43 EXPOSURE TO FOREIGN CURRENCY RISK 2023 (in € million)

as of 31 December 2023	**USD**	**MXN**	**JPY**
Risk from forecast transactions	-1,716.4	269.1	190.0
Balance sheet risk	-628.3	78.8	13.4
Total gross risk	-2,344.7	347.9	203.4
Hedged with currency options	18.1	0.0	-51.5
Hedged with currency forward contracts	1,933.1	-211.1	-110.3
Net risk	-393.5	136.7	41.6

T.44 EXPOSURE TO FOREIGN CURRENCY RISK 2022 (in € million)

as of 31 December 2022	**USD**	**GBP**	**JPY**
Risk from forecast transactions	-1,665.5	104.5	205.2
Balance sheet risk	-307.1	76.6	28.3
Total gross risk	-1,972.6	181.0	233.4
Hedged with currency forward contracts	1,833.9	-171.9	-181.6
Net risk	-138.7	9.1	51.9

Currency forward contracts and the risk from forecast transactions were calculated on a one-year basis.

The nominal amounts of open exchange rate-hedging transactions refer primarily to currency forward contracts in a total amount of €3,745.0 million (previous year: €3,792.6 million).

The market values of open exchange rate-hedging transactions on the balance sheet date consist of:

T.45 MARKET VALUE OF EXCHANGE RATE HEDGING CONTRACTS (in € million)

	2023	**2022**
Currency forward contracts	35.5	118.3
Currency options	0.3	0.0
Currency hedging contracts, assets	35.8	118.3
Currency forward contracts	56.0	52.4
Currency options	1.2	0.0
Currency hedging contracts, liabilities	57.2	52.4
Net	-21.4	66.0

The net risk position and the average hedging rates are broken down as follows:

T.46 AVERAGE HEDGING RATES

	2023		**2022**	
	Current	**Non-current**	**Current**	**Non-current**
Currency risk				
Net risk position *(€ million)*	1,076.5	504.2	1,167.5	508.2
Currency forward contracts				
Average EUR/USD exchange rate	1.108	1.110	1.092	1.069
Average EUR/MXN exchange rate	19.978	–	21.636	–
Average EUR/JPY exchange rate	138.560	148.736	133.205	137.338
Currency options				
Average EUR/USD exchange rate (Put/Call)	1.050/1.144	1.039/1.131	–	–
Average EUR/MXN exchange rate (Put/Call)	–	–	–	–
Average EUR/JPY exchange rate (Put/Call)	140.198/157.850	143.733/161.366	–	–

Currency sensitivity analysis

In order to disclose market risks, IFRS 7 requires sensitivity analysis that show the effects of hypothetical changes in relevant risk variables on earnings and equity. The periodic effects are determined by relating the hypothetical changes caused by the risk variables to the balance of the financial instruments held as of the balance sheet date. The underlying assumption is that the balance as of the balance sheet date is representative for the entire year.

Currency risks as defined by IFRS 7 arise on account of financial instruments that are denominated in a currency which differs from the functional currency and are monetary in nature. Differences resulting from the conversion of the individual financial statements to the group currency are not taken into account. All non-functional currencies in which PUMA employs financial instruments are generally considered to be relevant risk variables.

The currency sensitivity analysis is based on the net balance sheet risk denominated in foreign currencies. This also includes intra-company monetary assets and liabilities. Outstanding currency derivatives are also reassessed as part of the sensitivity analysis.

The following table shows the increase or decrease of profit or loss or cash flow hedge reserve in equity in the event of a 10% appreciation or depreciation against the euro spot price. It is assumed that all other influencing factors, including interest rates and commodity prices, remain constant. The effects of the forecasted operating cash flows are also ignored.

T.47 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2023 (in € million)

as of 31 December 2023	**USD**	**MXN**	**JPY**
Nominal amounts of outstanding currency forward contracts	2,413.7	-211.1	-123.7
	EUR +10%	**EUR +10%**	**EUR +10%**
Equity	-151.3	17.9	-1.0
Profit or loss	2.0	-0.6	-0.1
	EUR -10%	**EUR -10%**	**EUR -10%**
Equity	218.9	-11.0	-23.7
Profit or loss	-2.4	0.8	0.1

T.48 SENSITIVITY ANALYSIS FOR FOREIGN EXCHANGE RATE CHANGES 2022 (in € million)

as of 31 December 2022	**USD**	**GBP**	**JPY**
Nominal amounts of outstanding currency forward contracts	2,428.2	-205.7	-233.8
	EUR +10%	**EUR +10%**	**EUR +10%**
Equity	-186.6	7.7	13.9
Profit or loss	5.7	-0.1	0.4
	EUR -10%	**EUR -10%**	**EUR -10%**
Equity	221.0	-18.8	-28.7
Profit or loss	-6.9	0.1	-0.5

Currency risks and other risk and opportunity categories are discussed in greater detail in the Combined Management Report in the Risk and Opportunity Report.

INTEREST-RATE RISKS

The interest rate risk in the PUMA Group is primarily attributable to variable-interest borrowings. Interest rate management is carried out centrally by the Treasury division on the basis of specified limits. Within this framework, the division manages and monitors interest rate risk through the use of interest rate derivatives. Transactions are only concluded with counterparties that are creditworthy. Derivatives financial instruments must not be used for speculative purposes, but only to hedge risks related to underlying transactions.

As of 31 December 2023, €207.5 million (previous year: €67.5 million) of the borrowings were subject to variable interest.

Interest rate collars were also concluded at the same amount and with the same maturity to hedge the risk of interest rate changes for the variable interest-rate promissory note tranches in the amount of €150.0 million in May 2023.

There is an economic relationship between the underlying and hedging transactions, since the terms of the interest-rate collars correspond to those of the floating-rate loans. This applies to the nominal amount, maturity, payment and interest adjustment dates. The underlying risk of interest rate collars is identical to that of the hedged risk components. A hedge ratio of 1:1 has therefore been established for the hedging relationship.

The net risk position and the average hedged interest rate are as follows:

T.49 AVERAGE HEDGED INTEREST RATE

	2023	
	Current	**Non-current**
Net risk position *(€ million)*	54.5	3.0
Interest rate risk		
Average hedged interest rate in % based on current fixing (Cap/Floor)		4.7%/1.5%

As there were no significant variable interest-bearing liabilities in the previous year and no interest hedging transactions were therefore used, the information for the previous year is not applicable.

Interest sensitivity analysis

The result in the Group depends on the development of the market interest rate level. A change in the interest rate level would have an impact on the Group's income and equity. The analysis carried out includes all interest-bearing financial instruments that are subject to interest rate risk.

A change in the interest rate level of 100 basis points would have the following effects on profit or loss and the cash flow hedge reserve in equity.

T.50 SENSITIVITY ANALYSIS FOR INTEREST RATE RISK (in € million)

	2023	
	+1.0%	**-1.0%**
Equity	0.8	0.0
Profit or loss	0.4	-1.9

As there were no significant variable interest-bearing liabilities in the previous year, no interest-rate sensitivity analysis was prepared for the previous year.

INFORMATION ON HEDGING INSTRUMENTS THAT ARE IN A HEDGING RELATIONSHIP

On the balance sheet date, the amounts relating to items designated as hedged underlying transactions with regard to exchange rate risks were as follows:

T.51 DESIGNATED HEDGE ITEMS (in € million)

	Change in value for the calculation of hedge ineffectiveness	Reserve for cash flow hedges	Balance remaining in the cash flow hedging reserve from hedging relationships to which hedge accounting is no longer applied
as of 31 December 2023			
Currency risk – sales transactions	-8.2	19.6	0.0
Currency risk – sourcing transactions	-5.4	-23.5	0.0
Interest rate risk	0.0	0.0	0.0
as of 31 December 2022			
Currency risk – sales transactions	-31.1	29.8	0.0
Currency risk – sourcing transactions	188.1	-15.7	0.0

The amounts relating to items designated as hedging instruments have the following effects on the statement of financial position and income statement:

T.52 DESIGNATED HEDGE INSTRUMENTS (in € million)

	Nominal value	Carrying amount			in the financial year 2023					
		Assets	Liabilities	Item in the balance sheet, in which the hedging instrument is included	Changes in the value of the hedging instrument, recognized in other comprehensive income	Ineffectiveness of the hedging instrument, recognized in the income statement	Items in the income statement, containing the ineffectiveness of the hedging	Amount transferred from the hedging reserve to the inventory acquisition cost	Amount reclassified from the hedging reserve to the income statement	Items in the income statement affected by the reclassification
as of 31 December 2023										
Currency risk – sales transactions	1,082.2	22.3	-6.2	other current/ non-current	8.2	–	Financial expenses	–	29.8	Sales
Currency risk – sourcing transactions	1,996.4	2.3	-34.5	financial assets/	5.4	–		-12.9	-5.1	Cost of sales
Interest rate risk	150.0	0.0	0.0	liabilities	0.0	–		–	0.0	Financial expenses
					in the financial year 2022					
as of 31 December 2022										
Currency risk – sales transactions	1,097.7	44.0	-3.5	other current/ non-current	31.1	–	Financial expenses	–	-16.7	Sales
Currency risk – sourcing transactions	2,082.6	21.9	-43.4	financial assets/ liabilities	-188.1	–		91.9	144.0	Cost of sales

The following table shows the reconciliation of the change in equity in relation to cash flow hedges:

T.53 CHANGES IN THE RESERVE FOR CASH FLOW HEDGE (in € million)

	2023	2022
Reserve for cash flow hedge as of 1 January	14.2	78.1
Change in fair value		
Thereof currency risk	-13.6	157.0
Thereof interest rate risk	0.0	0.0
Amount included in the acquisition cost of non-financial assets	12.9	-91.9
Amount reclassified to the income statement		
Thereof currency risk	-27.5	-128.2
Thereof interest rate risk	0.0	0.0
Tax effect	10.1	-0.7
Reserve for cash flow hedge as of 31 December	-3.9	14.2

A small portion of the originally planned sourcing and sales volume in foreign currencies did not transpire, leading to an excess of hedging transactions. Hedge accounting was terminated for those sourcing and sales transactions that were no longer expected to transpire, and the fair value was transferred as a profit or loss from the cash flow hedge reserve to the income statement. As soon as any highly likely sourcing or sales transaction is no longer expected to transpire, an offsetting transaction is concluded. Across all currency pairs, an amount of €5.5 million (previous year: €-14.8 million) was recognised in the income statement.

15. PENSION PROVISIONS

Pension provisions result from employees' claims and, if applicable, their survivors, for benefits which are based on the statutory or contractual regulations applicable in the respective country in the event of invalidity, death or when a certain retirement age has been reached. Pension commitments in the PUMA Group include both benefit- and contribution-based pension commitments and include both obligations from current pensions and rights to pensions payable in the future. The pension entitlements are financed by both provisions and funds.

The risks associated with the pension commitments mainly concern the usual risks of benefit-based pension plans in relation to possible changes in the discount rate and inflation trends, and recipient longevity. In order to limit the risks of changed capital market conditions and demographic developments, plans with the maximum obligations were agreed or insured for new hires a few years ago in Germany and Great Britain. The specific risk of obligations based on salary is low within the PUMA Group. The introduction of an annual cap for pensionable salary in the Great Britain plan in 2016 covers this risk for the highest obligations. The Great Britain plan is therefore classified as a non-salary obligation.

T.54 PRESENT VALUE OF PENSION OBLIGATION 2023 (in € million)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation 31 December 2023				
Salary-based obligations				
Annuity	0.0	0.0	8.8	8.8
One-off payment	0.0	0.0	9.1	9.1
Non-salary based obligations				
Annuity	49.3	31.9	0.0	81.2
One-off payment	8.2	0.0	0.0	8.2
Total	57.5	31.9	17.9	107.3

The following values were determined in the previous year:

T.55 PRESENT VALUE OF PENSION OBLIGATION 2022 (in € million)

	Germany	Great Britain	Other companies	PUMA Group
Present value of pension obligation 31 December 2022				
Salary-based obligations				
Annuity	0.0	0.0	8.6	8.6
One-off payment	0.0	0.0	9.3	9.3
Non-salary based obligations				
Annuity	48.9	29.6	0.0	78.5
One-off payment	7.9	0.0	0.0	7.9
Total	56.8	29.6	17.9	104.3

The main pension arrangements are described below:

The general pension scheme of PUMA SE essentially provides for pension payments to a maximum amount of €127.82 per month and per eligible employee. It was closed for new members beginning in 1996. In addition, PUMA SE provides individual commitments (fixed sums in different amounts) as well as contribution-based individual benefits (in part from salary conversion). The contribution-based individual benefits are insured plans. There are no statutory minimum funding requirements. The scope of obligation for domestic pension claims amounts to €57.5 million at the end of 2023 (previous year: €56.8 million) and thus comprises 53.6% of the total obligation. The fair value of the plan assets relative to domestic obligations amounts to €50.4 million. The corresponding pension provision amounts to €7.1 million.

The defined benefit plan in Great Britain has not been available to new hires since 2006. This defined benefit plan includes salary and length of service-based commitments to provide old age, invalidity and surviving dependents' retirement benefits. In 2016, a growth cap of 1% p.a. was introduced on the pensionable salary. Partial capitalisation of the old-age pension is permitted. There are statutory minimum funding requirements. The obligations regarding pension claims under the defined benefit plan in the UK amount to €31.9 million at the end of 2023 (previous year: €29.6 million) and thus account for 29.7% of the total obligation. The obligation is covered by assets amounting to €29.7 million. The provision amounts to €2.2 million.

The present value of the pension obligation has developed as follows:

T.56 DEVELOPMENT OF PRESENT VALUE OF PENSION OBLIGATION (in € million)

	2023	**2022**
Present value of pension obligation 1 January	104.3	122.3
Cost of the pension obligation earned in the reporting year	2.0	2.5
Interest expense on pension obligation	4.4	1.9
Employee contributions	0.6	8.3
Benefits paid	-4.5	-3.4
Effects from transfers	0.0	0.0
Actuarial gains (-) and losses	0.1	-25.1
Currency exchange effects	0.5	-2.2
Present value of pension obligation 31 December	107.3	104.3

The changes in the plan assets are as follows:

T.57 DEVELOPMENT OF PLAN ASSETS (in € million)

	2023	**2022**
Plan assets 1 January	82.4	90.7
Interest income on plan assets	3.5	1.4
Actuarial gains and losses (-)	-0.9	-15.0
Employer contributions	1.2	1.0
Employee contributions	0.6	8.3
Benefits paid	-2.2	-2.3
Currency exchange effects	0.6	-1.7
Plan assets 31 December	85.2	82.4

The pension provision for the Group is derived as follows:

T.58 PENSION PROVISION (in € million)

	2023	**2022**
Present value of pension obligation from benefit plans	107.3	104.3
Fair value of plan assets	-85.2	-82.4
Financing status	22.1	21.9
Pension provision 31 December	22.1	21.9
Thereof assets	0.4	0.5
Thereof liabilities	22.5	22.4

In 2023, benefits paid amounted to €4.5 million (previous year: €3.4 million). Contributions in 2024 are expected to amount to €3.0 million. Of this, €0.9 million is expected to be paid directly by the employer. Employer contributions to external plan assets amounted to €1.2 million in 2023 (previous year: €1.0 million). Employer contributions in 2024 are expected to amount to €0.8 million.

The changes in pension provisions are as follows:

T.59 DEVELOPMENT OF THE PENSION PROVISION (in € million)

	2023	2022
Pension provision 1 January	21.9	31.6
Pension expense	2.8	3.0
Actuarial gains (-) and losses recorded in other comprehensive income	1.0	-10.1
Employer contributions	-1.2	-1.0
Direct pension payments made by the employer	-2.3	-1.1
Transfer values	0.0	0.0
Currency exchange differences	-0.2	-0.5
Pension provision 31 December	22.1	21.9
Thereof assets	0.4	0.5
Thereof liabilities	22.5	22.4

The expenses in financial year 2023 are structured as follows:

T.60 EXPENSES FOR DEFINED BENEFIT PLANS (in € million)

	2023	2022
Cost of the pension obligation earned in the reporting year	2.0	2.5
Interest expense on pension obligation	4.4	1.9
Interest income on plan assets	-3.5	-1.4
Administration costs	0.0	0.0
Expenses for defined benefit plans	2.8	3.0
Thereof personnel costs	1.9	2.5
Thereof financial costs	0.9	0.5

In addition to the defined benefit pension plans, PUMA also makes contributions to defined contribution plans. Payments for financial year 2023 amounted to €19.8 million (previous year: €18.5 million).

Actuarial gains and losses recorded in Other Comprehensive Income:

T.61 GAINS AND LOSSES RECORDED IN OTHER COMPREHENSIVE INCOME (in € million)

	2023	2022
Revaluation of pension commitments	0.1	-25.1
Actuarial gains (-) and losses resulting from changes in demographic assumptions	-0.7	-0.1
Actuarial gains (-) and losses resulting from changes in financial assumptions	0.0	-30.3
Actuarial gains (-) and losses due to adjustments based on experience	0.8	5.3
Revaluation of plan assets	0.9	15.0
Amounts not recorded due to the maximum limit applicable to assets	0.0	0.0
Adjustment of administration costs	0.0	0.0
Total revaluation amounts recorded directly in other comprehensive income	1.0	-10.1

Plan assets investment classes:

T.62 PLAN ASSETS INVESTMENT CLASSES (in € million)

	2023	2022
Cash and cash equivalents	0.3	0.1
Equity instruments	6.0	5.5
Bonds	7.4	3.5
Investment funds	3.2	3.0
Derivatives	10.0	11.6
Real estate	2.9	2.9
Insurance	50.6	49.4
Other	4.9	6.4
Total plan assets	85.2	82.4

Of which, investment classes with a quoted market price:

T.63 PLAN ASSETS WITH A QUOTED MARKET PRICE (in € million)

	2023	2022
Cash and cash equivalents	0.3	0.1
Equity instruments	6.0	5.5
Bonds	7.4	3.5
Investment funds	3.2	3.0
Derivatives	10.0	11.6
Real estate	2.1	2.1
Insurance	0.0	0.0
Other	4.7	6.3
Plan assets with a quoted market price	33.7	32.1

Plan assets still do not include the Group's own financial instruments or real estate used by Group companies.

The plan assets are used exclusively to meet defined pension commitments. Legal requirements exist in some countries for the type and amount of financial resources that can be chosen; in other countries (for example Germany) the financing of pension commitments can be chosen freely. In Great Britain, a board of trustees made up of company representatives and employees is in charge of asset management. Its investment strategy is aimed at long-term profits and tolerable volatility. It was last revised in 2022 to reduce the risk profile. In 2023, the trustees continued to monitor the investment strategy.

The following assumptions were used to determine pension obligations and pension expenses:

T.64 ASSUMPTIONS USED TO DETERMINE THE PENSION OBLIGATIONS

	2023	2022
Discount rate	4.55%	4.35%
Future pension increases	1.93%	2.00%
Future salary increases	2.05%	2.06%

The indicated values are weighted average values. A standard interest rate of 4.45% was applied for the eurozone (previous year: 4.00%).

The 2018 G Heubeck guideline tables were used as mortality tables for Germany. For Great Britain, the mortality was assumed based on basic table series S2 taking into account life expectancy projections in accordance with CMI2021 with a long-term trend of 1%.

The following overview shows how the present value of pension obligations from benefit plans would have been affected by changes to significant actuarial assumptions.

T.65 SENSITIVITY ANALYSIS FOR PENSION OBLIGATION (in € million)

	2023	2022
Effect on present value of pension obligations if		
the discount rate were 50 basis points higher	-3.7	-3.7
the discount rate were 50 basis points lower	4.2	4.1

Salary and pension trends have only a negligible effect on the present value of pension obligations due to the structure of the benefit plans.

The weighted average duration of pension obligations is around 12 years (previous year: around 11 years).

16. OTHER PROVISIONS

T.66 OTHER PROVISIONS (in € million)

	2022	Currency adjustments, retransfers	Additions	Utilization	Reversal	2023	thereof non-current	2022 thereof non-current
Provisions for:								
Warranties	2.7	-0.1	0.5	-0.6	-0.3	2.1	0.0	0.0
Purchasing risks	7.1	-0.1	5.9	-4.6	-0.9	7.4	0.0	0.0
Litigation risks	26.6	-0.7	6.1	-15.2	-2.8	13.9	7.5	8.4
Restoration obligations	17.0	-0.8	1.9	-0.8	-0.5	16.9	13.9	14.1
Personnel provisions	7.0	0.4	2.6	-4.1	0.0	5.9	5.9	7.0
Other	19.3	-0.2	5.5	-6.1	-9.8	8.7	0.0	0.0
Total	79.8	-1.4	22.3	-31.5	-14.3	55.0	27.3	29.5

The warranty provision is determined on the basis of the historical value of sales generated during the past six months. It is expected that the majority of these expenses will fall due within the first six months of the next financial year. Purchasing risks relate primarily to materials and moulds that are required for the manufacturing of shoes.

Personnel provisions mainly relate to non-current variable compensation components. The risks arising from legal disputes relate to any form of legal dispute, including those relating to trademark and patent rights. The other provisions relate to other risks, in particular those associated with sourcing.

Current provisions are expected to be paid out in the following year, non-current provisions are expected to be paid out in a period of up to ten years. There are no significant compounding effects. The recognition and valuation of provisions is based on past experience of similar transactions. All events until the preparation of the consolidated financial statements are taken into account here.

17. EQUITY

SUBSCRIBED CAPITAL

The subscribed capital corresponds to the subscribed capital of PUMA SE.

As of the balance sheet date, the subscribed capital in accordance with the Articles of Association corresponds to €150,824,640.00 and is divided into 150,824,640 no-par value voting shares. This corresponds to a proportional amount of €1.00 per share.

Changes in the outstanding shares:

T.67 CHANGE IN OUTSTANDING SHARES

	2023	2022
Outstanding shares as of January 1, share	149,758,644	149,605,600
Issue of Treasury Stock, share	85,900	153,044
Outstanding shares as of December 31, share	149,844,544	149,758,644

The issue of treasury stock relates to compensation in connection with promotional and advertising agreements.

CAPITAL RESERVE

The capital reserve includes the premium from issuing shares, as well as amounts from the grant, conversion and expiration of share options.

REVENUE RESERVES INCL. RETAINED EARNINGS

The revenue reserves incl. retained earnings include the net earnings of the financial year as well as the earnings achieved in the past by the companies included in the consolidated financial statements to the extent that it was not distributed. In addition, the valuation effects from the pension provision recognised in other comprehensive income are recognised in retained earnings.

DIFFERENCE FROM CURRENCY CONVERSION

The equity item for currency conversion serves to record the foreign exchange differences from the conversion of the financial statements of subsidiaries with non-euro accounting.

CASH FLOW HEDGES

The "cash flow hedges" item includes the market valuation of derivative financial instruments. The item amounting to €-3.9 million (previous year: €14.2 million) is offset by deferred taxes of €5.3 million (previous year: €-4.8 million).

TREASURY STOCK

The resolution adopted by the Annual General Meeting on 7 May 2020 authorised the Company to purchase treasury shares up to a value of 10% of the share capital until 6 May 2025. By resolution of the Annual General Meeting of 5 May 2021, the Supervisory Board was authorised to issue the acquired shares to the members of the Management Board of the Company, excluding the shareholders' subscription rights. By resolution of the Annual General Meeting of 11 May 2022, the Management Board was, moreover, authorised to issue the acquired shares, excluding the shareholders' subscription rights, as part of the Company's or its affiliated companies' share-based payments or employee share programmes to individuals currently or formerly in an employment relationship with the Company or one of its affiliated companies or to members of the management of one of the Company's affiliated companies. If purchased through the stock exchange, the purchase price per share must not exceed 10% or fall below 20% of the average closing price for the Company's shares with the same attributes in the XETRA trading system (or a comparable successor system) during the last three trading days prior to the date of purchase.

The Company did not make use of the authorisation to purchase treasury stock during the reporting period.

As of the balance sheet date, the Company holds a total of 980,096 PUMA shares in its own portfolio, which corresponds to 0.65% of the subscribed capital.

AUTHORISED CAPITAL

As of 31 December 2023, the Company's Articles of Association provide for authorised capital totalling €30,000,000.00:

Pursuant to Section 4.2. of the Articles of Association, the Management Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital by 4 May 2026 by up to €30,000,000.00 (Authorised Capital 2021) by issuing new no-par value bearer shares against cash and/or non-cash contributions on one or more occasions. In the case of capital increases against contributions in cash, the new shares may be acquired by one or several banks, designated by the Management Board, subject to the obligation to offer them to the shareholders for subscription (indirect subscription right). The shareholders shall generally be entitled to subscription rights. However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the cases specified in Section 4.2. of the Articles of Association.

The Management Board of PUMA SE did not make use of the existing authorised capital in the current reporting period.

CONDITIONAL CAPITAL

By resolution of the Annual General Meeting of 11 May 2022, the Management Board was authorised until 10 May 2027, with the consent of the Supervisory Board, through one or more issues, altogether or in parts and in various tranches at the same time, to issue bearer or registered convertible and/or option bonds, profit-sharing rights or participation bonds or a combination of these instruments with or without a term limitation in a total nominal amount of up to €1,500,000,000.00.

The share capital was conditionally increased by up to €15,082,464.00 by issuing up to 15,082,464 new no-par value bearer shares (Conditional Capital 2022). The conditional capital increase shall only be implemented to the extent that conversion/option rights are exercised, or the option/conversion obligations are met or tenders are carried out and to the extent that other forms of performance are not applied.

No use has been made of this authorisation to date.

DIVIDENDS

The amounts eligible for distribution relate to the retained earnings of PUMA SE, which are determined in accordance with German Commercial Law.

The Management Board and the Supervisory Board will propose to the Annual General Meeting that a dividend of €0.82 (previous year: €0.82) per circulating share, or a total of €122.9 million (with respect to the circulating shares as of 31 December 2023), be distributed to the shareholders from the retained earnings of PUMA SE for financial year 2023.

Proposed appropriation of the retained earnings of PUMA SE:

T.68 PROPOSED APPROPRIATION OF THE RETAINED EARNINGS OF PUMA SE

	2023	**2022**
Retained Earnings of PUMA SE as of December 31, *€ million*	486.4	499.4
Retained earnings available for distribution, *€ million*	486.4	499.4
Dividend per share, €	0.82	0.82
Number of outstanding shares*, share	149,844,544	149,758,644
Total dividend*, *€ million*	122.9	122.8
Carried forward to the new accounting period*, *€ million*	363.6	376.6

* Previous year's values adjusted to the outcome of the Annual General Meeting

NON-CONTROLLING INTERESTS

This item comprises non-controlling interests. The composition is shown in chapter 28.

CAPITAL MANAGEMENT

The Group's objective is to retain a strong equity base in order to maintain both investor and market confidence, and to strengthen future business performance.

Capital management relates to the consolidated equity of PUMA. This is presented in the consolidated statement of financial position and in the consolidated statement of changes in equity.

18. MANAGEMENT INCENTIVE PROGRAMMES

Virtual shares with cash settlement and other global long-term incentive programmes are used at PUMA to tie the management to the Company with a long-term incentive effect.

The current programmes are described below:

EXPLANATION OF "VIRTUAL SHARES", TERMED "MONETARY UNITS" (FULL TERM: MONETARY UNITS PLAN – MUP)

Monetary units were granted on an annual basis to members of the Management Board beginning in 2013 as part of a management incentive programme. Monetary units are based on the PUMA share performance. Each of these monetary units entitles the holder to a cash payment at the end of the term. The entitled cash payment compares the performance using the average virtual appreciation rights of the last thirty trading days before the start of the year of issue with the virtual appreciation rights of the last thirty trading days before the exercise date. The maximum increase in value (cap) is limited to 300% of the amount allocated. Monetary units are subject to a vesting period of three years. After that, there is an exercise period beginning 30 days after each quarterly publication date for a period of two years which can be freely used by participants for the purposes of execution. Virtual shares are reduced on a "pro rata" basis in the event of withdrawal during the vesting period. This programme will expire and be replaced by the Performance Share Plan. As a result, no more shares were issued from this programme in financial year 2023.

EXPLANATION OF "VIRTUAL SHARES" (FULL TERM: PERFORMANCE SHARE PLAN – PSP)

Virtual shares were granted on an annual basis to members of the Management Board beginning in 2021 as part of a management incentive programme. The virtual shares are based on the PUMA share performance. Each of these virtual shares entitles the holder to a cash payment at the end of the term. However, the Supervisory Board reserves the right to make the payment in PUMA shares instead of cash. This cash payout is based on the PUMA closing prices for the last thirty trading days before the exercise date. The final number of virtual shares is between 50% and 150%, depending on the relative "Total Shareholder Returns" (TSR) compared to the MDAX index. The PUMA and MDAX index TSRs are calculated using the arithmetic means of each of the TSR values on the 30 trading days before the start and end of the performance period. The averages calculated in this way for PUMA and the MDAX index are then compared with each other. The difference in percentage points between the PUMA TSR and the MDAX index TSR is then calculated (= TSR outperformance in percentage points). The maximum increase in value (cap) is limited to 300% of the amount allocated. Virtual shares are subject to a vesting period of four years. They are generally paid out within the first quarter of the fifth year after their issue. Virtual shares are reduced on a "pro rata" basis in the event of withdrawal during the vesting period. For the programmes issued in the financial years 2021 and 2022, the DAX acts as the basis for calculating virtual shares, while the MDAX index is used starting financial year 2023.

In financial year 2023, income of €2.4 million was recorded for this purpose on the basis of the employment contract commitments to the Management Board members (previous year: income of €0.9 million).

T.69 VIRTUAL SHARES, MEMBERS OF THE MANAGEMENT BOARD

Plan **Issue date**	**MUP** **1/1/2020**	**MUP** **1/1/2021**	**PSP** **1/1/2021**	**MUP** **1/1/2022**	**PSP** **1/1/2022**	**PSP** **1/1/2023**	
Term	5	5	4.25	5	4.25	4.25	Years
Vesting period	3	3	4	3	4	4	Years
Base price PUMA share at issue	67.69	86.23	86.23	106.95	106.95	51.86	EUR/share
Reference value PUMA share at the end of the financial year	0	55.46	49.25	55.46	46.3	50.62	EUR/share
Weighted share price at the time of exercise	62.03	0	0	0	0	0	EUR/share
Participants in the year of issue	3	3	2	1	3	4	Persons
Participants at the end of the financial year	3	3	2	1	3	4	Persons
Number of monetary units/virtual shares as of 1 January 2023	62,743	34,548	7,070	10,323	16,458	81,279	Shares
Number of monetary units/virtual shares exercised in the financial year	-62,743	0	0	0	0	0	Shares
Number of monetary units/virtual shares expired in the financial year	0	0	0	0	0	0	Shares
Final number of monetary units/virtual shares as of 31 December 2023	0	34,548	7,070	10,323	16,458	81,279	Shares

This commitment consisting of share-based remuneration transactions with cash compensation is recorded as personnel provisions and remeasured at fair value on every balance sheet date, provided it has not been exercised yet. The expenses are recorded pro rata over the vesting period. Based on the prorated average market price over the last thirty trading days in 2023 and taking into account the intra-year exercises in 2023, the provisions for these programmes amounted to €4.4 million at the end of the financial year (previous year: €5.8 million).

EXPLANATION OF THE "GAME CHANGER 2.0" PROGRAMME

In 2018, the Long-Term Incentive Programme (LTIP) "Game Changer 2.0" was launched. Participants in this programme consist mainly of top executives reporting to the Management Board and individual key positions in the PUMA Group. The objective of this programme is to retain these employees in the Company on a long-term basis and to allow them to share in the medium-term success of the Company.

The LTIP "Game Changer 2.0" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The performance period of the Performance Cash Plan is three years and is based on the average medium-term targets of the PUMA Group in terms of EBIT, sales and cash flow or working capital as a percentage of sales. Payment is made in cash and is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan uses virtual shares to manage the incentive. The term is up to five years. This is divided into a three-year performance period and a two-year exercise period in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the value of a virtual share. The payout is limited to a maximum of 300% of the granted prorated target amount (cap) and is only made if an exercise hurdle of +10% share-price appreciation is exceeded once during the performance period.

EXPLANATION OF THE "GAME CHANGER 2.0 – 2023" PROGRAMME

In 2020, the global "Game Changer 2.0 – 2023" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), cash flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap).

In the reporting year, an amount of €2.2 million (of which, €0.8 million from the Performance Share Plan) was paid out to the participants. The payment was subject to the condition that the individual participants were in an unterminated employment relationship with a company in the PUMA Group as at 31 December 2022. Furthermore, €-0.1 million was released for this programme in the year under review (previous year: release of €0.2 million). This resulted in a provision for this programme at the end of the financial year of €0.5 million (previous year: €2.8 million). The Performance Share Plan portion accounted for €0.5 million (previous year: €1.3 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2024" PROGRAMME

In 2021, the global "Game Changer 2.0 – 2024" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (45%), working capital as a percentage of sales (15%), and sales (40%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2023 is required. In the reporting year, €0.2 million was released for this programme (previous year: €0.0 million) and a proportionate amount of €1.1 million (previous year: €0.5 million) was set aside for this programme. This resulted in a provision for this programme at the end of the financial year of €3.4 million (previous year: €2.5 million). The Performance Share Plan portion accounted for €1.2 million (previous year: €0.8 million).

EXPLANATION OF THE "GAME CHANGER 2.0 – 2026" PROGRAMME

In 2023, the global "Game Changer 2.0 – 2026" programme, as outlined above, was launched. The Performance Cash Plan is based on the following targets: EBIT (70%), cash flow (15%) and sales (15%). As part of the Performance Share component, payment is limited to a maximum of 300% of the granted proportionate target amount (cap). An employment relationship until 31 December 2024 is required. In the reporting year, a prorated amount of €1.8 million (previous year: €0.0 million) was set aside for this programme. This resulted in a provision for this programme at the end of the financial year of €1.8 million (previous year: €0.0 million). The Performance Share Plan portion accounted for €1.0 million (previous year: €0.0 million).

EXPLANATION OF THE "ROAD 2 10B" PROGRAMME

In 2022, the "Game Changer 2.0" programme was replaced by the long-term incentive programme (LTIP) "Road 2 10B". Participants in this programme consist of important professionals and managers within the PUMA Group. The objective of this programme is to retain these employees in the Company on a long-term basis and to allow them to share in the medium-term success of the Company.

The LTIP "Road 2 10B" consists of two plan parts, a Performance Cash Plan and a Performance Share Plan, each with a 50% share. The Performance Cash Plan gives a reward for the PUMA Group's financial performance, while the Performance Share Plan gives a reward for the performance of the PUMA SE share in the capital market.

The Performance Cash Plan is focused on the following targets: EBIT, sales and working capital as a percentage of sales based on the three-year plan set by the Management Board of PUMA SE. For participants in the programme with an employment relationship at Group level, the target achievement is based on the following Group targets: EBIT (45%), sales (40%), and working capital as a percentage of sales (15%). For participants in the programme with an employment relationship at the national or regional level, 50% of the target achievement is based on achieving the Group targets. The remaining 50% is based on achieving the following targets at the national or regional level: EBIT (22.5%), sales (20%) and working capital as a percentage of sales (7.5%). Payment is limited to a maximum of 200% of the granted proportionate target amount (cap).

The Performance Share Plan is based on the performance of the PUMA share price. The term is up to five years, divided into a three-year performance period and a subsequent two-year exercise period, in which the virtual shares are paid out in cash. A payout is only possible at the four exercise times (6, 12, 18 or 24 months after the end of the performance period). The average share price of the last 30 trading days before the exercise date determines the payout value of a virtual share. The payout is limited to a maximum of 300% of the granted prorated target amount (cap) and is only made if an exercise hurdle of +10% share-price appreciation is exceeded once during the performance period.

In the reporting year, €0.6 million was released for this programme (previous year: €0.0 million) and a proportionate amount of €0.8 million (previous year: €4.7 million) was set aside for this programme. This resulted in a provision for this programme at the end of the financial year of €6.0 million (previous year: €5.8 million). The Performance Share Plan portion accounted for €0.4 million (previous year: €0.6 million).

T.70 VIRTUAL SHARES, NON-MANAGEMENT BOARD MEMBERS

Program addendum	**Game Changer 2023**	**Game Changer 2024**	**Road 2.10b**	**Game Changer 2026**	
Issue date	**1/1/2020**	**1/1/2021**	**1/1/2022**	**1/1/2023**	
Term	5	5	5	5	Years
Vesting period	3	3	3	3	Years
Base price at program start	67.69	86.23	106.95	51.86	EUR/share
Reference value at the end of the financial year	55.46	55.46	5.73	55.46	EUR/share
Weighted share price at the time of exercise	51.43	0	0	0	EUR/share
Participants in the year of issue	60	76	486	84	Persons
Participants at the end of the financial year	19	65	467	84	Persons
Number of virtual shares as of 1 January 2023	24,547	23,340	103,352	55,167	Shares
Number of virtual shares expired in the financial year	-222	-2,370	-10,467	0	Shares
Number of virtual shares added in the financial year (new participants)	0	470	2,674	0	Shares
Number of virtual shares exercised in the financial year	-15,334	0	0	0	Shares
Final number of virtual shares as of 31 December 2023	8,991	21,440	95,559	55,167	Shares

NOTES TO THE CONSOLIDATED INCOME STATEMENT

19. SALES

The following table shows the Group's sales broken down by distribution channel and division:

T.71 BREAKDOWN BY DISTRIBUTION CHANNEL (in € million)

	2023	**2022**
Wholesale	6,468.6	6,513.7
Direct-to-consumer (DTC)	2,133.0	1,951.4
Total	8,601.7	8,465.1

T.72 BREAKDOWN BY PRODUCT DIVISION (in € million)

	2023	**2022**
Footwear	4,583.4	4,317.9
Apparel	2,763.0	2,896.3
Accessories	1,255.3	1,251.0
Total	8,601.7	8,465.1

20. OTHER OPERATING INCOME AND EXPENSES

According to the respective functions, other operating income and expenses include personnel, advertising, sales and distribution expenses as well as rental and leasing expenditure, travel costs, legal and consulting expenses and other general expenses. Rental and lease expenses associated with the Group's own retail stores include revenue-based rental components.

Other operating income and expenses are allocated based on functional areas as follows:

T.73 OTHER OPERATING INCOME AND EXPENSES (in € million)

	2023	2022
Sales and distribution expenses	2,799.0	2,677.2
Product management/merchandising	82.5	70.9
Research and development	89.0	82.2
Administrative and general expenses	450.9	465.8
Other operating expenses	3,421.3	3,296.0
Other operating income	-17.8	-0.1
Total	3,403.5	3,295.9
Thereof personnel expenses	894.4	836.3
Thereof scheduled depreciation	351.7	332.8
Thereof impairment losses	5.7	26.0
Thereof reversal of impairment losses	-11.9	0.0

Within the sales and distribution expenses, marketing/retail expenses account for a large proportion of the operating expenses. In addition to advertising and promotional expenses, they also include expenses associated with the Group's own retail activities. Other sales and distribution expenses include logistics expenses and other variable sales and distribution expenses.

Impairment expenses in the reporting year amounted to €5.7 million and related exclusively to right-of-use assets (previous year: €25.4 million). There were no impairment expenses for property, plant and equipment (previous year: €0.6 million). In contrast, there were reversals of impairment losses on right-of-use assets amounting to €11.9 million (previous year: €0.0 million).

In the consolidated financial statements of PUMA SE, fees of €2.0 million (previous year: €1.9 million) are recorded as operating expenses for the auditor of the consolidated financial statements, KPMG AG Wirtschaftsprüfungsgesellschaft, Nuremberg, Germany. The audit fee is divided into fees for audit services for the annual and consolidated financial statements as well as the audit review of the half-year financial report in the amount of €1.8 million (previous year: €1.8 million) and other assurance services amounting to €0.2 million (previous year: €0.1 million) mainly for the audit of information in the sustainability report and other minor services in the amount of €0.0 million (previous year: none). In addition to expenses for PUMA SE, the fees also include the fees of the domestic and foreign subsidiaries audited directly by the Group auditor.

In financial year 2023, government grants amounted to a mid single-digit (previous year: low double-digit) million euro amount. Government grants are deducted from the corresponding expenses.

Other operating income comprises income from the sale of fixed assets in the amount of €8.5 million (previous year: €0.1 million), selling profit from finance leases totalling €8.0 million (previous year: €0.0 million), and rental income totalling €1.4 million (previous year: €0.0 million).

Overall, other operating expenses include personnel costs, which consist of:

T.74 PERSONNEL COSTS (in € million)

	2023	**2022**
Wages and salaries	688.7	649.8
Social security contributions	101.2	91.9
Expenses from share-based payments with cash compensation	5.2	5.1
Expenses for retirement pension and other personnel expenses	99.3	89.5
Total	894.4	836.3

In addition, cost of sales includes personnel costs in the amount of €6.2 million (previous year: €10.2 million).

The average number of employees for the year was as follows:

T.75 EMPLOYEES

	2023	**2022**
Marketing/retail/sales	13,092	12,229
Research & development/product management	1,360	1,228
Administrative and general units	3,570	3,213
Total annual average	18,023	16,669

As of the end of the year, a total of 18,681 individuals were employed (previous year: 18,071).

21. FINANCIAL RESULT

The financial result consists of:

T.76 FINANCIAL RESULT (in € million)

	2023	2022
Interest income	36.6	32.3
Interest income – lease receivables	1.2	0.0
Other	74.9	47.1
Financial income	112.7	79.4
Interest expense	-53.1	-15.2
Interest expense – lease liabilities	-46.8	-38.6
Interest expense of valuation of pension plans	-0.9	-0.6
Expenses from currency-conversion differences, net	-69.4	-2.2
Other	-85.9	-111.7
Financial expenses	-256.0	-168.3
Financial result	-143.3	-88.9

The "Other" item in the financial income of €74.9 million (previous year: €47.1 million) includes interest components in connection with currency derivatives as well as hedging gains from freestanding derivatives.

The item "Other" in financial expenses includes, among other things, interest components in connection with currency derivatives in the amount of €58.1 million (previous year: €69.9 million) and the loss on the net monetary position associated with hyperinflation in the amount of €23.7 million (previous year: €27.8 million).

22. INCOME TAXES

T.77 INCOME TAXES (in € million)

	2023	2022
Current income taxes	140.6	152.5
Deferred taxes	-22.8	-25.1
Total	117.8	127.4

Current income taxes include €0.8 million in out-of-period income. Deferred taxes include tax income of €0.3 million (tax income in previous year: €39.2 million), which is attributable to the occurrence or resolution of temporary differences.

In general, PUMA SE and its German subsidiaries are subject to corporate income tax, plus a solidarity surcharge and trade tax. Thus, a weighted mixed tax rate of 27.22% continued to apply for the financial year.

Reconciliation of the theoretical tax expense with the effective tax expense:

T.78 TAX RATE RECONCILIATION (in € million)

	2023	**2022**
Earnings before income tax	478.3	551.7
Theoretical tax expense		
Tax rate of the SE = 27.22% (previous year: 27.22%)	130.2	150.2
Tax rate difference with respect to other countries	-21.0	-6.9
Other tax effects:		
Income tax for previous years	3.7	-9.7
Losses and temporary differences for which no tax claims were recognized	6.4	4.8
Changes in tax rates	-0.4	-0.6
Non-deductible expenses for tax purposes and non-taxable income and other effects	-1.1	-10.4
Effective tax expense	117.8	127.4
Effective tax rate	24.6%	23.1%

For the financial year 2023, the total tax advantage from previously uncapitalised tax losses, tax credits or temporary differences from previous years which led to a reduction in deferred tax expenses, amounted to €7.5 million (previous year: €7.0 million). Deferred tax expenses due to an impairment of deferred tax assets amounted to €11.3 million in the financial year (previous year: €5.0 million).

The tax effect resulting from items that were directly included in other comprehensive income can be found in chapter 8.

INFORMATION ON THE EFFECTS OF GLOBAL MINIMUM TAXATION (PILLAR II)

On 23 May 2023, the IASB published amendments to IAS 12, which require companies subject to global minimum taxation regulations to provide additional information on the impact of the global minimum taxation in their annual financial statements for financial years beginning on or after 1 January 2023.

The PUMA Group falls within the scope of application of the global minimum taxation. The relevant legislation entered into force on 28 December 2023 in Germany, the country in which the parent company of the PUMA Group is based, and applies to financial years beginning after 31 December 2023. As the Minimum Tax Act (“MinStG”) applies to the financial year of the PUMA Group beginning on 1 January 2024, but was not yet applicable to the financial year beginning on 1 January 2023, the PUMA Group has no associated ongoing tax risk in financial year 2023. Taking into account the fact that the PUMA Group will be affected by the minimum tax legislation, a preliminary valuation of the potential risk was carried out.

The valuation of the potential risk of Pillar II taxes is based on the most recent country-related reports and financial statements available to the Group’s business units. The Group has identified a potential risk of the suspension of Pillar II taxes on profits made in Hong Kong and the United Arab Emirates. The potential risk arises from the business units (mainly operating subsidiaries) in these countries, where the effective tax rate is likely to be less than 15%.

If the MinStG had been applied for this financial year ending on 31 December 2023, the amount of the tax increase determined according to the MinStG would have totalled approx. €12 million. However, the actual amounts of tax increases in the countries concerned in 2024 will depend on various factors.

The PUMA Group makes use of the exemption under IAS 12.88A for the recognition of deferred taxes that result from the introduction of global minimum taxation.

23. EARNINGS PER SHARE

The earnings per share are determined in accordance with IAS 33 by dividing the consolidated annual surplus (consolidated net earnings) attributable to the shareholders of the parent company by the weighted average number of outstanding shares.

T.79 EARNINGS PER SHARE

The calculation is shown in the table below:

	2023	**2022**
Net income attributable to the shareholders of PUMA SE *(€ million)*	304.9	353.5
Weighted average number of outstanding shares *(shares)*	149,852,251	149,649,158
Earnings per share *(€)*	2.03	2.36
Net income for calculating the diluted earnings per share *(€ million)*	304.9	353.5
Weighted average number of outstanding shares *(shares)*	149,852,251	149,649,158
Dilutive effect of conditionally issuable shares in connection with service agreements	0	12,107
Dilutive effect from share-based payments	19,651	2,573
Weighted average number of outstanding shares, diluted *(shares)*	149,871,901	149,663,837
Earnings per share (€) – diluted	2.03	2.36

ADDITIONAL INFORMATION

24. SEGMENT REPORTING

Segment reporting is based on geographical areas of responsibility in accordance with the PUMA internal reporting structure, with the exception of stichd. The geographical area of responsibility corresponds to the business segment. Sales, the operating result (EBIT) and other segment information are allocated to the corresponding geographical areas of responsibility according to the registered office of the respective Group company.

The internal management reporting includes the following reporting segments: Europe, EEMEA (Eastern Europe, Middle East, Africa, India and Southeast Asia), North America, Latin America, Greater China, rest of Asia/Pacific (excluding Greater China and Southeast Asia) and stichd. These are reported as reportable business segments in accordance with the criteria of IFRS 8.

The reconciliation includes information on assets, liabilities, expenses and income in connection with centralised functions that do not meet the definition of business segments in IFRS 8. Central expenses and income include in particular central sourcing, central treasury, central marketing, impairment losses on non-current assets and other global functions of the Company headquarters.

The Company's main decision-maker is defined as the entire Management Board of PUMA SE.

The external sales presented in the segment reporting includes sales from both the wholesale business and own retail activities (direct-to-consumer business). The percentage breakdown of sales by wholesale business and direct-to-consumer business at the segment level mainly aligns with the breakdown at the Group level (see chapter 19). Exceptions to this are the Greater China segment, where wholesale sales represent approximately 50%, and the stichd segment, which almost exclusively generates wholesale sales.

The business relationships between the companies in the segments are essentially based on prices that are also agreed with third parties. With the exception of sales of goods by stichd amounting to €37.1 million (previous year: €38.3 million), there are no significant internal sales, which is why they are not included in the presentation.

The operating result (EBIT) of the business segments is defined as gross profit less the attributable other operating expenses plus royalty and commission income and other operating income, but not considering the costs of the central departments and the central marketing expenses.

The external sales, operating result (EBIT), inventories and trade receivables of the business segments are regularly reported to the main decision-maker. Amounts recognised by the Group from the intra-group profit elimination on inventories in connection with intra-group sales are not allocated to the business segments in the way that they are reported to the main decision-maker. Investments, depreciation and non-current assets at the level of the business segments are not reported to the main decision-maker. Intangible assets are allocated to the business segments in the manner described in chapter 11. Liabilities, the financial result and income taxes are not allocated to the business segments and are therefore not reported to the main decision-maker at the business segment level.

Non-current assets and depreciation comprise the carrying amounts and depreciation of property, plant and equipment, right-of-use assets and intangible assets during the past financial year. The investments comprise additions to property, plant and equipment and intangible assets.

Since PUMA is active in only one business area, the sporting goods industry, products are additionally allocated according to the Footwear, Apparel and Accessories product segments in accordance with the internal reporting structure.

SEGMENT REPORTING JAN-DEC 2023

T.80 BUSINESS SEGMENTS (in € million)

	External Sales		**EBIT**		**Investments**	
	1–12/2023	**1–12/2022**	**1–12/2023**	**1–12/2022**	**1–12/2023**	**1–12/2022**
Europe	2,016.0	1,922.5	251.4	242.0	25.8	33.6
EEMEA	1,626.2	1,333.3	392.1	308.5	28.1	30.2
North America	2,095.9	2,531.4	295.0	398.9	75.5	67.6
Latin America	1,239.9	1,098.3	285.3	285.2	75.8	34.6
Greater China	582.2	521.3	84.5	20.2	10.3	20.3
Asia/Pacific (excluding Greater China)	551.7	588.5	61.2	73.4	6.5	7.2
stichd	459.4	469.8	89.5	113.2	22.1	21.2
Total business segments	8,571.3	8,465.1	1,458.9	1,441.2	244.1	214.7

	Depreciation and amortization		Inventories		Trade Receivables (third parties)	
	1–12/2023	1–12/2022	1–12/2023	1–12/2022	1–12/2023	1–12/2022
Europe	61.7	58.5	498.5	602.5	196.4	190.3
EEMEA	55.6	55.8	338.4	378.5	286.5	189.4
North America	83.3	71.2	466.1	739.3	204.9	259.2
Latin America	39.2	23.1	306.9	253.1	223.7	200.7
Greater China	29.3	39.7	109.6	179.1	40.6	44.5
Asia/Pacific (excluding Greater China)	28.1	31.6	97.8	114.7	91.5	111.4
stichd	11.2	8.3	104.8	93.9	72.1	66.1
Total business segments	308.3	288.2	1,922.0	2,361.1	1,115.7	1,061.6

T.81 CONTINUATION BUSINESS SEGMENTS (in € million)

	Non-current assets	
	1–12/2023	1–12/2022
Europe	477.4	477.1
EEMEA	186.1	198.1
North America	741.8	750.4
Latin America	221.5	128.2
Greater China	91.8	86.2
Asia/Pacific (excluding Greater China)	121.7	149.4
stichd	226.0	209.6
Total business segments	2,066.4	1,999.1

T.82 PRODUCT EXTERNAL SALES (€ million) **GROSS PROFIT MARGIN** (in %)

	External Sales		Gross Profit Margin	
	1–12/2023	1–12/2022	1–12/2023	1–12/2022
Footwear	4,583.4	4,317.9	45.4%	44.9%
Apparel	2,763.0	2,896.3	47.8%	47.3%
Accessories	1,255.3	1,251.0	46.6%	47.4%
Total	8,601.7	8,465.1	46.3%	46.1%

RECONCILIATIONS

T.83 RECONCILIATIONS (in € million)

	External Sales	
	1–12/2023	**1–12/2022**
Total business segments	8,571.3	8,465.1
Central Areas	30.4	0.0
Total	8,601.7	8,465.1

	EBIT	
	1–12/2023	**1–12/2022**
Total business segments	1,458.9	1,441.2
Central Areas	-344.6	-364.4
Central expenses Marketing	-492.7	-436.2
Consolidation	0.0	0.0
EBIT	621.6	640.6
Financial Result	-143.3	-88.9
EBT	478.3	551.7

	Investments		Depreciation and amortization	
	1–12/2023	**1–12/2022**	**1–12/2023**	**1–12/2022**
Total business segments	244.1	214.7	308.3	288.2
Central Areas	55.5	49.3	43.4	44.6
Consolidation	0.0	0.0	0.0	0.0
Total	299.6	263.9	351.7	332.8

	Inventories		Trade Receivables (third parties)		Non-current assets	
	1–12/2023	**1–12/2022**	**1–12/2023**	**1–12/2022**	**1–12/2023**	**1–12/2022**
Total business segments	1,922.0	2,361.1	1,115.7	1,061.6	2,066.4	1,999.1
Not allocated to the business segments	-117.7	-116.0	2.8	3.3	237.7	211.0
Total	1,804.4	2,245.1	1,118.4	1,064.9	2,304.1	2,210.1

GEOGRAPHICAL INFORMATION

Sales revenue (with third parties) is reported in the geographical market in which it arises. Non-current assets are allocated to the geographical market based on the registered office of the relevant subsidiary, regardless of the segment structure.

T.84 GEOGRAPHICAL INFORMATION BY COUNTRY (in € million)

	External Sales		Non-current assets	
	1–12/2023	**1–12/2022**	**1–12/2023**	**1–12/2022**
Germany, Europe	631.6	586.3	507.0	488.3
USA, North America	1,933.7	2,334.2	604.5	604.7

25. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement was prepared in accordance with IAS 7 and is structured based on cash flows from operating, investing and financing activities. The indirect method is used to determine the cash outflow/inflow from operating activities. The gross cash flow, derived from earnings before income tax and adjusted for non-cash income and expense items, is determined within the cash flow from operating activities. Cash outflow/inflow from operating activities less investments in property, plant and equipment as well as intangible assets is referred to as free cash flow.

The cash and cash equivalents reported in the cash flow statement include all cash and cash equivalents shown in the statement of financial position under the item "Cash and cash equivalents", i.e. cash on hand, checks and current bank balances including short-term financial investments.

The following table shows the cash and non-cash changes in financial liabilities in accordance with IAS 7.44 A:

T.85 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH INFLOW/OUTFLOW FROM FINANCING ACTIVITIES 2023 (in € million)

			Non-cash changes			
	Notes	**Balance 01/01/2023**	**Currency changes**	**Other**	**Cash changes**	**Balance 31/12/2023**
Financial liabilities						
Lease liabilities	10	1,230.4	-44.9	254.9	-208.0	1,232.4
Current borrowings	13	75.9	-0.6	129.8	-59.1	145.9
Non-current borrowings	13	251.5	0.0	-125.0	299.6	426.1
Total		1,557.8	-45.6	259.7	32.5	1,804.4

T.86 RECONCILIATION OF FINANCIAL LIABILITIES TO THE CASH INFLOW/OUTFLOW FROM FINANCING ACTIVITIES 2022 (in € million)

	Notes	Balance 01/01/2022	Non-cash changes		Cash changes	Balance 31/12/2022
			Currency changes	Other		
Financial liabilities						
Lease liabilities	10	1,023.4	12.1	385.0	-190.0	1,230.4
Current borrowings	13	68.5	-1.1	0.0	8.4	75.9
Non-current borrowings	13	311.5	0.0	0.0	-60.0	251.5
Total		1,403.4	11.1	385.0	-241.6	1,557.8

The lease liabilities of €1,232.4 million (previous year: €1,230.4 million) break down into current lease liabilities of €212.4 million (previous year: €200.2 million) and non-current lease liabilities of €1,020.0 million (previous year: €1,030.3 million).

26. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

OTHER FINANCIAL OBLIGATIONS

The Company has other financial obligations associated with license, promotional and advertising agreements, which give rise to the following financial obligations as of the balance sheet date:

T.87 COMMITMENTS FROM LICENSE, PROMOTIONAL AND ADVERTISING AGREEMENTS (in € million)

	2023	2022
From license, promotional and advertising agreements:		
Due within one year	402.4	348.6
Due between one and five years	1,203.5	781.1
Due after five years	314.2	130.8
Total	1,920.2	1,260.5

As is customary in the industry, the promotional and advertising agreements provide for additional payments on reaching pre-defined goals (e.g. medals, championships). These are contractually agreed, but by their nature cannot be predicted exactly in terms of their timing and amount.

In addition, there are other financial obligations totalling €246.5 million, of which, €146.5 million relate to the years from 2025. These include service agreements of €234.2 million as well as other obligations of €12.3 million.

CONTINGENT LIABILITIES

Individual PUMA companies are involved in legal disputes arising from normal operating activities, e.g. relating to intellectual property rights and employee matters. If an outflow of resources from these legal disputes is classified as probable and the amount of the obligation can be reliably estimated, the risks arising from these legal disputes are included in the other provisions. However, if the probability of occurrence is classified as low, these legal disputes are recognised as contingent liabilities, which are estimated at €0.8 million in this financial year (previous year: €3.1 million). Contingent liabilities also exist due to uncertainties in the appraisal of the facts by the tax and customs authorities in India. Based on external reports, the Management currently assumes that the receivables of Indian tax and customs authorities will not result in any cash outflow. Overall, the PUMA Management considers that the impact of the total of the contingent liabilities on the net assets, financial position and results of operations of the Company is immaterial.

27. COMPENSATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Disclosures pursuant to Section 314(1) 6 HGB (German Commercial Code [Handelsgesetzbuch]) in conjunction with Section 315e HGB.

COMPENSATION OF THE MEMBERS OF THE MANAGEMENT BOARD

The total compensation of the members of the Management Board in financial year 2023 was €10.3 million (previous year: €11.9 million).

The total remuneration of the Management Board includes the share-based remuneration granted for the financial year with a fair value of €4.2 million (previous year: €1.7 million) and 81,279 performance shares were issued (previous year: 16,457). The total remuneration for the previous year also includes the issue of 30,968 virtual shares of the PUMA Monetary Unit Plan with a fair value of €3.0 million.

TOTAL COMPENSATION OF FORMER MEMBERS OF THE MANAGEMENT BOARD

The total remuneration of former members of the Management Board and their surviving dependents amounted to €0.7 million in financial year 2023 (previous year: €0.7 million).

In addition, there were defined benefit pension obligations to former members of the Management Board and their widows/widowers amounting to €2.4 million (previous year: €2.5 million) as well as defined contribution plans from deferred compensation of former members of the Management Board and Managing Directors amounting to €47.2 million (previous year: €17.3 million). Both items are recognised accordingly within pension provisions to the extent they were not offset against plan assets of an equal amount.

COMPENSATION OF THE SUPERVISORY BOARD

The compensation paid to the Supervisory Board comprised fixed compensation and additional compensation for committee activities, and amounted to a total of €0.4 million (previous year: €0.2 million).

28. DISCLOSURES RELATED TO NON-CONTROLLING INTERESTS

The summarised financial information about subsidiaries of the Group in which non-controlling interests exist is presented below. This financial information relates to all companies with non-controlling interests in which the identical non-controlling shareholder holds an interest. The figures represent the amounts before intercompany eliminations.

Evaluation of the control of companies with non-controlling interests:

The Group holds a 51% capital share in PUMA United North America LLC, PUMA United Canada ULC and Janed Canada LLC (inactive company). With these companies, there are profit-sharing arrangements in place which differ from the capital share for the benefit of the respective identical non-controlling shareholder. PUMA receives higher license fees in exchange.

In addition, there is a shareholding in the capital and the result, amounting to 70%, in the company PUMA United Aviation North America LLC.

The contractual agreements with these companies respectively provide PUMA with a majority of the voting rights at the shareholder meetings, and thus the right of disposal regarding these companies. PUMA is exposed to fluctuating returns from the sales-based license fees and from variable earnings. The Group also controls the key activities of these companies. The companies are accordingly included in the consolidated financial statements as subsidiaries with full consolidation with recognition of non-controlling interests.

The non-controlling interests existing on the balance sheet date relate to PUMA United North America LLC, PUMA United Canada ULC, Janed Canada, LLC (inactive) and PUMA United Aviation North America LLC at €28.9 million (previous year: €67.1 million).

The following tables show a summary of the financial information for subsidiaries with non-controlling interests:

T.88 ASSETS AND LIABILITIES (in € million)

	2023	2022
Current assets	112.9	105.8
Non-current assets	8.6	10.3
Current liabilities	85.3	40.4
Non-current liabilities	0.0	0.0
Net assets	36.3	75.7
Net assets attributable to non-controlling interests	28.9	67.1

T.89 INCOME STATEMENT (in € million)

	2023	2022
Sales	411.8	452.2
Net income	56.8	72.0
Profit attributable to non-controlling interests	55.7	70.9
Other comprehensive income of non-controlling interests	4.3	4.1
Total comprehensive income of non-controlling interests	54.2	75.0
Dividends paid to non-controlling interests	92.4	73.3

T.90 CASH (in € million)

	2023	2022
Net cash from operating activities	101.8	79.4
Net cash used in investing activities	-0.3	0.0
Net cash used in financing activities	-101.4	-80.1
Changes in cash and cash equivalents	0.0	-0.4

29. RELATED PARTY RELATIONSHIPS

In accordance with IAS 24, relationships to related companies and persons that control or are controlled by the PUMA Group must be reported. All natural persons and companies that can be controlled by PUMA, that can exercise relevant control over the PUMA Group or that are under the relevant control of another related party of the PUMA Group are considered to be related companies or persons within the meaning of IAS 24.

As of 31 December 2023, there was one shareholding in PUMA SE that exceeded 20% of the voting rights. This is held by the Pinault family via several companies that the family controls (in order of proximity to the Pinault family: Financière Pinault S.C.A., Artémis S.A.S. and Kering S.A.). The share of Kering S.A. in PUMA SE amounted to 1.47% of the share capital at 18 September 2023. Combined, the shareholdings of Artémis S.A.S. and Kering S.A. amounted to 29.99% of the share capital of PUMA SE at 18 September 2023. Since Artémis S.A.S. and Kering S.A. hold more than 20% of the voting rights in PUMA SE, they are presumed to have significant influence according to IAS 28.5 and IAS 28.6. They and all other companies directly or indirectly controlled by Financière Pinault S.C.A. that are not included in the consolidated financial statements of PUMA SE are considered as related parties in the following.

In addition, the disclosure obligation pursuant to IAS 24 extends to transactions with associated companies as well as transactions with other related companies and persons.

Transactions with related companies and persons largely concern sales of goods and licensing agreements.

The following overview illustrates the scope of the business relationships:

T.91 DELIVERIES AND SERVICES RENDERED AND RECEIVED (in € million)

	Deliveries and services rendered		Deliveries and services received	
	2023	**2022**	**2023**	**2022**
Companies included in the Artémis Group	2.1	1.7	0.0	0.1
Other related companies and persons	0.0	0.0	0.0	0.0
Total	2.1	1.7	0.0	0.1

T.92 NET RECEIVABLES AND LIABILITIES (in € million)

	Net receivables from		Liabilities to	
	2023	**2022**	**2023**	**2022**
Companies included in the Artémis Group	0.3	0.3	0.0	0.0
Other related companies and persons	0.0	0.0	0.0	0.0
Total	0.3	0.3	0.0	0.0

Receivables from related companies and persons are not subject to value adjustments.

Classification of the remuneration of key management personnel in accordance with IAS 24.17:

The members of key management personnel in accordance with IAS 24 are the Management Board and the Supervisory Board. These are counted as related parties.

In financial year 2023, the remuneration of the members of the Management Board of PUMA SE for short-term benefits amounted to €6.1 million (previous year: €7.2 million), for termination benefits to €0.0 million (previous year: €0.0 million) and the share-based payment €1.4 million (previous year: €-0.5 million). Furthermore, just like in the previous year, no remuneration was granted in the form of other long-term benefits or in the form of post-employment benefits in the reporting year. Accordingly, the total expenditure for the reporting year amounted to €7.5 million (previous year: €6.7 million).

In financial year 2023, the remuneration of the members of the Supervisory Board of PUMA SE for short-term benefits amounted to €0.4 million (previous year: €0.2 million).

30. CORPORATE GOVERNANCE

In November 2023, the Management Board and the Supervisory Board submitted the required compliance declaration with respect to the recommendations issued by the Government Commission German Corporate Governance Code pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) and published it on the Company's website (https://about.PUMA.com). Please also refer to the corporate governance statement in accordance with section 289f and section 315d HGB (Handelsgesetzbuch, German Commercial Code) in the Combined Management Report.

31. EVENTS AFTER THE BALANCE SHEET DATE

No events with any significant effect on the net assets, financial position and results of operations of the PUMA Group occurred after the balance sheet date.

32. DATE OF RELEASE

The Management Board of PUMA SE released the consolidated financial statements on 7 February 2024 for distribution to the Supervisory Board. The task of the Supervisory Board is to review the consolidated financial statements and state whether it approves them.

Herzogenaurach, 7 February 2024

The Management Board

Freundt Hinterseher Descours Valdes

This is a translation of the German version. In case of doubt, the German version shall apply.

APPENDIX 1 OF THE CONSOLIDATED FINANCIAL STATEMENT

MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND THEIR MANDATES STATUS: 31 DECEMBER 2023

MEMBERS OF THE MANAGEMENT BOARD AND THEIR MANDATES

Arne Freundt
Chief Executive Officer (CEO)

Hubert Hinterseher
Chief Financial Officer (CFO)

Anne-Laure Descours
Chief Sourcing Officer (CSO)

Maria Valdes (since 1 January 2023)
Chief Product Officer (CPO)

MEMBERS OF THE SUPERVISORY BOARD AND THEIR MANDATES

Héloïse Temple-Boyer (first elected on 18 April 2019)
(Chair)
Paris, France

Deputy CEO of ARTÉMIS S.A.S., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises[2]

- Kering S.A., Paris/France
- Christie's International Plc., London/ United Kingdom
- CAA LL.C., Los Angeles/USA
- Giambattista Valli S.A.S., Paris/France
- Société d'exploitation de l'hebdomadaire le Point S.A., Paris/France
- Pinault Collection, Paris/France

[2] All mandates are mandates within the ARTÈMIS/KERING-Group. Only Kering S.A. is a listed company.

Thore Ohlsson (first elected on 21 May 1993)
(Deputy Chair)
Falsterbo, Sweden

President of Elimexo AB, Falsterbo/Sweden

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Tomas Frick AB, Vellinge/Sweden
- Orrefors Kosta Boda AB, Kosta/Sweden
- Infinitive AB, Malmö/Sweden
- Friskvårdcenter AB, Malmö/Sweden
- Totestories AB, Vellinge/Sweden

Jean-Marc Duplaix (first elected on 24 May 2023)
Paris, France

Deputy CEO of Kering S.A., Paris/France

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises[3]:

- Balenciaga S.A., Paris/Frankreich

Jean-François Palus (first elected on 16 June 2007, until 24 May 2023)
Paris, France

Managing Director of Guccio Gucci S.p.A., Florence/Italy

Membership in other statutory supervisory boards in Germany: None

[3] The mandate is a mandate within the Kering Group. Kering S.A. is a listed company. Balenciaga S.A. is not listed

Membership in comparable domestic and foreign controlling bodies of commercial enterprises:

- Financière Pinault S.C.A., Paris/France
- Sonova Management S.A.S., Paris/France
- Bureau Veritas S.A., Paris/France

Fiona May (first elected on 18 April 2019)
Calenzano, Italy

Independent Management Consultant

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

Martin Köppel (first elected on 25 July 2011)
(Employees' Representative)
Adelsdorf, Germany

Chair of the Works Council of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

Bernd Illig (first elected on 9 July 2018)
(Employees' Representative)
Bechhofen, Germany

Teamhead IT Endpoint Management of PUMA SE

Membership in other statutory supervisory boards in Germany: None

Membership in comparable domestic and foreign controlling bodies of commercial enterprises: None

SUPERVISORY BOARD COMMITTEES

Personnel Committee

- Héloïse Temple-Boyer *(Chair)*
- Fiona May
- Martin Köppel

Audit Committee

- Jean-Marc Duplaix (Chair since 24 May 2023)
- Thore Ohlsson (Chair until 24 May 2023)
- Héloïse Temple-Boyer (until 24 May 2023)
- Bernd Illig

Nominating Committee

- Héloïse Temple-Boyer *(Chair)*
- Jean-François Palus (until 24 May 2023)
- Fiona May
- Jean-Marc Duplaix (since 24 May 2023)

Sustainability Committee

- Fiona May *(Chair)*
- Héloïse Temple-Boyer
- Martin Köppel

DECLARATION BY THE LEGAL REPRESENTATIVES

We state to the best of our knowledge that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with the applicable accounting principles, and that the Group management report, which is combined with the Management report of PUMA SE for the financial year 2023, provides a true and fair view of the course of the development and performance of the business and the position of the Group, together with a description of the principal risks and opportunities associated with the expected performance of the Group.

Herzogenaurach, 7 February 2024

The Management Board

Freundt Hinterseher Descours Valdes

INDEPENDENT AUDITOR'S REPORT

For the Consolidated Financial Statements and Group Management Report we have issued an unqualified auditor's report. The English language text below is a translation of the auditor's report. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

To PUMA SE, Herzogenaurach

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

OPINIONS

We have audited the consolidated financial statements of PUMA SE, Herzogenaurach, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2023, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of PUMA SE for the financial year from January 1 to December 31, 2023.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. In accordance with German legal requirements, we have not audited the cross-references and the information to which the cross-references refer.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2023, and of its financial performance for the financial year from January 1 to December 31, 2023, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report. The combined management report contains cross-references that are not provided for by law and which are marked as unaudited. Our audit opinion does not extend to the cross-references and the information to which the cross-references refer.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

REVENUE RECOGNITION CUT-OFF FOR WHOLESALE CUSTOMERS

For information on the accounting policies applied, please refer to Sections 2 and 19 in the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

The consolidated financial statements of PUMA SE for financial year 2023 report revenue of EUR8,601.7 million. Revenue includes revenue of EUR6,468.6 million from the sale of goods to wholesale customers.

The Group recognizes revenue from the sale of goods to wholesale customers when it fulfils a performance obligation through the transfer of a promised asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset. In accordance with the transfer of control, revenue from wholesale customers is recognized at a point in time in the amount to which the Group is entitled.

The Management Board of PUMA SE has defined the criteria for the recognition of revenue at a point in time in a group-wide accounting policy and implemented processes for correct recognition and cut-off.

In the final weeks prior to the reporting date, a range of transactions with wholesale customers take place with individual contractual agreements on the transfer of risk. In addition, there are internally defined and externally communicated revenue targets for the financial year, which represent a key benchmark for measuring corporate success.

There is the risk for the consolidated financial statements that revenue in the reporting year is overstated due to it being recognized in the wrong period, meaning that it is not recorded on an accrual basis.

OUR AUDIT APPROACH

In order to audit revenue recognition cut-off for wholesale customers, we assessed the design, setup and effectiveness of the internal controls relating to outgoing goods and the acceptance of goods and invoicing, in particular the determination and verification of the correct transfer of control. In addition, we reviewed the presentation of revenue recognition in the group-wide accounting policy to ensure compliance with IFRS 15.

Furthermore, we assessed revenue recognition cut-off for wholesale customers by reconciling invoices with the related orders, underlying contracts and external delivery records. This was based on revenue recognized at the end of December 2023 and selected using a mathematical/statistical procedure.

OUR OBSERVATIONS

PUMA SE's approach to revenue recognition cut-off with wholesale customers is appropriate.

IMPAIRMENT TESTING OF RIGHT-OF-USE ASSETS FOR RETAIL STORES

For information on the accounting policies applied, please refer to Sections 2 and 10 in the notes to the consolidated financial statements.

THE FINANCIAL STATEMENT RISK

As of December 31, 2023, right-of-use assets of EUR1,087.7 million are recognized in the consolidated financial statements of PUMA SE. A significant portion of the right-of-use assets is attributable to retail stores (EUR464.2 million). Right-of-use assets amount to 16.4% of total assets and thus have a material influence on the Company's net assets.

Owing to the large number of leases and the resulting transactions, the Company has set up group-wide processes and controls for the measurement of leases.

Right-of-use assets for retail stores are tested for impairment at the level of the individual retail stores as cash-generating units. The impairment test compares the carrying amount of the cash-generating unit with its recoverable amount. The Company determines the recoverable amount for the retail stores indicating potential impairment by using the discounted cash flow method. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized for the right-of-use asset of the cash-generating unit. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

Impairment testing of right-of-use assets for retail stores is complex and based on a range of assumptions that require judgment. Among others, these include the business and earnings performance of the retail store for the next year, the assumed growth rates, the applied discount rate and the use of extension options. The Company recognized impairment losses in the amount of EUR5.7 million for right-of-use assets for retail stores during the financial year.

In particular owing to the judgments for measuring right-of-use assets for retail stores, there is the risk for the consolidated financial statements that an impairment of right-of-use assets may not be identified.

OUR AUDIT APPROACH

Using the information obtained during our audit, we assessed whether there were any indicators of impairment for right-of-use assets for retail stores. In doing so, we thoroughly examined the Company's approach to determining the need to recognize impairment losses and, based on the information obtained in the course of our audit, assessed whether there were any indications of impairment that had not been identified by the Company.

With the involvement of our valuation specialists, for a sample of retail stores selected based on risk, we then assessed (among other things) the appropriateness of the Company's calculation method. For this purpose we discussed the expected business and earnings development for the retail stores selected in this sample and the assumed growth rates with those responsible for planning. Where accounting judgments were made for determining the lease term, we examined these judgments to determine whether the underlying assumptions were comprehensible in light of the prevailing market conditions and risks in the industry.

We also assessed the accuracy of the Company's previous forecasts for the affected right-of-use assets by comparing the budgets from the previous financial year for the selected retail stores in the sample with the actual results, and we analyzed any deviations. Further, we compared the assumptions and data underlying the discount rates with our own assumptions and publicly available data. We also assessed whether the calculation method for the discount rate was appropriate.

We verified the computational accuracy of the carrying amount of the right-of-use assets determined by PUMA SE for the retail stores included in the sample.

In order to take forecast uncertainty into account, we examined the impact of potential changes in the discount rate, earnings performance and long-term growth rates on the value in use by calculating alternative scenarios for the selected sample and comparing these with the values stated by the Company (sensitivity analysis).

OUR OBSERVATIONS

The calculation method used for impairment testing of right-of-use assets for retail stores is appropriate and in line with the accounting policies to be applied.

The Company's assumptions and data used for the measurement of the right-of-use assets for retail stores are appropriate.

OTHER INFORMATION

The Management Board and/or the Supervisory Board is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the Company's and Group's separate combined non-financial report, which is referred to in the combined management report, and

- the combined corporate governance statement for the Company and Group, which is included in a separate section of the combined management report, and

- information extraneous to combined management reports and marked as unaudited.

The other information also includes the annual report, which is expected to be made available to us after the date of this independent auditor's report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The Management Board is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.

- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the Management Board in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "PUMA KA 2023.zip" (SHA256-Hashwert: 3d9c82efdcc3657b21661fc4c90debfbfafac65be5b3f152055611b47a544d9b) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2023, contained in the "Report on the Audit of the Consolidated Financial Statements and the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the

IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

Owing to the conversion process selected by the Company concerning the information in the notes in iXBRL format (block tagging), the consolidated financial statements converted into the ESEF format are not machine-readable in a fully meaningful respect. There is significant legal uncertainty regarding the legal conformity of the Management Board's interpretation that meaningful machine-readability of the structured information in the notes is not explicitly required by Commission Delegated Regulation (EU) 2019/815 for the block tagging of the notes, which thus also constitutes an inherent uncertainty of our audit.

The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor at the Annual General Meeting on May 24, 2023. We were engaged by the Supervisory Board on November 21, 2023. We have been the group auditor of PUMA SE without interruption since financial year 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and combined management report converted to the ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Matthias Koeplin.

Nuremberg, February 9, 2024

KPMG AG

Wirtschaftsprüfungsgesellschaft

Koeplin	Behrendt
Wirtschaftsprüfer *[German Public Auditor]*	Wirtschaftsprüferin *[German Public Auditor]*

A. MANAGEMENT DISCUSSION AND ANALYSIS OF THE TARGET GROUP FOR THE YEAR ENDED 31 DECEMBER 2025

The following is an extract of the press release of the Target Group for the year ended 31 December 2025. Specific page/section references mentioned in the audited financial statements of the Target Group for the year ended 31 December 2025 are referred to in the Target Group's combined management report 2025 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

Key developments FY2025

- PUMA outlines new strategic priorities to establish itself as a Top-3 global sports brand
- Sales decline by 8.1% on a currency-adjusted basis (ca) to €7,296.2 million (-13.1% reported) primarily due to strategic reset initiatives
- Gross profit margin down 260 basis points to 45.0% due to increased wholesale promotions, inventory reserves from distribution clean-up and currency effects
- Adjusted EBIT, excluding one-time effects, decreases to €-165.6 million due to the decline in sales and lower gross profit margin
- Reported EBIT amounts to €-357.2 million, including one-time effects of €191.6 million
- Inventories increase by 2.3% to €2,060.0 million; Inventory clean-up slightly ahead of plan and PUMA expects to return to more normalised inventory level by the end of 2026
- PUMA secures additional financing and ends the year with unutilised credit lines of €1,202.2 million

Outlook FY2026

- Currency-adjusted sales to decline in the low- to mid-single-digit percentage range
- Operating result (EBIT) between €-50 million and €-150 million
- Capital expenditures (CAPEX) of around €200 million planned

Full Year 2025

Sales

After **sales** remained broadly stable in the first half of 2025, they declined notably in the second half of the year, primarily reflecting the strategic reset measures initiated in the third quarter of 2025. Consequently, sales for the full year 2025 decreased by 8.1% (ca) to €7,296.2 million (FY2024: €8,398.0 million), with a decline across all regions and product divisions. Currencies, especially the Argentine Peso, U.S. Dollar and Turkish Lira were a headwind, resulting in a reported sales decline of 13.1%.

PUMA's **Wholesale** sales fell by 12.8% (ca) to €4,935.0 million (FY2024: €5,972.6 million), mainly due to weaker sales in the Americas, Asia/Pacific and EMEA regions as a result of inventory takebacks and reduced mass merchant exposure. The **Direct-to-Consumer (DTC)** business increased by 3.4% (ca) to €2,361.1 million (FY2024: €2,425.4 million), driven by 3.4% (ca) growth in both e-commerce and in owned & operated retail stores. This resulted in an increased DTC share of 32.4% (FY2024: 28.9%).

EMEA sales dropped by 6.9% (ca) to €3,143.2 million (FY2024: €3,475.7 million), with declines in Europe partly balanced by growth in EEMEA. In the **Asia/Pacific** region sales decreased by 7.4% (ca) to €1,594.7 million (FY2024: €1,805.5 million) reflecting softness in Greater China and rest of Asia/Pacific. The **Americas** region recorded a sales decline of 10.0% (ca) to €2,558.2 million (FY2024: €3,116.8 million) mainly due to a weaker performance in North America, while Latin America recorded modest growth.

Among product divisions, sales in **Footwear** decreased on a broad base by 7.1% (ca) to €4,113.8 million (FY2024: €4,733.6 million). This was partially offset by growth in Sportstyle Prime & Select, driven by the Speedcat family and increased demand in Running. **Apparel** decreased by 9.7% (ca) to €2,328.5 million (FY2024: €2,703.7 million) mainly due to a decline in Sportstyle and Teamsports, partially offset by growth in Training, Basketball and Motorsports. **Accessories** fell by 8.5% (ca) to €853.9 million (FY2024: €960.7 million), mainly due to softness in the Golf category.

Profitability

The **gross profit margin** declined by 260 basis points to 45.0% (FY2024: 47.6%). While increased promotions in the wholesale channel, inventory reserves, an unfavourable product mix and currency effects were a headwind, this was partially offset by a favourable distribution channel mix. In addition, lower sourcing costs including duties were a tailwind, fully offsetting the negative impact from U.S. Tariffs.

The **Royalty and commission income** increased by 4.4% to €92.4 million (FY2024: €88.5 million).

Operating expenses (OPEX), excluding one-time effects, remained flat at €3,537.7 million (FY2024: €3,537.7 million). Savings from the cost efficiency program were balanced out by increased retail expenses driven by growth in the DTC business, particularly e-commerce. Additionally, higher depreciation and amortisation costs resulting from investments in DTC and infrastructure, along with approximately €30 million in accounts receivable write-offs, contributed to the overall flat costs. Marketing expenses as a percentage of sales rose on the back of lower sales. Overall, lower sales led to an increase in the adjusted OPEX ratio by 640 basis points to 48.5% (FY2024: 42.1%), partially offset by currency tailwinds.

Adjusted EBIT, excluding one-time effects, decreased to €-165.6 million (FY2024: €548.7 million) due to the sales decline and a lower gross profit margin. PUMA incurred **one-time effects** of €191.6 million mainly related to the cost efficiency program and goodwill impairments. Costs associated with the cost efficiency program in particular comprised personnel expenses, the closure of unprofitable stores and other non-operating costs. Consequently, the **reported EBIT** came in at €-357.2 million (FY2024: €548.7 million) and the reported EBIT margin was at -4.9% (FY2024: 6.5%).

The **financial result** decreased by 11.2% to €-165.7 million (FY2024: €-149.0 million), mainly as a result of unfavourable currency movements and a lower interest result. Despite lower earnings before taxes compared to the previous year period, **income taxes** came in at €-120.7 million (FY2024: €-119.0 million). This was primarily attributable to deferred tax assets write-offs in the U.S. and China.

Loss from continuing operations came in at €-643.6 million (FY2024: profit from continuing operations of €280.7 million) and **earnings per share from continuing operations** amounted to €-4.37 (FY2024: €1.88).

Balance Sheet

Working capital increased by 20.2% to €1,536.6 million (31 December 2024: €1,278.2 million). **Inventories** rose by 2.3% reported and 10.7% currency-adjusted to €2,060.0 million (31 December 2024: €2,013.7 million) partly driven by inventory takebacks from wholesale partners to clean up distribution. This was counterbalanced by a deliberate decrease in purchase volume, adopted as a strategy to moderate inventory expansion and prevent excess supply. As part of its reset actions to clean up distribution, PUMA has largely completed inventory takebacks in Q4 and will continue to drive product clearance through own factory outlets and wholesale partners, using targeted promotions. **Trade receivables** decreased by 26.7% to €913.4 million (31 December 2024: €1,246.5 million), mainly due to a significant sales decrease in the fourth quarter. **Trade payables** decreased by 32.9% to €1,271.4 million (31 December 2024: €1,893.5 million), mainly reflecting reduced purchasing volume in the fourth quarter.

Cash Flow and Liquidity Situation

Free cash flow came in at €-530.3 million, significantly down compared to the prior year (FY2024: €464.3 million), mainly due to negative earnings before taxes as well as an increase in net working capital. **CAPEX** amounted to €206.3 million (FY2024: €263.0 million). The investments focused on PUMA's logistics and digital infrastructure, DTC channels and key initiatives to strengthen PUMA's long-term competitiveness. On 31 December 2025, PUMA had **cash and cash equivalents** of €290.0 million, a decrease of 21.2% compared to last year (31 December 2024: €368.2 million). In addition, the PUMA Group had **available credit lines** of €2,562.8 million (31 December 2024: €1,842.9 million). Credit lines rose by €719.9 million compared the previous year-end mainly due to the completion of a €500.0 million bridge loan and two promissory note transactions with an aggregate volume of €275.0 million. In January 2025, the last tranche of €70.0 million from the second promissory note was repaid upon reaching its final maturity. **Unutilised credit** lines were at €1,202.2 million on the balance sheet date compared to €1,360.2 million at the end of 2024. **Net debt** of €1,063.5 million at the end of FY2025 was significantly above the prior year level of €119.8 million, mainly driven by increased bank liabilities to support the operating business and finance working capital. For more information on financing, please refer to the section "Subsequent events".

Proposal to pay no Dividend for the Financial Year 2025

As a result of the negative net income of the PUMA Group in 2025, the Management Board and Supervisory Board of PUMA SE will propose to the Annual General Meeting on 19 May 2026 that no dividend should be distributed for the financial year 2025 (FY2024: €0.61).

FY2026 Outlook Reflects Transition Year for PUMA

Following a pivotal reset in 2025, during which PUMA implemented decisive measures to tackle brand challenges, restore inventory balance, and lay the groundwork for a stronger, more focused future, 2026 is set to be a year of transition for the company. Throughout 2026, PUMA will continue its efforts to streamline distribution and further reduce inventory levels. The reduction in inventory is targeted to be achieved through disciplined management of purchasing volumes and targeted product clearance initiatives. Cost efficiency measures initiated in the previous year will remain in effect. These include the continued organisational redesign, further simplification of the product portfolio and the completion of the reduction of approximately 1,400 corporate roles since the beginning of 2025.

During this transitional period, PUMA's key priorities are to prepare the organisation for sustainable success, safeguard financial stability and position the company for a return to healthy, above-industry growth from 2027 onwards. The brand and product strategy for 2026 will centre on PUMA's focus areas: Football, with a prominent presence at the 2026

World Cup™; Running, driven by the NITRO™ platform; Training, underpinned by PUMA's exclusive partnership with HYROX; and Sportstyle Prime & Select, where the company aims to strengthen its portfolio by leveraging its heritage and enhancing storytelling.

PUMA expects ongoing geopolitical and macroeconomic uncertainties in 2026. The anticipated **currency-adjusted sales decline in the low- to mid-single-digit percentage range** is mainly attributable to lower sales in North America, reflecting measures to streamline distribution, while sales growth in Latin America and Middle East, Africa & India can only partially compensate for this.

The company projects an **operating result (EBIT) between €-50 and €-150 million**, including one-time effects related to the implemented cost efficiency program. **Capital expenditures (CAPEX) are projected at around €200 million** in 2026, focusing on digital infrastructure, DTC channels, and key initiatives to strengthen PUMA's long-term competitiveness. While 2025 served as a year of strategic reset and 2026 represents a period of transition, PUMA is confident that the measures implemented thus far and those planned for the near future, are critical to re-establishing growth from 2027 onwards. These actions are expected to generate healthy profits and support the company's ambition to become one of the top three sports brands globally in the medium term.

Basis of Preparation/Important Notice

As announced on 11 November 2025, PUMA moved from a business partnership to a licensing agreement structure with its long-term partner United Legwear. This change took effect on 1 November 2025. As a result, PUMA United is classified as a discontinued operation in PUMA's financial reporting from November 2025 onwards. Accordingly, 2024 and 2025 P&L figures used in this press release were restated.

Subsequent Events

ANTA Announcement: On 27 January 2026, the Chinese sporting goods group Anta Sports announced it had entered a share purchase agreement with Artémis S.A.S. to acquire a 29.06% stake in PUMA. The transaction is subject to conditions precedent. PUMA released a statement of its CEO Arthur Hoeld on the same day in response to this announcement. The full statement can be found in the News section of the PUMA website: https://about.puma.com/en/en/newsroom/corporate-news/news.

Additional Private Placement and Syndication: On 26 January 2026, PUMA completed a promissory note loan transaction of €100.0 million, which was disbursed on 29 January 2026. The promissory note loan has a term of two years with a standard market fixed interest rate. Through this additional private placement, the bridge financing originally agreed on 15 December 2025, of €500.0 million could be reduced to €350.0 million and was fully syndicated through PUMA's core banking partners on 20 February

2026. The bridge financing of €350.0 million and the promissory note loan of €100.0 million will continue to be used to reduce the drawdowns from the existing syndicated loan.

Sales FY2025

in € million	**12M 2025**	**12M 2024***	**Change in %**	**Currency-adjusted change in %**
Group Sales	**7,296.2**	**8,398.0**	**-13.1%**	**-8.1%**
Sales by regions				
EMEA	3,143.2	3,475.7	-9.6%	-6.9%
Americas	2,558.2	3,116.8	-17.9%	-10.0%
Asia/Pacific	1,594.7	1,805.5	-11.7%	-7.4%
Sales by product divisions				
Footwear	4,113.8	4,733.6	-13.1%	-7.1%
Apparel	2,328.5	2,703.7	-13.9%	-9.7%
Accessories	853.9	960.7	-11.1%	-8.5%
Sales by distribution channel				
Wholesale	4,935.0	5,927.6	-17.4%	-12.8%
Direct-to-Consumer	2,361.1	2,425.4	-2.6%	+3.4%

* Prior-year figures adjusted in connection with the discontinued operation, see Notes to the Consolidated Financial Statements, section 24.

Income Statement FY2025

in € million	**12M 2025**	**12M 2024***	**Change in %**
Sales	**7,296.2**	**8,398.0**	-13.1%
Cost of sales	-4,016.5	-4,400.2	-8.7%
Gross profit	**3,279.7**	**3,997.8**	-18.0%
– in % of sales	45.0%	47.6%	-2.6 pp
Royalty and commission income	92.4	88.5	4.4%
Other operating income and expenses (adjusted)**	-3,537.7	-3,537.7	0.0%
Adjusted operating result (adjusted EBIT)	**-165.6**	**548.7**	-130.2%
– in % of sales	-2.3%	6.5%	-8.8 pp
One-time effects	-191.6	0.0	–
Operating result (EBIT)	**-357.2**	**548.7**	-165.1%
– in % of sales	-4.9%	6.5%	-11.4 pp
Financial result	-165.7	-149.0	-11.2%
Earnings before taxes (EBT)	**-522.9**	**399.7**	-230.8%
– in % of sales	-7.2%	4.8%	-11.9 pp
Taxes on income	-120.7	-119.0	-1.4%
– Tax rate	-23.1%	29.8%	–
Loss/profit from continuing operations	**-643.6**	**280.7**	-329.3%
Profit from discontinued operations, after tax	**28.4**	**61.7**	-54.0%
Net income attributable to non-controlling interests	-30.3	-60.7	-50.1%
Net loss/income	**-645.5**	**281.6**	-329.2%
– in % of sales	-8.8%	3.4%	-12.2 pp

in € million	**12M 2025**	**12M 2024***	**Change in %**
Weighted average shares outstanding *(million shares)*	147.41	149.32	-1.3%
Weighted average shares outstanding – diluted *(million shares)*	147.53	149.38	-1.2%
Earnings per share			
Earnings per share *(€)*	-4.38	1.89	-331.4%
Earnings per share, diluted *(€)*	-4.38	1.89	-331.3%
Earnings per share – continuing operations			
Earnings per share from continuing operations *(€)*	-4.37	1.88	-332.2%
Earnings per share from continuing operations, diluted *(€)*	-4.37	1.88	-332.1%

* Prior-year figures adjusted in connection with the discontinued operation, see Notes to the Consolidated Financial Statements, section 24.

** Adjusted for one-time effects

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

in € million	**31/12/2025**	**31/12/2024**	**Change in %**
ASSETS			
Cash and cash equivalents	290.0	368.2	-21.2%
Inventories*	2,060.0	2,013.7	2.3%
Trade receivables*	913.4	1,246.5	-26.7%
Other current assets*	456.1	516.8	-11.7%
Other current assets	50.8	160.0	-68.2%
Current assets	**3,770.3**	**4,305.2**	-12.4%
Deferred tax assets	211.0	243.6	-13.4%
Right-of-use assets	1,103.8	1,116.8	-1.2%
Other non-current assets	1,369.5	1,475.0	-7.1%
Non-current assets	**2,684.3**	**2,835.4**	-5.3%
Total Assets	**6,454.6**	**7,140.6**	-9.6%
LIABILITIES AND EQUITY			
Current borrowings	929.3	131.6	606.2%
Trade payables*	1,271.4	1,893.5	-32.9%
Other current liabilities*	621.5	605.3	2.7%
Current lease liabilities	217.6	220.6	-1.4%
Other current liabilities	156.9	19.9	688.1%
Current liabilities	**3,196.8**	**2,870.9**	11.4%

* included in working capital

in € million	**31/12/2025**	**31/12/2024**	**Change in %**
Non-current borrowings	424.2	356.4	19.0%
Deferred tax liabilities	5.2	14.2	-63.6%
Pension provisions	25.6	27.3	-6.2%
Non-current lease liabilities	1,011.2	1,010.0	0.1%
Other non-current liabilities	30.7	33.3	-7.6%
Non-current liabilities	**1,496.9**	**1,441.2**	3.9%
Equity	**1,760.9**	**2,828.6**	-37.7%
Total Liabilities and Equity	**6,454.6**	**7,140.6**	-9.6%

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.

Cash Flow Statement

€ million	**1–12/2025**	**1–12/2024**
Earnings before taxes (EBT)	**-493.3**	**462.3**
Financial result and non-cash effected expenses and income	701.7	415.9
Gross cash flow	**208.4**	**878.2**
Change in current assets, net	-429.2	-69.4
Dividends received and payments for taxes on income	-98.4	-113.7
Net cash used in/from operating activities	**-319.3**	**694.8**
Payments for investing in fixed assets	-206.3	-263.0
Other investing and divestment activities incl. interest received	-4.7	32.4
Net cash used in investing activities	**-211.0**	**-230.5**
Free cash flow	**-530.3**	**464.3**
Free cash flow (before acquisitions)	**-530.3**	**464.3**
Dividends paid to shareholders of PUMA SE	-89.8	-122.8
Dividends paid to non-controlling interests	-15.8	-89.4
Proceeds from borrowings	1,005.8	39.0
Cash repayments of borrowings	-76.2	-125.0
Repayments of lease liabilities	-247.8	-222.5
Repurchase of treasury shares	-59.7	-50.0
Payments of interest	-119.7	-127.2
Net cash from/used in financing activities	**396.9**	**-697.8**

€ million	**1–12/2025**	**1–12/2024**
Exchange rate-related changes in cash and cash equivalents	55.2	48.8
Changes in cash and cash equivalents	**-78.2**	**-184.7**
Cash and cash equivalents at the beginning of the financial year	368.2	552.9
Cash and cash equivalents at the end of the financial year	**290.0**	**368.2**

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.

B. MANAGEMENT DISCUSSION AND ANALYSIS OF THE TARGET GROUP FOR THE YEAR ENDED 31 DECEMBER 2024

The following is an extract of the press release of the Target Group for the year ended 31 December 2024. Specific page/section references mentioned in the audited financial statements of the Target Group for the year ended 31 December 2024 are referred to in the Target Group's combined management report 2024 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

Key developments FY2024

- Currency-adjusted sales increase by 4.4% to €8,817 million (+2.5% reported)
- Growth recorded across all regions, product divisions and distribution channels
- Gross profit margin up by 100 basis points to 47.4% despite currency headwinds
- Operating expenses (OPEX) increase by 5.2% to €3,580 million
- Operating result (EBIT) remains flat at €622 million with an EBIT margin of 7.1%
- Net income declines by 7.6% to €282 million, mainly driven by higher net interest expenses and non-controlling interests
- Inventories increase by 11.6% to €2,014 million to adequate levels, driven by a strong increase in goods in transit to serve the new product cycle in 2025
- Free cash flow increases by 25.8% to €464 million
- Proposed dividend of €0.61 per share and 2024 share buyback of €50 million will result in total payout of 50% of net income

Full Year 2024

in € million	**12M 2024**	**12M 2023**	**Change in %**	**Currency-adjusted change in %**
Group Sales	**8,817.2**	**8,601.7**	**+2.5%**	**+4.4%**
Sales by regions				
EMEA	3,475.7	3,418.4	+1.7%	+2.1%
Americas	3,536.0	3,389.9	+4.3%	+7.0%
Asia/Pacific	1,805.5	1,793.4	+0.7%	+3.8%
Sales by product divisions				
Footwear	4,733.6	4,583.4	+3.3%	+5.4%
Apparel	2,813.9	2,763.0	+1.8%	+3.7%
Accessories	1,269.7	1,255.3	+1.1%	+2.0%
Sales by distribution channel				
Wholesale	6,391.8	6,468.7	-1.2%	+0.4%
Direct-to-Consumer	2,425.4	2,133.0	+13.7%	+16.6%

Sales increased by 4.4% (ca) to €8,817.2 million, supported by growth in all regions, product divisions and distribution channels (+2.5% reported). As anticipated, currencies were a major headwind in 2024, negatively impacting sales in euro terms by approximately €150 million.

The **Americas** region recorded the highest growth with sales increasing by 7.0% (ca) to €3,536.0 million, driven by both Latin America and North America. This was followed by the **Asia/Pacific** region, which recorded a sales increase of 3.8% (ca) to €1805.5 million. All major markets within Asia/Pacific, including Greater China, Japan, and India, contributed to this growth. The **EMEA** region also saw a sales increase of 2.1% (ca), reaching €3,475.7 million, driven by Europe and EEMEA.

PUMA's **Wholesale** business grew by 0.4% (ca) to €6,391.8 million due to a strong focus on sell-through in the first half of 2024, setting up for better sell-in in the second half of 2024. The **Direct-to-Consumer (DTC)** business increased by 16.6% (ca) to €2,425.4 million, driven by brand demand and the opening of new stores. Owned & operated retail stores sales grew 14.2% (ca), while e-commerce increased 21.1% (ca). This resulted in a DTC share of 27.5% (FY2023: 24.8%).

Sales in **Footwear** increased by 5.4% (ca) to €4,733.6 million. This was driven by growth in the Sportstyle Core and Kids business as well as Performance categories, mainly Running and Teamsport. Meanwhile, Sportstyle Prime remained in transition throughout 2024.

Apparel grew by 3.7% (ca) to €2,813.9 million, led by the Teamsport business, while **Accessories** increased by 2.0% (ca) to €1269.7 million.

The **gross profit margin** increased by 100 basis points to 47.4% (FY2023: 46.3%). Headwinds from currencies and promotional activities were more than offset by a favourable product and distribution channel mix as well as tailwinds from sourcing and freight.

Operating expenses (OPEX) increased by 5.2% to €3,580.2 million (FY2023: €3,403.5 million), mainly due to growth in our DTC business and investments in warehouse and digital infrastructure. Consequently, the OPEX ratio increased by 100 basis points to 40.6% (FY2023: 39.6%).

The **operating result (EBIT)** came in at €622.0 million which is at last year's level (FY2023: €621.6 million). This resulted in an EBIT margin of 7.1% (FY2023: 7.2%), as gross profit margin improvements were offset by increased OPEX.

The **financial result** decreased by 11.4% to €-159.7 million (FY2023: €-143.3 million) mainly due to an increase in net interest expenses and higher currency related losses. **Tax expenses** increased by 1.9% to €120.0 million (FY2023: €117.8 million) and the tax rate was at 25.9% (FY2022: 24.6%). **Net income attributable to non-controlling interests** increased to €60.7 million (FY2023: €55.7 million) as a result of improved profits in the socks and bodywear business in the U.S.

Consequently, **net income** decreased by 7.6% to €281.6 million (FY2023: €304.9 million) and **earnings per share** amounted to €1.89 (FY2023: €2.03).

Working Capital

The **working capital** increased by 8.6% to €1,278.2 million (31 December 2023: €1,177.3 million). **Inventories** increased by 11.6% to €2,013.7 million (31 December 2023: €1,804.4 million), driven by a strong increase in goods in transit to serve the new product cycle in 2025. The Group's total inventory remains at adequate levels, while quality has further improved. **Trade receivables** increased by 11.5% to €1,246.5 million (31 December 2023: €1,118.4 million). **Trade payables** increased by 26.2% to €1,893.5 million (31 December 2023: €1,499.8 million) due to an increase in goods in transit and a lower comparison base in the prior year.

Cash Flow and Liquidity Situation

The **free cash flow** increased by 25.8% to €464.3 million in 2024 (FY2023: €369.0 million). On 31 December 2024, PUMA had **cash and cash equivalents** of €368.2 million, a decrease of 33.4% compared to 2023 (31 December 2023: €552.9 million). **Net borrowings** on 31 December 2024 were €119.8 million, up €100.7 million from €19.1 million on 31 December 2023. This increase is mainly driven by share buybacks, higher lease liability payments, and interest expenses partially offset by the improved free cash flow. In addition, the PUMA Group had **credit lines** totalling €1,842.9 million as of 31 December 2024 (31 December 2023: €1,552.8 million). Credit lines rose by €290.1 million due to an extended revolving credit facility until December 2029, which increased from €800 million to €1,200 million. **Unutilised credit** lines were at €1,360.2 million on the balance sheet date compared to €986.1 million at the end of 2023.

Capital Expenditure

Investments in fixed assets decreased to €263.0 million (FY2023: €300.4 million), driven by an increased focus to optimise the return on capital employed. In 2024, investments focused on owned & operated retail stores, warehouse and digital infrastructure to enable future growth.

Share Buyback & Dividend

Upon approval of the proposed dividend by the Annual General Meeting and in line with its policy, PUMA will have returned in total 50% of the net income to its shareholders through dividends and share buybacks in the financial year 2024.

The share buyback programme announced by PUMA SE on 29 February 2024 began on 6 March 2024. As of 31 December 2024, a total of 1,128,961 shares were repurchased for €50 million at an average price of €44.29 per share, representing 0.75% of the subscribed capital and 17.8% of the Group's net income in the financial year 2024. In total, under the current programme, PUMA plans to buy back own shares for up to €100 million between 6 March 2024 and 6 May 2025.

The net income of €281.6 million in the financial year 2024 and the execution of €50 million from the share buyback programme, enables the Management Board and the Supervisory Board of PUMA SE to propose to the Annual General Meeting on 21 May 2025 the distribution of a dividend of €0.61 per share for the financial year 2024 (FY2023: €0.82). This corresponds to a dividend payout ratio of 32.2% (FY2023: 40.3%) of the Group's net income and is in line with the dividend policy payout ratio of 25%–40%. The payment of the dividend is scheduled for the days following the Annual General Meeting when the dividend will be approved.

Strategy Update

As we continue to operate in a challenging and volatile environment, which is expected to weigh on consumer sentiment and demand in key markets, we will fully focus on our controllables. This includes executing our brand elevation strategy to create the foundation for sustainable and accelerated growth, further improving our distribution quality, and taking decisive actions with our next level programme to address our cost basis. With our high organizational agility, we feel well prepared to manage the increased volatility of the market, react quickly to changing conditions, and find the best solutions to serve our retail partners, consumers, and brand ambassadors.

Brand and Product

In 2024, the Year of Sport with major events, including the Olympic Games and Euro 2024, we made good progress with our brand elevation strategy. This strategy is our basis to achieve long-term, sustainable growth and to grow faster than the market.

PUMA's brand elevation strategy consists of three elements: establishing a distinctive brand DNA, strengthening PUMA's performance credibility, and strengthening our relevance in the Sportstyle Prime business.

Establishing a distinctive brand DNA

- PUMA's first brand campaign in 10 years' time "See the Game Like We Do" establishes a strong connection with consumers, creates great brand visibility and improves brand awareness and consideration

- Unaided Brand Awareness increased globally since campaign launch in April – particularly in USA

- PUMA will further increase its media spend in its upcoming brand campaign which will feature the sharpened brand DNA in 2025

Strengthening our Performance Credibility through Innovation

Teamsport

- Eighth edition of the FUTURE football boot, made for creative players, offers new FUZIONFIT upper for an adaptive fit and a new FLEXGILITY outsole to enable enhanced rotation and flexibility in all directions

- Fifth edition of the ULTRA, made for the fastest football players, features a cutting-edge innovation with a full carbon fibre outsole inspired by the world of Formula 1

- PUMA signs long-term agreement with the Portuguese Football Federation (FPF), one of the world's most popular national teams

Running & Training

- PUMA is back on the podium of World Marathon Majors with its Deviate NITRO™-Elite 3 and Fast-R2, featuring PUMA's award-winning NITRO™ foam
- PUMA presents new innovation with MagMax, featuring 46mm stack of NITRO™ foam, designed for runners who look for unrivalled underfoot comfort
- Paris Olympics 2024 were the most successful in PUMA's history with PUMA athletes winning 66 medals, including 19 Gold in Olympics and Paralympics, all of them wearing PUMA NITRO™ – Technology
- Yaroslava Mahuchikh and Armand "Mondo" Duplantis crowned 2024 European Athletes of the Year
- PUMA announces worldwide partnership with HYROX, the world series of fitness racing to tackle its opportunities in the training category

Basketball

- Fourth edition of LaMelo Ball's innovative signature shoe MB.04 continues to be a bestseller with the next generation of consumers
- PUMA signs NBA All Star Tyrese Haliburton, who is well recognized for his style of play and fashion by many fans in the U.S. and China
- Visionary designer Salehe Bembury joins PUMA to design next signature basketball shoe

Motorsport

- PUMA announces long-term strategic partnership with F1 Scuderia Ferrari HP Team and signs endorsement deal with driver Charles Leclerc as global brand ambassador
- PUMA joins Aston Martin Aramco Formula One® Team as official sportswear, athleisure, and technical gear partner

Golf

- PUMA reimagines the golf cleat with the Flexspike technology featured in the new PHANTOMCAT NITRO™ shoe to offer better grip and weight distribution

- LIMIT3D, the first commercially available set of innovative 3D-printed irons, becomes a sell-out success

- Tour wins for ambassadors Angel Hidalgo, Ewen Ferguson, Jesper Svensson und Chiara Tamburlini

Strengthening our Relevance in Sportstyle Prime

- PUMA scaled models Palermo and Suede XL to maximize opportunities from the prevalent terrace and skate trends

- PUMA successfully establishes heat around low-profile trend and particularly the Speedcat with Lyst Index ranking the shoe as top 3 of "hottest products" in global fashion in third quarter

- Development of sell through and demand for Speedcat has continued to build up month over month

- Renowned K-Pop artist Rosé joins PUMA as global brand ambassador to support classic franchises, including the Palermo and Speedcat, first collaboration with PUMA creates large social media stir in China

- Collaboration with music artist and designer A$AP Rocky named "Collaboration of the Year" by Footwear News

- PUMA hosted catwalk at New York Fashion Week to celebrate the return of the incomparable Mostro sneaker

- NBA-Star LaMelo Ball's first lifestyle shoe LaFrancé resonates strongly with consumers

- PUMA opens creative hub Studio 48 in Los Angeles to create concepts for new products and campaigns with clear focus on US

Distribution

In line with our brand elevation strategy, we aim to continuously enhance our distribution quality, both in wholesale and our own & operated retail.

We remain committed to providing the best service to our retail partners in the industry. We are pleased with the progress made in 2024, gaining market shares with our retail partners at the sharp end of performance and sportstyle. Winning with these strategic accounts is crucial for building our performance credibility and brand heat. With a clear go-to-market and segmentation strategy, we offer all retail partners the best service and collaborate closely with them on product strategies to excite consumers with newness and compelling product stories.

In our own and operated retail, we also focus on elevating the brand. Our new flagship stores, such as the one in Las Vegas, allow us to showcase our brand fully and build further brand preference with our consumers. Additionally, we are investing in our e-commerce business, as it is an integral part of the consumer journey. Our outlet business provides an entry point to our brand for consumers and helps keep the market clean of excess inventories

"Nextlevel" Efficiency Programme

In February 2025, PUMA initiated the efficiency programme "nextlevel" to complement its brand elevation strategy in order to translate its growth into incremental profitability with the aim to achieve an EBIT margin of 8.5% by 2027.

"Nextlevel" focuses on three areas:

- **Gross Margin:** Improve its Gross Profit Margin by reducing the product complexity and realizing further sourcing efficiencies

- **OPEX:** Optimize cost base, including personnel expenses, through indirect procurement improvements and better resource allocation in line with our strategic growth areas to generate operational leverage

- **Free Cash Flow:** Improve our working capital and our capital allocation toward strategic investments that drive growth

The programme will further strengthen PUMA's competitiveness as part of the freed-up resources will also be reinvested into the brand and product.

Sustainability

- 'Vision 2030' sustainability goals outline PUMA's strategy in Climate, Circularity and Human Rights and build on strong progress already made in the past years

- PUMA's ongoing progress as leader in the field of sustainability is recognized by many prestigious awards, among others from from CDP, Material Change Index, and Financial Times for Good Index

- PUMA's recycling Innovation RE:FIBRE successfully scaled up to make millions of replica football jerseys

People

- PUMA becomes only company worldwide to be named Top Employer in 50 different countries and globally in 2025

- PUMA independently certified as having no adjusted pay gap between men and women in several locations, including Canada, Germany, France, Italy, Spain, South Africa, Sweden the United States and the Middle East

Income Statement FY2024

in € million	**12M 2024**	**12M 2023**	**Change in %**
Sales	**8,817.2**	**8,601.7**	2.5%
Cost of sales	-4,639.2	-4,615.1	0.5%
Gross profit	**4,177.9**	**3,986.6**	4.8%
– in % of sales	47.4%	46.3%	+1.0 pp
Royalty and commission income	24.3	38.5	-37.1%
Other operating income and expenses	-3,580.2	-3,403.5	5.2%
Operating result (EBIT)	**622.0**	**621.6**	0.1%
– in % of sales	7.1%	7.2%	-0.2 pp
Financial result	-159.7	-143.3	11.4%
Earnings before taxes (EBT)	**462.3**	**478.3**	-3.3%
– in % of sales	5.2%	5.6%	-0.3 pp
Taxes on income	-120.0	-117.8	1.9%
– Tax rate	25.9%	24.6%	-1.3 pp
Net income attributable to non-controlling interests	-60.7	-55.7	9.0%
Net income	**281.6**	**304.9**	-7.6%
– in % of sales	3.2%	3.5%	-0.3 pp
Earnings per share *(€)*	**1.89**	**2.03**	-6.9%
Earnings per share *(€)* **– diluted**	**1.89**	**2.03**	-6.9%
Weighted average shares outstanding *(million shares)*	149.32	149.85	-0.4%
Weighted average shares outstanding – diluted *(million shares)*	149.38	149.87	-0.3%

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

in € million	**31/12/2024**	**31/12/2023**	**Change in %**
ASSETS			
Cash and cash equivalents	368.2	552.9	-33.4%
Inventories*	2,013.7	1,804.4	11.6%
Trade receivables*	1,246.5	1,118.4	11.5%
Other current assets*	516.8	385.6	34.0%
Other current assets	160.0	69.8	129.3%
Current assets	**4,305.2**	**3,931.1**	9.5%
Deferred tax assets	243.6	296.1	-17.7%
Right-of-use assets	1,116.8	1,087.7	2.7%
Other non-current assets	1,475.0	1,325.6	11.3%
Non-current assets	**2,835.4**	**2,709.3**	4.7%
Total Assets	**7,140.6**	**6,640.4**	7.5%
LIABILITIES AND EQUITY			
Current borrowings	131.6	145.9	-9.8%
Trade payables*	1,893.5	1,499.8	26.2%
Other current liabilities*	605.3	631.3	-4.1%
Current lease liabilities	220.6	212.4	3.9%
Other current liabilities	19.9	47.7	-58.3%
Current liabilities	**2,870.9**	**2,537.2**	13.2%

* Included in working capital

in € million	**31/12/2024**	**31/12/2023**	**Change in %**
Non-current borrowings	356.4	426.1	-16.4%
Deferred tax liabilities	14.2	12.4	14.4%
Pension provisions	27.3	22.5	21.3%
Non-current lease liabilities	1,010.0	1,020.0	-1.0%
Other non-current liabilities	33.3	40.0	-16.9%
Non-current liabilities	**1,441.0**	**1,520.9**	-5.3%
Equity	**2,828.6**	**2,582.3**	9.5%
Total Liabilities and Equity	**7,140.6**	**6,640.4**	7.5%

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.

Cash Flow Statement

in € million	**1–12/2024**	**1–12/2023**
Earnings before taxes (EBT)	**462.3**	**478.3**
Financial result and non-cash effected expenses and income	415.9	485.7
Gross cash flow	**878.2**	**964.1**
Change in current assets, net	-69.4	-129.2
Payments for taxes on income	-114.1	-181.3
Net cash from operating activities	**694.8**	**653.6**
Payments for investing in fixed assets	-263.0	-300.4
Other investing and divestment activities incl. interest received	32.4	15.8
Net cash used in investing activities	**-230.5**	**-284.6**
Free cash flow	**464.3**	**369.0**
Free cash flow (before acquisitions)	**464.3**	**369.0**
Dividends paid to shareholders of PUMA SE	-122.8	-122.8
Dividends paid to non-controlling interests	-89.4	-92.4
Proceeds from borrowings	39.0	299.6
Cash repayments of borrowings	-125.0	-59.1
Repayments of lease liabilities	-222.5	-208.0
Repurchase of treasury shares	-50.0	0.0
Payments of interest	-127.2	-94.3
Net cash used in financing activities	**-697.8**	**-277.1**

in € million	**1–12/2024**	**1–12/2023**
Exchange rate-related changes in cash and cash equivalents	48.8	-2.1
Changes in cash and cash equivalents	**-184.7**	**89.8**
Cash and cash equivalents at the beginning of the financial year	552.9	463.1
Cash and cash equivalents at the end of the financial year	**368.2**	**552.9**

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.

C. MANAGEMENT DISCUSSION AND ANALYSIS OF THE TARGET GROUP FOR THE YEAR ENDED 31 DECEMBER 2023

The following is an extract of the press release of the Target Group for the year ended 31 December 2023. Specific page/section references mentioned in the audited financial statements of the Target Group for the year ended 31 December 2023 are referred to in the Target Group's combined management report 2023 which is available free of charge, in read-only, printable format on the Target Group's website at https://about.puma.com/en/investor-relations/financial-publications.

Key developments FY2023

- Currency-adjusted (ca) sales growth of 6.6% to €8,602 million despite volatile environment
- Excluding the extraordinary devaluation of the Argentine peso, sales would have grown by more than 8%
- Adverse currencies lead to a negative impact on sales of more than €400 million
- Gross profit margin improves by 20 basis points to 46.3% due to favourable pricing, geographical and channel mix effects, despite significant currency headwinds
- Operating result (EBIT) of €622 million fully in line with outlook (€590 to 670 million) due to gross profit margin improvement and strict cost discipline
- Excluding the extraordinary devaluation of the Argentine peso, EBIT would have been above last year (€641 million)
- Free cash flow more than doubles to €369 million
- Management and Supervisory Board propose dividend of €0.82 per share for 2023

PUMA's strong underlying operating performance diluted by Argentine peso devaluation

Following the extraordinary devaluation of the Argentine peso by 54% in December 2023 and the application of hyperinflationary accounting under IAS 29 – which requires an adjustment for inflation and currency translation at the period-end exchange rate rather than at the average rate for the full year – the full impact of the devaluation was recognised in the fourth quarter. This had a negative impact on the reported financial performance for the fourth quarter and the financial year 2023.

Before the extraordinary devaluation of the Argentine peso, **PUMA's underlying operating performance** in the financial year 2023 was strong, with **currency adjusted sales growth above 8%** and **operating result (EBIT) above last year's level** (2022: €641 million).

In the fourth quarter, despite a challenging market environment and before the significant devaluation of the Argentine peso, PUMA delivered an **underlying operating sales growth** and a significant improvement in profitability, demonstrating the strength of PUMA's operating business model.

The following chapters only refer to PUMA's reported financial performance after the devaluation of the Argentine peso.

Sales Development

Sales by regions and product divisions	**1–12**		**Growth rates**	
in € million	**2023**	**2022**	**Euro**	**Currency adjusted**
Breakdown by regions				
EMEA	3,418.4	3,113.8	9.8%	13.4%
Americas	3,389.9	3,685.9	-8.0%	-2.4%
Asia/Pacific	1,793.4	1,665.3	7.7%	13.6%
Total	**8,601.7**	**8,465.1**	**1.6%**	**6.6%**
Breakdown by product divisions				
Footwear	4,583.4	4,317.9	6.1%	12.4%
Apparel	2,763.0	2,896.3	-4.6%	-0.3%
Accessories	1,255.3	1,251.0	0.3%	3.1%
Total	**8,601.7**	**8,465.1**	**1.6%**	**6.6%**

Full Year 2023

PUMA Group **sales** increased by 6.6% (ca) to €8,601.7 million (+1.6% reported). This was driven by the brand's continued momentum and robust demand for its products. The **Asia/Pacific** region led the growth with a 13.6% (ca) increase in sales, closely followed by the **EMEA** region with a 13.4% (ca) increase in sales. Sales in the **Americas** region decreased by 2.4% (ca) due to the devaluation of the Argentine peso. The PUMA Group had a negative currency translation impact of more than €400 million.

The **Wholesale** business was up by 3.5% (ca) to €6,468.7 million and the **Direct-to-Consumer (DTC)** business increased by 17.5% (ca) to €2,133.0 million. Sales in owned & operated retail stores increased 18.8% (ca) and e-commerce increased 15.0% (ca). This resulted in an increased DTC share of 24.8% (FY2022: 23.1%), which is back in line with the pre-Covid level.

Footwear continued to lead the growth with 12.4% (ca) followed by **Accessories** with growth of 3.1% (ca), while **Apparel** remained flat (-0.3% (ca)).

The **gross profit margin** increased by 20 basis points to 46.3% (FY2022: 46.1%). Currencies and industry-wide promotional activities were headwinds to the gross profit margin. These headwinds were more than offset by price adjustments and favourable geographical and distribution channel mix effects.

Operating expenses (OPEX) increased by 3.3% to €3,403.5 million (FY2022: €3,295.9 million). The increase was driven by sales-related distribution and other variable costs, the growth of our DTC channel and continued investment in marketing. This was partially offset by operating leverage in other cost areas due to strict cost discipline. The OPEX ratio increased by 60 basis points to 39.6% (FY2022: 38.9%).

The **operating result (EBIT)** decreased by 3.0% to €621.6 million (FY2022: €640.6 million) due to slightly higher operating expenses, partially offset by a favourable gross profit margin. As a result, the EBIT margin amounted to 7.2% (FY2022: 7.6%).

The **financial result** decreased to €-143.3 million (FY2022: €-88.9 million), mainly due to negative currency conversion effects, including the valuation losses from the devaluation of the Argentine peso. **Tax expenses** were at €117.8 million (FY2022: €127.4 million) and the tax rate was at a normalised level of 24.6% (FY2022: 23.1%).

Consequently, **net income** decreased by 13.7% to €304.9 million (FY2022: €353.5 million) and the **earnings per share** amounted to €2.03 (FY2022: €2.36).

Working Capital

The **working capital** increased by 8.3% to €1,177.3 million (31 December 2022: €1,086.8 million). **Inventories** were down by 19.6% to €1,804.4 million (31 December 2022: €2,245.1 million). This development is the result of previously taken measures to rightsize inventories and is also supported by last year's high comparative base. **Trade receivables** increased by 5.0% to €1,118.4 million (31 December 2022: €1,064.9 million). On the liabilities side, **trade payables** decreased by 13.6% to €1,499.8 million (31 December 2022: €1,734.9 million).

Cash Flow and Liquidity Situation

The **free cash flow** increased significantly by 107.9% to €369.0 million in 2023 (FY2022: €177.5 million). On 31 December 2023, PUMA had **cash and cash equivalents** of €552.9 million, an increase of 19.4% compared to 2022 (31 December 2022: €463.1 million). In addition, the PUMA Group had **credit lines** totalling €1,552.8 million as of 31 December 2023 (31 December 2022: €1,271.0 million). **Unutilised credit lines** were at €986.1 million on the balance sheet date compared to €943.7 million at the end of 2022.

Proposal of a Dividend of €0.82 per share

The positive net income enables the Management Board and the Supervisory Board of PUMA SE to propose to the Annual General Meeting on 22 May 2024 the distribution of a dividend of €0.82 per share for the financial year 2023. This corresponds to a payout ratio of 40.3% of consolidated net income. The higher payout ratio is a result of the strong improvement in free cash flow and reflects the underlying positive operating business development. The payment of the dividend is scheduled to take place in the days following the Annual General Meeting at which the dividend is approved. In the previous year, a dividend of €0.82 per share was paid out (payout ratio for the previous year: 34.7%).

Brand & Strategy Update

2023 Highlights

Foundation for PUMA's brand elevation established

- Reorganization of global Brand & Marketing organization by relocating Brand Marketing from Boston to the company headquarters in Herzogenaurach

- Establishment of new Marketing and Brand leadership team

- Launch of PUMA's biggest Brand Campaign ever in April 2024

Great Performance innovation underpins business growth

- Strong product innovations of PUMA's Football boots FUTURE, ULTRA and KING deliver significant market share gains globally
- Award-winning NITRO foam technology makes PUMA the fastest growing performance running brand in Europe
- All-Pro NITRO debuts as one of the best basketball shoes in NBA according to "Weartesters Best Basketball Shoes 2024", worn by NBA rookie Scoot Henderson and FIBA World Cup Winner Dennis Schröder

PUMA makes athletes to perform at their best

- PUMA's Running Innovations help win 22 medals at the World Athletics Championships in Budapest, twice as many compared to 2022
- PUMA Deviate NITRO Elite leads Fiona O'Keeffe to her personal best setting the fastest debut pace ever by a woman at the U.S. Olympic Marathon Trials
- PUMA team Manchester City wins five major trophies: UEFA Champions League, Premier League, FA CUP, UEFA Super Cup and FIFA Cup
- PUMA Football National Team Ivory coast wins Africa Cup 2024
- In Basketball, Breanna Stewart became the most valuable WNBA player for the second time and Dennis Schröder was voted MVP of the World Championships

New Partnerships drive credibility and commercial success

- PUMA's strong position in Football attracted world-class players to join the PUMA family such as Kai Havertz, Jack Grealish, Xavi Simons, Alex Greenwood, Cody Gakpo and Daniel Carvajal
- PUMA's credibility as record-winning Track & Field brand helps attract Olympic 100m champion Marcell Jacobs and NCAA 100m champion Julien Alfred
- A$AP Rocky joins PUMA as Creative Director for Formula 1 to help create exciting collections for F1 fans
- Rihanna returns to the PUMA Brand to relaunch FENTY x PUMA

Trendsetting Newness in Fashion and Sportstyle

- Rihanna's Avanti and Creeper Phatty create great buzz
- PUMA manifests low-profile trend as sneaker icon Mostro returns at New York Fashion Week and iconic PUMA Speedcat relaunches successfully in South Korea
- PUMA's terrace trend styles Palermo and Superteam are continuing to accelerate traction with consumers
- Skate Trend: PUMA introduces Suede XL as new trend sneaker
- A$AP Rocky presents first Formula 1 capsule collection at Las Vegas Grand Prix

Making huge strides on Sustainability Journey

- Two out of PUMA's 10FOR25 Targets already achieved in 2023
- SBTI 2030 greenhouse gas emission reduction targets already achieved in 2023
- 8 out of 10 PUMA products made with recycled or certified materials in 2023
- PUMA to make all football jerseys from recycled textile waste with RE:FIBRE
- RE:SUEDE circularity project turns experimental sneakers into compost

2023 Detailed Brand and Strategy Update

In 2023, we sharpened our strategy to pursue long-term, sustainable growth across all geographies and product categories. To achieve our long-term vision of consistently outperforming the market, our highest priorities remain to drive **brand elevation**, **increase product excellence** and **improve our distribution quality**.

Given the relevance of these markets, special emphasis has been placed on laying the foundation for sustainable long-term growth in the **USA and China**.

Foundation for PUMA's brand elevation established

In July 2023, we relocated our brand management and marketing operations from Boston to Herzogenaurach and made the organizational changes that are necessary to implement our core strategy of elevating the PUMA brand. As part of this relocation, we also introduced a new global leadership team. **Richard Teyssier**, who before joining PUMA in 2010 held senior marketing and brand management positions for major FMCG companies, became Vice President Brand & Marketing. In early 2024, Richard was joined by **Julie Legrand** as Senior Director Global Brand Strategy, who previously worked as H&M's Global Brand Director. Julie will define and execute our strategy to drive higher visibility and strengthen the PUMA brand and its perception around the world.

We also established a **Consumer Insights Team** to gain a deeper understanding of our consumers across the entire organization to inform and align our marketing strategies and product engine. To be closer to our most valuable entertainment ambassadors, we complemented our **entertainment marketing hubs** in Los Angeles and London with an additional hub in Seoul.

The first major outcome of our brand elevation strategy will be **PUMA's biggest brand campaign** ever. Set to launch in April 2024, we are confident that this campaign will create a long-term positive effect for the PUMA brand. The campaign, which will feature some of our best-known brand ambassadors, will create an emotional connection with our consumers around the world.

USA – Strengthening the Organisation and anchoring PUMA in Sports

We used 2023 to reset our U.S. business by cleaning our inventory, reducing dependency from off-price channels and strengthening our organization. In a challenging U.S. market, our U.S. business was over-proportionally challenged as we were not strong enough positioned as a sports brand and overdependent on off-price business.

Basketball is a crucial part of our strategy to win in the important U.S. market, elevate the brand and clearly reposition PUMA as a sports brand. Our great line up of basketball ambassadors helped us execute this plan by creating exciting products with us and performing strongly on court. This led to PUMA becoming a TOP 3 **signature and performance brand** in the US. We are also gaining a perception impact of the halo effect from Basketball with key teen male consumers, where we have moved to #6 favorite brand ranked in Fall 2023 after being below the top 10 in Fall 2021 according to a study by Piper Sandler in 2023.

In 2023, we strengthened our local organization and appointed **Andrew Rudolph** as Senior Vice President Sales and **Alexa Andersen** as Senior Vice President Merchandising. With our two new leaders we will pursue a clearer focus to drive the growth in the desirable Wholesale channels and an elevated merchandising strategy in the USA.

China – Making PUMA one of the most sought-after international sports brands

In 2023, we implemented a **new China-for-China strategy** to increase relevancy and brand heat for the local consumer and rebuilt the entire China organization.

In June, we appointed **Shirley Li** as the new General Manager. Shirley is a native Chinese and has more than 20 years of industry experience with a deep understanding of the Chinese market and consumer. In addition, we hired a new Commercial Director, Marketing Director, Digital Retail Director and Merchandise Director – all with a profound knowledge of the local market and consumer.

We continued to **increase Sports Marketing** to position PUMA as a credible sports brand. We signed relevant athletes such as national female Basketball player ZhangRu and sponsored sports events such as Xiamen Diamond League 2023. We also started to collaborate with famous **celebrities** such as Cici Song and more of such signings will come in 2024.

With view to the advanced digital costumer journeys in China, we invested in **digital marketing** and **social ecommerce** and saw a strong increase of brand heat on Tiktok both by search volume and users in 2023. In addition, we partnered with **Tencent** to enable us to build a digital member hub, that delivers comprehensive consumer data and insights, tailor made content and product offering as well as seamless omni channel operation.

We further enhanced our **local-for-local design and production** capabilities to be relevant for local consumers. In 2024, around 40% of the products will be designed locally, while around 80% will be produced in China. With our new store format “Field of Play”, we are able to create an authentic brand experience and introduced a compelling new store environment to the Chinese consumers.

Great Performance innovation underpins business growth

We have achieved significant growth through **product newness** and **technology & design innovations**, which has led to **significant market share gains**, particularly in sports categories such as Football, Running and Basketball.

In **Football**, we successfully established our Football boot franchises FUTURE, ULTRA and KING, which helped to **gain significant market shares** in football in all markets globally. All three franchises continue to be the strongest growing football styles in Europe. With this strong performance, PUMA’s market share in Football has **quadrupled** in the last 5 years.

The latest release **FUTURE 7** adapts to the shape of your foot, so the player can move without constraints for 90 minutes and beyond. The boot’s FUZIONFIT360 upper, a combination of different densities and mesh patterns, provides adaptable support, empowering players to experience a new level of 360-degree freedom of movement.

We made big headlines by bidding farewell to Kangaroo leather and completely redesigned our legendary **PUMA KING** football boot with our new, animal-free material K-BETTER, which provides even better benefits to the football players. We were the first company in the industry to completely stop using kangaroo leather in 2023.

To underscore our commitment to women in sports, we were the only sports brand to offer all our football boots in women's specific fits at the **Women's World Cup**. The fact that more than 90% of our world-class players during the tournament in Australia and New Zealand chose our women's specific boots highlights the real demand for these innovative football boots.

Another key highlight of PUMA's product newness and innovation breakthrough is our award-winning running technology **NITRO**, which is at the core of our efforts to become a sought-after road running brand and helps the world's fastest athletes perform on top of their game. In the third year since the introduction of NITRO, PUMA became the fastest growing performance running brand in Europe. We established a line-up of running products with a clear set of benefits for the consumer: **Velocity** for everyday running, **Deviate** for speed and **ForeverRun** for guidance and cushioning.

NITRO foam was also introduced in our latest basketball shoe, the **All-Pro NITRO**, worn by NBA rookie and the third NBA Draft Pick Scoot Henderson as well as the MVP of the FIBA Basketball World Cup Dennis Schröder. Henderson also became the youngest player ever to receive his own signature shoe, the Scoot Zeros. Following the success of his first signature products, PUMA's basketball ambassador LaMelo Ball followed up with the **MB.03 signature shoe**, which was introduced in several colours and styles throughout the year. Breanna Stewart, our WNBA ambassador introduced several versions of her signature shoe **Stewie 2**.

PUMA makes athletes perform at their best

Testament to the power of PUMA's Running Innovation were 22 medals, including six gold medals, at the **World Athletics Championships** in Budapest, twice as many compared to 2022 in Eugene. PUMA athletes also won 17 medals at the **European Indoor Championships** in Istanbul and 13 medals at the **World Para Athletics Championships** in Paris. PUMA's Armand "**Mondo**" Duplantis was named "Male Athlete of the Year", after he once again improved the pole vault world record which now stands at 6.23 meters.

The PUMA Deviate NITRO Elite helped U.S. Athletes **Fiona O'Keeffe** and **Dakotah Lindwurm** qualify for the Olympic Marathons with O'Keeffe setting the fastest debut pace ever by a U.S. woman. PUMA also propelled athlete **Devynne Charlton** to break 16-year-old 60m hurdles world record.

In **Football**, we celebrated a historic moment when PUMA team **Manchester City** won five major trophies: the UEFA Champions League, the Premier League, the FA CUP, the UEFA Super Cup as well as the FIFA Cup.

On the national team side, we celebrated the victory of PUMA Football National Team **Ivory Coast** at the Africa Cup 2024.

In **Basketball**, **Breanna Stewart** became the "Most valuable WNBA Player" for the second time and **Dennis Schröder** was voted MVP of the tournament at the Basketball World Championships in Southeast Asia, which his team Germany won.

In **Golf**, PUMA ambassador **Rickie Fowler** captured his sixth PGA Tour victory at the Rocket Mortgage Classic in Detroit, while **Patricia Isabel Schmidt** secured her maiden European Tour win at the Belgian Ladies Open.

New Partnerships drive credibility and commercial success

PUMA's strong position in **Football** Innovation attracted world-class players to join the PUMA family: Arsenal and Germany midfielder **Kai Havertz**, Manchester City and England playmaker **Jack Grealish,** RB Leipzig and Netherlands midfielder **Xavi Simons,** FC Liverpool and Netherlands striker **Cody Gakpo**, Real Madrid and Spanish National Team right-back **Daniel Carvajal** and Manchester City and English national team defender **Alex Greenwood**.

PUMA also became the long-term partner of the **CAF**, the African Football Confederation. and **CONMEBOL**, the South American Football Confederation.

PUMA's credibility as a record-winning **Track & Field** brand helped to sign world-class athletes such as Olympic 100m champion **Marcell Jacobs** and NCAA 100m champion **Julien Alfred**. The signing of European 5,000m Champion **Konstanze Klosterhalfen**, marathon legend **Edna Kiplagat** and European marathon Champion **Aleksandra Lisowska** underpinned the credibility of PUMA's NITRO foam technology.

We captured the increasing popularity of **Formula 1**, both in the U.S. and globally and became the official licensing partner and exclusive trackside retailer of Formula 1. To help us create the exciting collections for the growing number of F1 fans around the world, we signed **A$AP Rocky** as the Creative Director for F1. We believe that as one of the biggest cultural influencers, A$AP will provide a new perspective on the world of car culture. A first glimpse of what this will look like was seen during the Las Vegas Grand Prix, where he unveiled a first capsule collection.

PUMA also used the setting of the much-anticipated race in **Las Vegas** for several events that highlighted our commitment to motorsport, including a spectacular display on the Las Vegas Sphere, a Car Club Event and PUMA's own hospitality suite at the Paddock Club.

To maintain our strong position in Formula 1, we also extended our long-term partnership with **Scuderia Ferrari** and signed a new contract with **Williams Racing**.

The return of global superstar **Rihanna** to PUMA, was one of our most important announcements of 2023 and fully in line with our strategy to work with the world's most influential ambassadors.

Trendsetting Newness in Fashion and Sportstyle

In 2023, PUMA continued to pioneer the Sport-leisure industry and set new trends.

First and foremost, PUMA invested in the incubation of the **"Low Profile"** sneaker trend, which is characterized by a flatter outsole, moving the whole silhouette closer to the ground. The **Mostro** and **Speedcat** are two iconic PUMA franchises with a distinct point of difference that are setting the path for this trend. Highlights of 2023 were the appearance of the Mostro sneaker during the Paris fashion week in collaboration with the Berlin based fashion label "Ottolinger". The **New York Fashion Week** earlier this month saw the Mostro-themed Catwalk "Welcome to the amazing Mostro show" which caused great media attention and hype around the Mostro Franchise. Meanwhile, PUMA continues to incubate the **Speedcat** Franchise through seeding activities. The first sales results from South Korea, where the model launched in January, are great and numerous credible Fashion sources like "GQ Germany" already predict the model to be the new hype sneaker for 2024.

Besides the incubation of new trends, PUMA also launched great newness supporting the ongoing **skate trend** with models like the **PUMA-180,** the **Suede XL** as a skate-inspired iteration of PUMA's most iconic model, the Suede OG as well as **Rihanna's plateau style Creeper Phatty**. To bring additional hype and energy to the skate trend, PUMA collaborated with authentic brands like "Rip n Dip", "Pleasures" and "Butter Goods" that have credibility in this space and resonate strongly with the streetwear driven consumer.

The **football inspired terrace trend** is also currently shaping the market. We were on time to launch two new strong franchises, the "**Palermo**" and the "**Super Team**" that are commercially very relevant. Collaborations with the Palermo Football Club for a special Jersey further amplified the football authenticity of this story. Global ambassador Dua Lipa headlined the Palermo campaign and wears the model in her latest music video "Houdini" which has already more than 75M views in YouTube. Another successful terrace style was Rihanna's first product in 2023, the **Avanti**.

Making huge strides on Sustainability Journey

In **Sustainability**, we made significant progress with our FOREVER. BETTER. sustainability strategy and our 10FOR25 targets.

We were able to reach two of our **10FOR25 targets** ahead of schedule. For our "Plastics and the Oceans" target, we no longer used plastic carrier bags in PUMA's owned and operated stores, we supported scientific research on microfibres and researched biodegradable plastic options with our **RE:SUEDE** circularity experiment.

With **RE:SUEDE**, we showed that we can turn an experimental version of our classic Suede sneaker into compost under certain tailor-made industrial conditions. A commercial version of the RE:SUEDE will launch with our partner Zalando on Earth Day in April 2024.

We also reached our **Human Rights target** ahead of 2025 by training more than 220,000 factory workers on women's empowerment and completely mapping subcontractors and our Tier 2 suppliers for human rights risks.

We successfully reduced our **greenhouse gas emissions** and introduced a new, more ambitious science-based target for 2030. Despite strong sales growth, we reached our previous science-based target, which was introduced in 2019 and based on a "well below 2-degrees" scenario, seven years early.

By using renewable energy, including renewable energy certificates, in our own warehouses, stores and offices, and by significantly investing in electric vehicles for our car fleet, we were able to reduce **our own greenhouse gas emissions** by 85% compared to our 2017 baseline.

PUMA was able to reduce **overall greenhouse gas emissions** by 24% in 2023 compared to 2022, as our core suppliers doubled their use of renewable energy in 2023 compared to the previous year and our logistics partner Maersk introduced low carbon shipment tariffs on our most important sea freight routes.

PUMA's new climate goals, which were approved by the Science Based Targets Initiative, aim to reduce our emissions by what scientists say is necessary to keep global warming below 1.5 degrees. By 2030, we want to reduce our own greenhouse gas emissions by 90% and those coming from our supply chain and logistics by 33%, compared to 2017.

In 2023, 8 out of 10 PUMA products were made with a significant part of **recycled or certified materials**. We also scaled up the use of recycled materials. Almost 65% of polyester in our apparel and accessories came from recycled sources as did 8.6% of our cotton.

Starting 2024, all of PUMA's replica football jerseys are now made from textile waste using PUMA's **RE:FIBRE** recycling technology. The RE:FIBRE process focuses on textile waste as the primary source of material, which is broken down on a chemical level to create new textiles. The recycled material is just as good as new and can be used for recycling again and again without losing quality – making RE:FIBRE a promising and more sustainable long-term solution for recycling polyester textile waste.

Transparency and engaging with **Gen Z consumers** in sustainability projects is a crucial part of our sustainability communication. In 2023, we launched our **Voices of a RE:GENERATION** initiative, which gives four Gen-Z environmental activists access to our senior management to give their feedback on PUMA's sustainability strategy. Three of our voices visited PUMA's supplier factories in Bangladesh, Vietnam and Turkey to get firsthand insights into our supply chain and some of the realities and challenges of sustainability at scale. The voices also help us to authentically communicate our sustainability initiatives to our Gen-Z audience.

Income Statement

in € million	**1–12/2023**	**1–12/2022**	**Deviation**
Sales	**8,601.7**	**8,465.1**	1.6%
Cost of sales	-4,615.1	-4,562.3	1.2%
Gross profit	**3,986.6**	**3,902.7**	2.1%
– in % of sales	46.3%	46.1%	+0.2 pp
Royalty and commission income	38.5	33.8	14.0%
Other operating income and expenses	-3,403.5	-3,295.9	3.3%
Operating result (EBIT)	**621.6**	**640.6**	-3.0%
– in % of sales	7.2%	7.6%	-0.3 pp
Financial result	-143.3	-88.9	61.2%
Earnings before taxes (EBT)	**478.3**	**551.7**	-13.3%
– in % of sales	5.6%	6.5%	-1.0 pp
Taxes on income	-117.8	-127.4	-7.5%
– Tax rate	24.6%	23.1%	+1.5 pp
Net income attributable to non-controlling interests	-55.7	-70.9	-21.4%
Net income	**304.9**	**353.5**	-13.7%
– in % of sales	3.5%	4.2%	-0.6 pp
Earnings per share *(€)*	**2.03**	**2.36**	-14.0%
Earnings per share *(€)* **– diluted**	**2.03**	**2.36**	-14.0%
Weighted average shares outstanding *(million shares)*	149.85	149.65	0.1%
Weighted average shares outstanding – diluted *(million shares)*	149.87	149.66	0.1%

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

in € million	**31/12/2023**	**31/12/2022**	**Deviation**
ASSETS			
Cash and cash equivalents	552.9	463.1	19.4%
Inventories*	1,804.4	2,245.1	-19.6%
Trade receivables*	1,118.4	1,064.9	5.0%
Other current assets*	385.6	304.1	26.8%
Other current assets	69.8	123.2	-43.4%
Current assets	**3,931.1**	**4,200.4**	-6.4%
Deferred tax assets	296.1	295.0	0.3%
Right-of-use assets	1,087.7	1,111.3	-2.1%
Other non-current assets	1,325.6	1,166.0	13.7%
Non-current assets	**2,709.3**	**2,572.3**	5.3%
Total Assets	**6,640.4**	**6,772.7**	-2.0%
LIABILITIES AND EQUITY			
Current borrowings	145.9	75.9	92.3%
Trade payables*	1,499.8	1,734.9	-13.6%
Other current liabilities*	631.3	792.3	-20.3%
Current lease liabilities	212.4	200.2	6.1%
Other current liabilities	47.7	39.7	20.1%
Current liabilities	**2,537.2**	**2,843.0**	-10.8%

in € million	**31/12/2023**	**31/12/2022**	**Deviation**
Non-current borrowings**	426.1	251.5	69.4%
Deferred tax liabilities	12.4	42.0	-70.5%
Pension provisions	22.5	22.4	0.7%
Non-current lease liabilities	1,020.0	1,030.3	-1.0%
Other non-current liabilities	40.0	44.7	-10.5%
Non-current liabilities	**1,520.9**	**1,390.8**	9.4%
Equity	**2,582.3**	**2,538.8**	1.7%
Total Liabilities and Equity	**6,640.4**	**6,772.7**	-2.0%

* Included in working capital

** In order to better communicate decision-relevant information, non-current borrowings will no longer be recognised under other non-current financial liabilities in the 2023 reporting year, but in a separate balance sheet line item. The previous year's figures have been adjusted accordingly.

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.

Cash Flow Statement

in € million	**1–12/2023**	**1–12/2022**	**Deviation**
Earnings before taxes (EBT)	**478.3**	**551.7**	-13.3%
Financial result and non-cash effected expenses and income	485.7	367.2	32.3%
Gross cash flow	**964.1**	**918.9**	4.9%
Change in current assets, net	-129.2	-343.3	-62.4%
Payments for taxes on income	-181.3	-157.4	15.2%
Net cash from operating activities	**653.6**	**418.3**	56.3%
Payments for investing in fixed assets	-300.4	-263.6	13.9%
Other investing and divestment activities incl. interest received	15.8	22.9	-31.1%
Net cash used in investing activities	**-284.6**	**-240.8**	18.2%
Free cash flow	**369.0**	**177.5**	107.9%
Free cash flow (before acquisitions)	**369.0**	**177.5**	107.9%

in € million	**1–12/2023**	**1–12/2022**	**Deviation**
Dividends paid to shareholders of PUMA SE	-122.8	-107.7	14.0%
Dividends paid to non-controlling interests	-92.4	-73.3	26.2%
Proceeds from borrowings	299.6	17.9	1571.2%
Cash repayments of borrowings	-59.1	-69.5	-14.9%
Repayments of lease liabilities	-208.0	-190.0	9.4%
Payments of interest	-94.3	-53.8	75.3%
Net cash used in financing activities	**-277.1**	**-476.4**	-41.8%
Exchange rate-related changes in cash and cash equivalents	-2.1	4.4	-146.8%
Changes in cash and cash equivalents	**89.8**	**-294.4**	-130.5%
Cash and cash equivalents at the beginning of the financial year	463.1	757.5	-38.9%
Cash and cash equivalents at the end of the financial year	**552.9**	**463.1**	19.4%

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.

Notes:

1. All information found in Appendix III that has been obtained from website of the Target Group: https://about.puma.com/en/investor-relations/financial-publications would be either (i) reproduced exactly as found in the source document; (ii) reproduced without substantial modification from the source document; or (iii) extracted and paraphrased from the source document.

2. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Target Group does not have any charges on its assets for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025.

A. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP

The following is the unaudited pro forma statement of assets and liabilities of the Group after the completion of the Acquisition by the Group. Details of the Acquisition are set out in the section headed "Letter from the Board" contained in this circular. The unaudited pro forma financial information presented below is prepared to illustrate the statement of assets and liabilities of the Group as at 31 December 2025 as if the Acquisition has been completed on 31 December 2025.

The unaudited pro forma statement of assets and liabilities of the Group has been prepared in accordance with Paragraph 4.29 of the Hong Kong Listing Rules and on the basis of the notes set out below, for the purpose of illustrating the effect of the Acquisition. The unaudited pro forma financial information was based on number of assumptions, estimates and uncertainties. Because of its hypothetical nature, the unaudited pro forma financial information may not give a true picture of the financial position, results of operation and cash flows of the Group had the Acquisition been completed as of the specified dates or any future date.

The unaudited pro forma financial information should be read in conjunction with other financial information included elsewhere in this circular.

AS AT 31 DECEMBER 2025

	Consolidated statement of assets and liabilities of the Group	Pro Forma adjustments			Unaudited Pro Forma Consolidated Statement of assets and liabilities of the Group
	RMB'million	*RMB'million*	*RMB'million*	*RMB'million*	*RMB'million*
	Note (1)	*Note (2)*	*Note (3)*	*Note (4)*	
Non-current assets					
Property, plant and equipment	5,366				5,366
Right-of-use assets	10,926				10,926
Construction in progress	2,532				2,532
Other non-current assets	842				842
Intangible assets	4,253				4,253
Investments in associates	16,453	12,651	–	126	29,230
Other investments	4,428	–	(1,287)	–	3,141
Pledged deposits	53				53
Fixed deposits held at banks with maturity over three months	17,853				17,853
Deferred tax assets	1,933				1,933
Total non-current assets	64,639	12,651	(1,287)	126	76,129
Current assets					
Inventories	12,152				12,152
Trade receivables	4,616				4,616
Other current assets	3,744				3,744
Amounts due from related parties	109				109
Other investments	1,920				1,920
Pledged deposits	659				659
Fixed deposits held at banks with maturity over three months	24,275				24,275
Cash and cash equivalents	12,181	(12,651)	1,287	(126)	691
Total current assets	59,656	(12,651)	1,287	(126)	48,166
Total assets	124,295	–	–	–	124,295

	Consolidated statement of assets and liabilities of the Group	Pro Forma adjustments			Unaudited Pro Forma Consolidated Statement of assets and liabilities of the Group
	RMB'million	*RMB'million*	*RMB'million*	*RMB'million*	*RMB'million*
	Note (1)	*Note (2)*	*Note (3)*	*Note (4)*	
Current liabilities					
Borrowings	11,532				11,532
Trade payables	4,158				4,158
Other current liabilities	10,224				10,224
Lease liabilities	3,687				3,687
Amounts due to related parties	59				59
Current taxation	3,698				3,698
Total current liabilities	33,358	–	–	–	33,358
Net current assets	26,298	(12,651)	1,287	(126)	14,808
Total assets less current liabilities	90,937	–	–	–	90,937
Non-current liabilities					
Borrowings	11,770				11,770
Other non-current liabilities	3				3
Lease liabilities	4,775				4,775
Deferred tax liabilities	1,984				1,984
Total non-current liabilities	18,532	–	–	–	18,532
Total liabilities	51,890	–	–	–	51,890
Net assets	72,405	–	–	–	72,405

Notes:

(1) The financial information of the Group as at 31 December 2025 was extracted from the annual report of the Group for the year ended 31 December 2025 published on 9 April 2026.

(2) The Company acquired 29.06% equity interest of the Puma SE (the "Acquisition") at a cash consideration of EUR1,505,516,600 (approximately RMB12,651,000,000). For the purpose of this unaudited pro forma financial information and for illustrative purpose only, it is assumed that there will be not tax due on the transaction and the Company will not pay any additional payments to the Seller pursuant to the terms set out in the section headed "LETTER FROM THE BOARD – Additional Payments under Certain Events" of this circular.

For illustrative purpose, the exchange rate used in calculating the effect of the Acquisition on the unaudited pro forma consolidated statement of the assets and liabilities of the Group is the closing exchange rate as at 31 December 2025 of Euro 1 to RMB8.4034 as the Acquisition is deemed to occur on 31 December 2025.

The Directors expect that the Company could not obtain control of Puma SE under the Acquisition but could exercise significant influence over the relevant activities of the Target Group. Therefore, the equity interest of the Target Company acquired by the Company will be accounted for using equity method as "investments in associates" of the Group.

(3) As at 31 December 2025, the Company held 6,864,109 shares of Puma SE, which are designated as financial assets measured at fair value through other comprehensive income (non-recycling) ("FVOCI"). To avoid Takeover Offer as defined in this circular, the 6,864,109 shares held by the Company would be disposed before the Closing of the Acquisition. Therefore, the corresponding financial assets measured at FVOCI with a carrying amount of RMB1,287,000,000 as at 31 December 2025 are derecognised.

(4) The transaction cost, comprising the estimated direct expenses of the financial advisor, legal and other professional services directly attributable to the Acquisition of approximately RMB126,051,000, is deemed to be incurred by the Group on 31 December 2025 and capitalised in the investments in associates of the Group

(5) Apart from the above, no other adjustments have been made to reflect any trading results or other transactions of the Group and the Target Group entered into subsequent to 31 December 2025 for the unaudited pro forma consolidated statement of assets and liabilities of the Group.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose of incorporation in this circular.

KPMG

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

To the Directors of ANTA Sports Products Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of ANTA Sports Products Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma consolidated statement of assets and liabilities as at 31 December 2025 and related notes as set out in Part A of Appendix IV to the circular dated 24 April 2026 (the "Circular") issued by the Company. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Part A of Appendix IV to the Circular.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the acquisition of 29.06% equity interest in PUMA SE (the "Acquisition") on the Group's financial position as at 31 December 2025 as if the Acquisition had taken place at 31 December 2025. As part of this process, information about the Group's financial position as at 31 December 2025 has been extracted by the Directors from the consolidated financial statements of the Group for the year then ended, on which an audit report has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements ("HKSAE") 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules, and with reference to AG 7 issued by the HKICPA.

For purpose of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on the unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group, and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

KPMG
Certified Public Accountants
Hong Kong
24 April 2026

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, were as follows:

Long positions in the Shares and/ or underlying Shares of the Company and associated corporations

Name of Director	Company/ Name of associated corporation	Capacity	Number of shares interested as at the Latest Practicable Date	Number of underlying Shares interested as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date[1]
Mr. Ding Shizhong	Company	Founder of a discretionary trust	1,492,122,400 (L)[4]	–	53.35%
	Anta International	Founder of a discretionary trust	503,172,690 (L)[4]	–	34.06%
	Anta International	Interest of spouse	18,267,273 (L)[4]	–	1.24%
	Amer Sports, Inc.	Founder of a discretionary trust	232,990,872 (L)[5]	–	40.05%
	Amer Sports, Inc.	Founder of a discretionary trust	3,800,000 (L)[5]	–	0.65%

Name of Director	Company/ Name of associated corporation	Capacity	Number of shares interested as at the Latest Practicable Date	Number of underlying Shares interested as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date(1)
Mr. Ding Shijia	Company	Founder of a discretionary trust	1,483,676,400 (L)(6)	–	53.05%
	Anta International	Founder of a discretionary trust	495,300,570 (L)(6)	–	33.52%
	Amer Sports, Inc.	Founder of a discretionary trust	232,990,872 (L)(7)	–	40.05%
	Amer Sports, Inc.	Founder of a discretionary trust	2,794,152 (L)(7)	–	0.48%
	Amer Sports, Inc.	Interest of spouse	637,418 (L)(7)	–	0.11%
Mr. Lai Shixian	Company	Beneficial owner	891,955 (L)	–	0.03%
	Company	Beneficiary of a trust (other than a discretionary interest)	–	900,000 (L)(2)	0.03%
	Anta International	Beneficiary of a discretionary trust/Interest of spouse	146,189,463 (L)(8)	–	9.89%
	Anta International	Interest in controlled corporation	39,961,734 (L)(8)	–	2.70%
Mr. Wu Yonghua	Company	Beneficiary of a trust (other than a discretionary interest)	–	900,000 (L)(2)	0.03%
	Anta International	Founder of a discretionary trust	78,136,038 (L)(9)	–	5.29%
	Amer Sports, Inc.	Founder of a discretionary trust	536,791 (L)(10)	–	0.09%
Mr. Zheng Jie	Company	Beneficial owner	950,000 (L)	–	0.03%
	Amer Sports, Inc.	Beneficial owner	2,248,492 (L)	1,723,087 (L)(3)	0.68%
Mr. Bi Mingwei	Company	Beneficial owner	208,636 (L)	–	0.01%
	Company	Beneficiary of a trust (other than a discretionary interest)	–	158,800 (L)(2)	0.01%

Name of Director	Company/ Name of associated corporation	Capacity	Number of shares interested as at the Latest Practicable Date	Number of underlying Shares interested as at the Latest Practicable Date	Percentage of total issued share capital as at the Latest Practicable Date(1)
Mr. Yiu Kin Wah Stephen	Company	Beneficial owner	33,000 (L)	–	0.00%
	Amer Sports, Inc.	Beneficial owner	24,073 (L)	7,265 (L)(3)	0.01%

(L): Long position

Notes:

(1) As at the Latest Practicable Date, the number of issued ordinary shares (excluding treasury shares (if any)) of the Company, of Anta International and of Amer Sports, Inc. were 2,796,653,300, 1,477,500,000 and 581,822,024, respectively.

(2) The interests in underlying Shares represent the interests in awarded shares granted pursuant to the 2018 Share Award Scheme (2023 Revision), details of which are set out in the section entitled "2018 Share Award Scheme and 2018 Share Award Scheme (2023 Revision)" under "Share Schemes" below.

(3) The interests in underlying shares represent the interests in unvested share granted (subject to certain vesting conditions) pursuant to an incentive plan of Amer Sports, Inc..

(4) A total of 1,482,676,400 Shares were directly held by Anta International and its wholly-owned subsidiaries, and 9,446,000 Shares were directly held by Shine Well (Far East) Limited ("**Shine Well**"), representing 53.01% and 0.34% of the issued Shares as at the Latest Practicable Date respectively. Shine Well directly held 503,172,690 shares of Anta International, representing 34.06% of the issued shares of Anta International as at the Latest Practicable Date, and was entitled to exercise or control the exercise of one third or more of the voting power at the general meeting of Anta International, and therefore was deemed to be interested in all the Shares held by Anta International. The entire issued shares of Shine Well was held by Top Bright Assets Limited ("**Top Bright**"). The entire issued shares of Top Bright was in turn held by HSBC International Trustee Limited ("**HSBC Trustee**") acting as the trustee of the DSZ Family Trust. The DSZ Family Trust was an irrevocable discretionary trust. Mr. Ding Shizhong as the founder of the DSZ Family Trust was deemed to be interested in the total 1,492,122,400 Shares held by Anta International and Shine Well and the 503,172,690 shares of Anta International held by Shine Well. 18,267,273 shares of Anta International, representing 1.24% of the issued shares of Anta International as at the Latest Practicable Date, were directly held by Blossom Prospect Limited ("**Blossom Prospect**"). Ms. Ding Youmian held 50% of the issued shares of Blossom Prospect and was entitled to exercise or control the exercise of one third or more of the voting power at the general meeting of Blossom Prospect, and therefore was deemed to be interested in the 18,267,273 shares of Anta International held by Blossom Prospect. Mr. Ding Shizhong as the spouse of Ms. Ding Youmian was deemed to be interested in the 18,267,273 shares of Anta International held by Blossom Prospect.

(5) By virtue of SFO, Mr. Ding Shizhong is deemed to be interested in (i) 232,990,872 shares of Amer Sports, Inc. through his interest in the Company; and (ii) 3,800,000 shares of Amer Sports, Inc. directly held by Zhi Sheng Overseas Holdings Limited.

(6) A total of 1,482,676,400 Shares were directly held by Anta International and its wholly-owned subsidiaries, and 1,000,000 Shares were directly held by Talent Trend Investment Limited ("**Talent Trend**"), representing 53.01% and 0.04% of the issued Shares as at the Latest Practicable Date respectively. Talent Trend directly held 495,300,570 shares of Anta International, representing 33.52% of the issued shares of Anta International as at the Latest Practicable Date, and was entitled to exercise or control the exercise of one third or more of the voting power at the general meeting of Anta International, and therefore was deemed to be interested in all the Shares held by Anta International. The entire issued

shares of Talent Trend was held by Allwealth Assets Limited ("**Allwealth**"). The entire issued shares of Allwealth was in turn held by HSBC Trustee acting as the trustee of the DSJ Family Trust. The DSJ Family Trust was an irrevocable discretionary trust. Mr. Ding Shijia as the founder of the DSJ Family Trust was deemed to be interested in the total 1,483,676,400 Shares held by Anta International and Talent Trend and the 495,300,570 shares of Anta International held by Talent Trend.

(7) By virtue of SFO, Mr. Ding Shijia is deemed to be interested in (i) 232,990,872 shares of Amer Sports, Inc. through his interest in the Company; (ii) 2,794,152 shares of Amer Sports, Inc. directly held by He Sheng Overseas Holdings Limited; and (iii) 637,418 shares of Amer Sports, Inc. directly held by his spouse.

(8) Certain interests of Mr. Lai Shixian in Anta International were held through Gain Speed Holdings Limited ("**Gain Speed**"), which directly held 146,189,463 shares of Anta International, representing 9.89% of the issued shares of Anta International as at the Latest Practicable Date. The entire issued shares of Gain Speed was held by Spring Star Assets Limited. The entire issued shares of Spring Star Assets Limited was in turn held by HSBC Trustee acting as the trustee of the DYL Family Trust. The DYL Family Trust was an irrevocable discretionary trust. Ms. Ding Yali as the founder of the DYL Family Trust was deemed to be interested in the 146,189,463 shares of Anta International held by Gain Speed. Mr. Lai Shixian as one of the beneficiaries of the DYL Family Trust and as the spouse of Ms. Ding Yali was deemed to be interested in the 146,189,463 shares of Anta International held by Gain Speed. 18,267,273 shares of Anta International, representing 1.24% of the issued shares of Anta International as at the Latest Practicable Date, were directly held by Blossom Prospect. Mr. Lai Shixian held 50% of the issued shares of Blossom Prospect and was entitled to exercise or control the exercise of one third or more of the voting power at the general meeting of Blossom Prospect, and therefore was deemed to be interested in the 18,267,273 shares of Anta International held by Blossom Prospect. 21,694,461 shares of Anta International, representing 1.47% of the issued shares of Anta International as at the Latest Practicable Date, were directly held by First Start Investment Limited ("**First Start**"). Mr. Lai Shixian held 90% of the issued shares of First Start and was entitled to exercise or control the exercise of one third or more of the voting power at the general meeting of First Start, and therefore was deemed to be interested in the 21,694,461 shares of Anta International held by First Start.

(9) The interests of Mr. Wu Yonghua in Anta International were held through Spread Wah International Limited ("**Spread Wah**"), which directly held 78,136,038 shares of Anta International, representing 5.29% of the issued shares of Anta International as at the Latest Practicable Date. The entire issued shares of Spread Wah was held by Allbright Assets Limited. The entire issued shares of Allbright Assets Limited was in turn held by HSBC Trustee acting as the trustee of the WYH Family Trust. The WYH Family Trust was an irrevocable discretionary trust. Mr. Wu Yonghua as the founder of the WYH Family Trust was deemed to be interested in the 78,136,038 shares of Anta International held by Spread Wah.

(10) By virtue of SFO, Mr. Wu Yonghua is deemed to be interested in 536,791 shares of Amer Sports, Inc. held by the W Family Trust as the founder of the W Family Trust.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executives had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken deemed to have under such provisions of the SFO), or which had been entered in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Hong Kong Listing Rules.

Save as disclosed above and the fact that Mr. Ding Shizhong, Mr. Ding Shijia and Mr. Lai Shixian are directors of Anta International, as at the Latest Practicable Date, none of the

Directors was a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, the persons or corporations (other than the Directors and chief executive of the Company) who had an interest or short positions in the shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the Shares and/ or underlying Shares of the Company

Name of Shareholders	Capacity/ Nature of interest	Number of Shares/ underlying Shares interested	Percentage of total issued share capital as at the Latest Practicable Date
HSBC Trustee	Trustee(1)	1,493,185,192 (L)	53.39%
Top Bright	Interest in controlled corporation(1)	1,492,122,400 (L)	53.35%
Shine Well	Interest in controlled corporation(1)	1,482,676,400 (L)	53.01%
	Beneficial owner(1)	9,446,000 (L)	0.34%
Allwealth	Interest in controlled corporation(1)	1,483,676,400 (L)	53.05%
Talent Trend	Interest in controlled corporation(1)	1,482,676,400 (L)	53.01%
	Beneficial owner(1)	1,000,000 (L)	0.04%
Anta International	Beneficial owner(2)	1,206,301,400 (L)	43.13%
	Interest in controlled corporation(2)	276,375,000 (L)	9.88%
Anda Holdings	Beneficial owner	160,875,000 (L)	5.75%

(L): Long position

Notes:

(1) The interests of HSBC Trustee in the Company were held through Anta International, Anda Holdings, Anda Investments, Shine Well and Talent Trend, representing approximately 43.13%, 5.75%, 4.13%, 0.34% and 0.04% of the issued Shares, respectively. In addition, HSBC Trustee also held 62,792 Shares as trustee for persons unrelated to the substantial shareholders. HSBC Trustee was the trustee of the DSZ Family Trust, the DSJ Family Trust, the WYH Family Trust and the DYL Family Trust, and it held the entire issued shares of Top Bright and Allwealth, which in turn held the entire issued shares of Shine Well and Talent Trend, respectively. Each of Shine Well and Talent Trend was entitled to exercise or control the exercise of one third or more of the voting power at general meeting of Anta International and therefore each of them was deemed to be interested in all the 1,206,301,400 Shares directly held by Anta International. Anta International held the entire issued shares of each of Anda Holdings and Anda Investments and therefore was deemed to be interested in the 160,875,000 Shares and the 115,500,000 Shares directly held by Anda Holdings and Anda Investments, respectively. Accordingly, HSBC Trustee, Top Bright, Allwealth, Shine Well and Talent Trend were deemed to be interested in the total 1,482,676,400 Shares held by Anta International and its wholly-owned subsidiaries. 9,446,000 Shares were held by Shine Well directly. Accordingly, HSBC Trustee and Top Bright were also deemed to be interested in the 9,446,000 Shares held by Shine Well. 1,000,000 Shares were held by Talent Trend directly. Accordingly, HSBC Trustee and Allwealth were also deemed to be interested in the 1,000,000 Shares held by Talent Trend.

(2) 1,206,301,400 Shares were directly held by Anta International. 160,875,000 Shares and 115,500,000 Shares were directly held by Anda Holdings and Anda Investments, respectively. Each of Anda Holdings and Anda Investments was wholly-owned by Anta International and therefore was a controlled corporation of Anta International. Accordingly, Anta International was deemed to be interested in the 160,875,000 Shares held by Anda Holdings and the 115,500,000 Shares held by Anda Investments.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person or corporation having an interest or short positions in shares and underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

5. DIRECTORS' INTEREST IN CONTRACTS

As at the Latest Practicable Date, other than transactions pursuant to continuing connected transactions described in the Report of the Directors of the Company's Annual Report 2025, so far as the Directors are aware, none of the Directors had any interest, either directly or indirectly, in any assets which has since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

As at the Latest Practicable Date, and save for the information contained in the disclosure made in the announcement of the Company dated 12 December 2024, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the businesses of any member of the Group.

6. MATERIAL CONTRACTS

There was no material contract (not being a contract entered into in the ordinary course of the business) entered into by any member of the Group within the two years immediately preceding the Latest Practicable Date.

7. EXPERT AND CONSENT

The following are the qualifications of the expert who has given advice or opinions contained in this circular:

Name	Qualifications
KPMG	Certified Public Accountants

KPMG has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its report or letter and references to its name in the form and context in which they are included.

As at the Latest Practicable Date, KPMG had no shareholding in any member of the Group, nor did it have any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, KPMG did not have any direct or indirect interest in any assets which have been, since 31 December 2025 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to any member of the Group.

The report from KPMG on the unaudited pro forma statement of assets and liabilities of the Group as set out in Appendix IV is given as of the date of this circular for incorporation herein.

8. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2025, being the date to which the latest published consolidated financial statements of the Group was made up.

9. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors nor their respective close associates had any interest in any business which competes or is likely to compete, or is in conflict or is likely to be in conflict, either directly or indirectly, with the business of the Group.

10. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation or arbitration proceedings of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

11. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (ir.anta.com) from the date of this circular up to and including 8 May 2026:

(a) the Share Purchase Agreement;

(b) the report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix IV to this circular; and

(c) the written consent referred to in the paragraph headed "Expert and Consent" in this appendix.

12. GENERAL

(a) The secretary of the Company is Mr. Tse Kin Chung. He holds a bachelor's degree in accountancy from The Hong Kong Polytechnic University. He is also a member of the Hong Kong Institute of Certified Public Accountants.

(b) The English text of this circular shall prevail over the Chinese text.