
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 10, 2023 (**August 6, 2023**)

WOLVERINE WORLD WIDE, INC.

(Exact name of registrant as specified in its charter)

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-06024 <small>(Commission File Number)</small>	38-1185150 <small>(IRS Employer Identification No.)</small>
9341 Courtland Drive N.E., Rockford, Michigan <small>(Address of principal executive offices)</small>		49351 <small>(Zip Code)</small>

Registrant's telephone number, including area code: **(616) 866-5500**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$1 Par Value	WWW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On August 6, 2023, the Company issued a press release announcing its financial results for the Company's second quarter of 2023, attached as Exhibit 99.1 to this Form 8-K (the "8-K"), which is hereby incorporated by reference. This 8-K and Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Effective as of August 6, 2023, the Board of Directors (the "Board") of the Company terminated the employment of Brendan Hoffman as the Company's Chief Executive Officer without Cause (as defined in the Employment Agreement, dated as of August 7, 2020, between Mr. Hoffman and the Company, as amended as of December 17, 2021). Additionally, effective as of August 6, 2023, Mr. Hoffman resigned as a director of the Company. Mr. Hoffman's resignation was not the result of any dispute or disagreement relating to the Company's operations, policies, or practices.

Effective as of August 6, 2023, the Board appointed Christopher E. Hufnagel as President and Chief Executive Officer and to serve as a director of the Company to fill the vacancy created by Mr. Hoffman's resignation. Mr. Hufnagel will not be appointed to any committees of the Board. There were no arrangements or understandings between Mr. Hufnagel and other persons pursuant to which he was appointed as a director. There are no related-party transactions in which he or any immediate member of his family has an interest that would require disclosure under Item 404(a) of Regulation S-K.

Mr. Hufnagel, 51, has served as President of the Company since June 4, 2023. Prior to serving in such role, Mr. Hufnagel most recently served as the Company's President, Active Group since November 2022, and as President of the Merrell brand since September 2019. From July 2018 through September 2019, he served as President, CAT Footwear. From January 2013 through July 2018, he served as Senior Vice President and Head of Corporate Strategy, and from 2008 to 2013, he served as President of Direct-to-Consumer.

To address Mr. Hufnagel's new role as Chief Executive Officer, the Company plans to enter into an Employment Agreement with Mr. Hufnagel. Mr. Hufnagel is party to an Executive Severance Agreement with the Company in substantially the form filed as Exhibit 10.9 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Additionally, Mr. Hufnagel is party to an Indemnification Agreement with the Company in substantially the form filed as Exhibit 10.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

A copy of the press release issued on August 10, 2023 by the Company announcing the foregoing is filed as Exhibit 99.2 to this 8-K and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

99.1 [Press Release dated August 10, 2023.](#)

99.2 [Press Release dated August 10, 2023](#)

104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL (included as Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 10, 2023

WOLVERINE WORLD WIDE, INC.
(Registrant)

/s/ Michael D. Stornant

Michael D. Stornant

Executive Vice President, Chief Financial Officer and Treasurer



9341 Courtland Drive NE, Rockford, MI 49351
Phone (616) 866-5500

FOR IMMEDIATE RELEASE
CONTACT: Alex Wiseman
(616) 863-3974

WOLVERINE WORLDWIDE REPORTS SECOND QUARTER RESULTS, UPDATES FULL-YEAR 2023 OUTLOOK AND ANNOUNCES CEO TRANSITION

ROCKFORD, Mich., August 10, 2023 – Wolverine World Wide, Inc. (NYSE: WWW) today reported financial results for the second quarter ended July 1, 2023. The Company also announced that Chris Hufnagel was promoted to President and Chief Executive Officer in a separate release today.

"I would like to express my appreciation to our Chairman, Tom Long and the entire Board of Directors for their confidence in me. I'm truly honored to be the Company's next CEO," said Chris Hufnagel, President and Chief Executive Officer. "I'm confident that we have the right team and brand playbook to quickly improve the performance of the Company."

"Our second half outlook, as reflected in our updated annual guidance, is disappointing but we are confident that the work we are undertaking will drive significant profit improvement in 2024 and quickly set a strong growth foundation for the Company," continued Hufnagel. "The current adversity has not only deepened our conviction that our strategic direction is more correct than ever, but that we must execute it with greater boldness and speed."

Last year, Wolverine unveiled a new corporate strategy and began to redesign the business to focus its portfolio on its biggest opportunities, while creating cost savings for reinvestment in its priority brands. As part of the redesign, in May the Company announced the evaluation of strategic alternatives for the Sperry brand, which allows the Company to now focus on its Active and Work Groups.

Wolverine also outlined new important elements of the Company's transformation, including the consolidation of its US offices and streamlining the organization in line with the new focus. These efforts come in addition to previously announced profit improvements already underway.

FINANCIAL HIGHLIGHTS AND FULL-YEAR OUTLOOK

Financial results and guidance for 2023, and comparable results from 2022 for our ongoing business exclude the impact of Keds, which was sold in February 2023, and Wolverine Leathers, which is the subject of a sale process, and reflect an adjustment for the transition of our Hush Puppies North America business to a licensing model in the second half of 2023. Tables have been provided in the back of this release showing the impact of these adjustments on operating results for 2023 and 2022 assuming these events occurred on the first day of the relevant period. For visibility regarding this impact on our 2023 operating results, we will report actual results reflecting our ongoing businesses and separately report results for Keds, which will be limited to the period through February 3, 2023 and Wolverine Leathers to the extent we own and operate the business.

SECOND-QUARTER 2023 FINANCIAL HIGHLIGHTS

<i>(in millions)</i>	July 1, 2023	July 2, 2022	Y/Y Change	Constant Currency Change
Reported Segment Revenue Results:				
Active Group	\$383.3	\$428.3	(10.5)%	(10.2)%
Work Group	\$117.8	\$139.5	(15.6)%	(15.9)%
Lifestyle Group	\$74.9	\$121.1	(38.2)%	(38.1)%
Other	\$13.1	\$24.7	(47.0)%	(47.0)%
Total Revenue	\$589.1	\$713.6	(17.4)%	(17.3)%
Ongoing Total Revenue	\$578.2	\$671.9	(13.9)%	(13.8)%
Supplemental Brand Revenue Information				
Merrell	\$176.7	\$209.7	(15.7)%	(15.5)%
Saucony	\$141.7	\$139.4	1.6%	2.6%
Sperry	\$57.4	\$75.0	(23.5)%	(23.4)%
Wolverine	\$41.4	\$57.7	(28.2)%	(28.3)%
Sweaty Betty	\$44.0	\$47.4	(7.2)%	(7.3)%
Reported:				
Gross Margin	38.7%	43.0%	(430) bps	
Operating Margin	7.8%	23.5%	(1,570) bps	
Diluted Earnings Per Share	\$0.30	\$1.53	(80.4)%	
Non-GAAP and Ongoing business:				
Adjusted Gross Margin	39.2%	43.9%	(470) bps	
Adjusted Operating Margin	5.8%	11.4%	(560) bps	
Adjusted Diluted Earnings Per Share	\$0.19	\$0.65	(70.8)%	
Constant Currency Earnings Per Share	\$0.21	\$0.65	(67.7)%	

Revenue of \$589.1 million declined 17.4% versus the prior year and declined 17.3% on a constant currency basis. Revenue from the ongoing business was \$578.2 million and declined 13.8% on a constant currency basis.

The Company's international revenue from the ongoing business of \$260.9 million was down 6.7% compared to the prior year, or 6.2% on a constant currency basis. Direct-to-Consumer revenue of \$132.4 million was down 20.3% compared to the prior year and down 16.4% for the ongoing business compared to the prior year.

Gross margin was 38.7% compared to 43.0% in the prior year reflecting the sale of higher-cost inventory due to transitory supply chain costs from 2022, the acceleration of end-of-life inventory liquidation, and increased promotions.

Selling, General & Administrative expenses were \$181.7 million, or 30.8% of adjusted revenue. Adjusted SG&A expenses of \$192.8 million or 33.3% of adjusted revenue, were 80 basis points higher than the prior year.

Inventory at the end of the quarter was \$647.9 million and was down approximately \$97.3 million sequentially from the fourth quarter of fiscal 2022.

Net Debt at the end of the quarter was \$930 million, and liquidity was approximately \$370 million. The Company's bank-defined leverage ratio was 3.5x.

FULL-YEAR 2023 OUTLOOK

"The trading environment is challenging, especially in global wholesale channels where order demand has slowed as retailers manage their businesses more cautiously," said Mike Stornant, Executive Vice President and Chief Financial Officer. "As a result, we have reduced our revenue and earnings outlook for the back half of the year."

"We remain focused on improving our balance sheet metrics while driving further profit improvement benefits. We now expect the Profit Improvement Office to deliver at least \$70 million in savings for 2023. We are on track to deliver our year-end inventory target of \$520 million, which will set the business up for new product and cleaner trading in 2024. In order to accelerate debt pay down, we have plans to sell at least \$50 million of non-core assets over the coming months."

- **Revenue** from our ongoing business is expected to be in the range of \$2.26 billion to \$2.28 billion, representing a decline of approximately 10.7% to 10.0% versus the prior year
- **Gross margin** is expected to be approximately 39.4% and adjusted gross margin is expected to be approximately 40.0%
- **Operating margin** is expected to be approximately 4.8%, and adjusted operating margin is expected to be approximately 5.0%
- **The effective tax rate** is expected to be approximately 18.2%.
- **Diluted earnings per share** are expected to be between \$0.43 to \$0.53 and adjusted diluted earnings per share are expected to be between \$0.45 to \$0.55. These full-year EPS expectations include an approximate \$0.11 negative impact from foreign currency exchange rate fluctuations.
- **Diluted weighted average shares** are expected to be approximately 79.4 million.
- **Net Debt** at year-end is expected to be approximately \$850 million resulting in bank-defined leverage of approximately 3x.

NON-GAAP FINANCIAL MEASURES

Measures referred to in this release as "adjusted" financial results and "ongoing business" are non-GAAP measures that exclude environmental and other related costs net of recoveries, impairment of long-lived assets, reorganization costs, debt modification costs, gain on the sale of *Champion* trademarks, costs associated with *Sweaty Betty*® integration and financial results from the Keds business and Wolverine Leathers business. The Company also presents constant currency information, which is a non-GAAP measure that excludes the impact of fluctuations in foreign currency exchange rates. The Company calculates constant currency basis by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to the Company's current period reported results. The Company believes providing each of these non-GAAP measures provides valuable supplemental information regarding its results of operations, consistent with how the Company evaluates performance.

The Company has provided a reconciliation of each of the above non-GAAP financial measures to the most directly comparable GAAP financial measure. The Company believes these non-GAAP measures provide useful information to both management and investors because they increase the comparability of current period results to prior period results by adjusting for certain items that may not be indicative of core operating results and enable better identification of trends in our business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis. Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP.

EARNINGS CALL INFORMATION

The Company will host a conference call today at 8:30 a.m. EST to discuss these results and current business trends. The conference call will be broadcast live and accessible under the “Investor Relations” tab at www.wolverineworldwide.com. A replay of the conference call will be available on the Company’s website for a period of approximately 30 days.

ABOUT WOLVERINE WORLDWIDE

Founded in 1883 on the belief in the possibility of opportunity, Wolverine World Wide, Inc. (NYSE:WWW) is one of the world’s leading marketers and licensors of branded casual, active lifestyle, work, outdoor sport, athletic, children's and uniform footwear and apparel. Through a diverse portfolio of highly recognized brands, our products are designed to empower, engage and inspire our consumers every step of the way. The Company’s portfolio includes Merrell®, Saucony®, Sweaty Betty®, Sperry®, Hush Puppies®, Wolverine®, Chaco®, Bates®, HYTEST®, and Stride Rite®. Wolverine Worldwide is also the global footwear licensee of the popular brands Cat® and Harley-Davidson®. Based in Rockford, Michigan, for 140 years, the Company's products are carried by leading retailers in the U.S. and globally in approximately 170 countries and territories. For additional information, please visit our website, www.wolverineworldwide.com or visit us on Facebook, LinkedIn, and Instagram.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including statements regarding the Company's outlook for 2023 including: reported and constant currency revenue; reported and adjusted gross margin; reported and adjusted operating margin; effective tax rate; reported and adjusted diluted earnings per share; and reported inventory; as well as statements regarding the acceleration, and expected results, of the Company's work to redesign the Company, expected significant profit improvement in 2024, the amount and timing of transitory supply chain and excess inventory expenses and profit improvement initiative savings; and the Company's plans to sell non-core assets and repay debt. In addition, words such as "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions ("Risk Factors") that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. Risk Factors include, among others: changes in general economic conditions, employment rates, business conditions, interest rates, tax policies, inflationary pressures and other factors affecting consumer spending in the markets and regions in which the Company's products are sold; the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets; the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences; the inability to effectively manage inventory levels; increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export; foreign currency exchange rate fluctuations; currency restrictions; supply chain or other capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing; the cost and availability of raw materials, inventories, services and labor for contract manufacturers; the effects of COVID-19 and other health crises, on the Company's business, operations, financial results and liquidity, including the duration and magnitude of such effects, and numerous factors that the Company cannot accurately predict, including: the duration and scope of health crisis, the negative impact on global and regional markets, unemployment rates, consumer confidence and discretionary spending, governmental action, and the effects of health crisis on the Company's supply chain and customers; labor disruptions; changes in relationships with, including the loss of, significant wholesale customers; risks related to the significant investment in, and performance of, the Company's consumer-direct operations; risks related to expansion into new markets and complementary product categories; the impact of seasonality and unpredictable weather conditions; increases in the Company's effective tax rates; failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company; the risks of doing business in developing countries, and politically or economically volatile areas; the ability to secure and protect owned intellectual property or use licensed intellectual property; the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health; the potential breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar events; strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses, and implementing new initiatives and ventures; the risk of impairment to goodwill and other intangibles; changes in future pension funding requirements and pension expenses; and additional factors discussed in the Company's reports filed with the Securities and Exchange Commission and exhibits thereto. The foregoing Risk Factors, as well as other existing Risk Factors and new Risk Factors that emerge from time to time, may cause actual results to differ materially from those contained in any forward-looking statements. Given these or other risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements.

###

WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)
(In millions, except earnings per share)

	Quarter Ended		Year-To-Date Ended	
	July 1, 2023	July 2, 2022	July 1, 2023	July 2, 2022
Revenue	\$ 589.1	\$ 713.6	\$ 1,188.5	\$ 1,328.4
Cost of goods sold	361.3	406.5	724.4	760.0
Gross profit	227.8	307.1	464.1	568.4
<i>Gross margin</i>	38.7 %	43.0 %	39.0 %	42.8 %
Selling, general and administrative expenses	195.5	229.2	407.5	440.5
Gain on sale of business and trademarks	—	(90.0)	(20.1)	(90.0)
Impairment of long-lived assets	15.6	—	15.6	—
Environmental and other related costs, net of recoveries	(29.4)	—	(30.3)	30.4
Operating expenses	181.7	139.2	372.7	380.9
<i>Operating expenses as a % of revenue</i>	30.8 %	19.5 %	31.4 %	28.7 %
Operating profit	46.1	167.9	91.4	187.5
<i>Operating margin</i>	7.8 %	23.5 %	7.7 %	14.1 %
Interest expense, net	16.1	10.1	31.9	18.8
Other expense (income), net	(0.4)	0.6	0.8	(0.5)
Total other expenses	15.7	10.7	32.7	18.3
Earnings before income taxes	30.4	157.2	58.7	169.2
Income tax expense	6.0	32.7	16.3	36.3
<i>Effective tax rate</i>	19.8 %	20.8 %	27.8 %	21.5 %
Net earnings	24.4	124.5	42.4	132.9
Less: net earnings (loss) attributable to noncontrolling interests	0.4	(0.1)	(0.6)	(1.4)
Net earnings attributable to Wolverine World Wide, Inc.	\$ 24.0	\$ 124.6	\$ 43.0	\$ 134.3
Diluted earnings per share	\$ 0.30	\$ 1.53	\$ 0.53	\$ 1.63
Supplemental information:				
Net earnings used to calculate diluted earnings per share	\$ 23.5	\$ 122.1	\$ 42.0	\$ 131.7
Shares used to calculate diluted earnings per share	79.5	79.9	79.3	80.9

WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)
(In millions)

	July 1, 2023	July 2, 2022
ASSETS		
Cash and cash equivalents	\$ 176.5	\$ 149.3
Accounts receivables, net	241.5	420.0
Inventories, net	647.9	639.5
Current assets held for sale	19.1	—
Other current assets	78.9	84.5
Total current assets	1,163.9	1,293.3
Property, plant and equipment, net	134.3	127.5
Lease right-of-use assets	155.4	166.7
Goodwill and other indefinite-lived intangibles	748.9	1,219.8
Other noncurrent assets	154.8	141.7
Total assets	\$ 2,357.3	\$ 2,949.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and other accrued liabilities	\$ 530.0	\$ 561.7
Lease liabilities	39.2	33.0
Current maturities of long-term debt	10.0	10.0
Borrowings under revolving credit agreements	385.0	490.0
Total current liabilities	964.2	1,094.7
Long-term debt	718.5	727.4
Lease liabilities, noncurrent	146.7	150.9
Other noncurrent liabilities	161.0	314.2
Stockholders' equity	366.9	661.8
Total liabilities and stockholders' equity	\$ 2,357.3	\$ 2,949.0

WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)
(In millions)

	Year-To-Date Ended	
	July 1, 2023	July 2, 2022
OPERATING ACTIVITIES:		
Net earnings	\$ 42.4	\$ 132.9
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	17.1	16.8
Deferred income taxes	(0.6)	3.0
Stock-based compensation expense	7.8	19.3
Pension and SERP expense	0.8	4.7
Impairment of long-lived assets	15.6	—
Environmental and other related costs, net of cash payments and recoveries received	(41.0)	(35.0)
Gain on sale of business and trademarks	(20.1)	(90.0)
Other	(0.9)	(2.6)
Changes in operating assets and liabilities	24.8	(297.0)
Net cash provided by (used in) operating activities	45.9	(247.9)
INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(14.2)	(16.1)
Proceeds from sale of business, trademarks and other assets	81.9	90.0
Other	(0.7)	4.8
Net cash provided by investing activities	67.0	78.7
FINANCING ACTIVITIES:		
Payments under revolving credit agreements	(475.0)	(107.0)
Borrowings under revolving credit agreements	435.0	372.0
Payments on long-term debt	(5.0)	(5.0)
Payments of debt issuance costs	(0.9)	—
Cash dividends paid	(16.4)	(16.8)
Purchase of common stock for treasury	—	(81.3)
Employee taxes paid under stock-based compensation plans	(5.7)	(7.2)
Proceeds from the exercise of stock options	0.1	1.4
Contributions from noncontrolling interests	2.1	7.0
Net cash provided by (used in) financing activities	(65.8)	163.1
Effect of foreign exchange rate changes	(2.5)	(6.3)
Increase (decrease) in cash and cash equivalents	44.6	(12.4)
Cash and cash equivalents at beginning of the year	135.5	161.7
Cash and cash equivalents at end of the quarter	\$ 180.1	\$ 149.3

The following tables contain information regarding the non-GAAP financial measures used by the Company in the presentation of its financial results:

WOLVERINE WORLD WIDE, INC.

Q2 2023 RECONCILIATION TABLES

**RECONCILIATION OF REPORTED REVENUE TO ADJUSTED
REVENUE ON A CONSTANT CURRENCY BASIS***

(Unaudited)
(In millions)

	<u>GAAP Basis 2023-Q2</u>	<u>Foreign Exchange Impact</u>	<u>Constant Currency Basis 2023-Q2</u>	<u>GAAP Basis 2022-Q2</u>	<u>Reported Change</u>	<u>Constant Currency Change</u>
REVENUE						
Active Group	\$ 383.3	\$ 1.5	\$ 384.8	\$ 428.3	(10.5)%	(10.2)%
Work Group	117.8	(0.5)	117.3	139.5	(15.6)%	(15.9)%
Lifestyle Group	74.9	0.1	75.0	121.1	(38.2)%	(38.1)%
Other	13.1	—	13.1	24.7	(47.0)%	(47.0)%
Total	<u>\$ 589.1</u>	<u>\$ 1.1</u>	<u>\$ 590.2</u>	<u>\$ 713.6</u>	<u>(17.4)%</u>	<u>(17.3)%</u>

**RECONCILIATION OF REPORTED REVENUE
TO ADJUSTED REVENUE***

(Unaudited)
(In millions)

	<u>GAAP Basis</u>	<u>Divestiture ⁽¹⁾</u>	<u>As Adjusted</u>
Revenue - Fiscal 2023 Q2	\$ 589.1	\$ 10.9	\$ 578.2
Revenue - Fiscal 2022 Q2	\$ 713.6	\$ 41.7	\$ 671.9
Revenue Lifestyle Group - Fiscal 2023 Q2	\$ 74.9	\$ —	\$ 74.9
Revenue Lifestyle Group - Fiscal 2022 Q2	\$ 121.1	\$ 24.0	\$ 97.1

⁽¹⁾ Q2 2023 and Q2 2022 adjustments reflect the Keds business and Wolverine Leathers business results included in the consolidated condensed statement of operations.

**RECONCILIATION OF REPORTED GROSS MARGIN
TO ADJUSTED GROSS MARGIN ***

(Unaudited)
(In millions)

	GAAP Basis	Adjustments ⁽¹⁾	Divestiture ⁽²⁾	As Adjusted
Gross Profit - Fiscal 2023 Q2	\$ 227.8	\$ —	\$ 1.4	\$ 226.4
<i>Gross margin</i>	<i>38.7 %</i>			<i>39.2 %</i>
Gross Profit - Fiscal 2022 Q2	\$ 307.1	\$ 0.1	\$ 12.3	\$ 294.7
<i>Gross margin</i>	<i>43.0 %</i>			<i>43.9 %</i>

⁽¹⁾ Q2 2022 adjustment reflects \$0.1 million of costs associated with *Sweaty Betty*® integration.

⁽²⁾ Q2 2023 and Q2 2022 adjustment reflect the Keds business and Wolverine Leathers business results included in the consolidated condensed statement of operations.

**RECONCILIATION OF REPORTED SELLING, GENERAL AND ADMINISTRATIVE EXPENSES
TO ADJUSTED SELLING, GENERAL AND ADMINISTRATIVE EXPENSES***

(Unaudited)
(In millions)

	GAAP Basis	Adjustment ⁽¹⁾	Divestiture ⁽²⁾	As Adjusted
Selling, general and administrative expenses - Fiscal 2023 Q2	\$ 181.7	\$ 11.7	\$ (0.6)	\$ 192.8
Selling, general and administrative expenses - Fiscal 2022 Q2	\$ 139.2	\$ 89.3	\$ (10.1)	\$ 218.4

⁽¹⁾ Q2 2023 adjustments reflect \$29.4 million of environmental and other related costs net of recoveries, partially offset by \$15.6 million impairment of long-lived assets and \$2.1 million of reorganization costs. Q2 2022 adjustments reflect \$90.0 million gain on the sale of the *Champion* trademarks, partially offset by \$0.7 million of costs associated with *Sweaty Betty*® integration.

⁽²⁾ Q2 2023 and Q2 2022 adjustment reflect the Keds business and Wolverine Leathers business results included in the consolidated condensed statement of operations.

**RECONCILIATION OF REPORTED OPERATING MARGIN
TO ADJUSTED OPERATING MARGIN**

(Unaudited)
(In millions)

	GAAP Basis		Adjustments ⁽¹⁾		Divestiture ⁽²⁾		As Adjusted	
Operating Profit - Fiscal 2023 Q2	\$ 46.1	\$	(11.7)	\$	(0.8)	\$	33.6	
<i>Operating margin</i>							7.8 %	5.8 %
Operating Profit - Fiscal 2022 Q2	\$ 167.9	\$	(89.2)	\$	(2.2)	\$	76.5	
<i>Operating margin</i>							23.5 %	11.4 %

⁽¹⁾ Q2 2023 adjustments reflect \$29.4 million of environmental and other related costs net of recoveries, partially offset by \$15.6 million impairment of long-lived assets and \$2.1 million of reorganization costs. Q2 2022 adjustments reflect \$90.0 million gain on the sale of the *Champion* trademarks, partially offset by \$0.8 million of costs associated with *Sweaty Betty*® integration.

⁽²⁾ Q2 2023 and Q2 2022 adjustment reflect the Keds business and Wolverine Leathers business results included in the consolidated condensed statement of operations.

**RECONCILIATION OF REPORTED DILUTED EPS TO ADJUSTED
DILUTED EPS ON A CONSTANT CURRENCY BASIS***

(Unaudited)

	GAAP Basis		Adjustments ⁽¹⁾		Divestiture ⁽²⁾		As Adjusted		Foreign Exchange Impact		As Adjusted EPS On a Constant Currency Basis
EPS - Fiscal 2023 Q2	\$ 0.30	\$	(0.10)	\$	(0.01)	\$	0.19	\$	0.02	\$	0.21
EPS - Fiscal 2022 Q2	\$ 1.53	\$	(0.87)	\$	(0.01)	\$	0.65				

⁽¹⁾ Q2 2023 adjustment reflects environmental and other related costs net of recoveries, partially offset by impairment of long-lived assets, reorganization costs and debt modification costs. Q2 2022 adjustment reflect income from the sale of the *Champion* trademarks and costs associated with *Sweaty Betty*® integration.

⁽²⁾ Q2 2023 and Q2 2022 adjustment reflect the Keds business and Wolverine Leathers business results included in the consolidated condensed statement of operations.

**RECONCILIATION OF REPORTED INVENTORY
TO ADJUSTED INVENTORY***

(Unaudited)
(In millions)

	GAAP Basis	Divestiture ⁽¹⁾	As Adjusted
Inventory - 2023 Q2	\$ 647.9	\$ —	\$ 647.9
Inventory - 2023 Q1	\$ 725.9	\$ —	\$ 725.9
Inventory - 2022 Q4	\$ 745.2	\$ —	\$ 745.2
Inventory - 2022 Q3	\$ 880.9	\$ 42.1	\$ 838.8
Inventory - 2022 Q2	\$ 639.5	\$ 33.8	\$ 605.7
Inventory - 2022 Q1	\$ 483.3	\$ 32.0	\$ 451.3

⁽¹⁾ Adjustments reflect the Keds business and Wolverine Leathers business inventory included in the consolidated condensed balance sheet.

**QUARTERLY REPORTED INVENTORY
AND ADJUSTED INVENTORY***

(Unaudited)
(In millions)

	Q1	Q2	Q3 ⁽¹⁾	Q4 ⁽¹⁾
Inventory - 2023	\$ 725.9	\$ 647.9	\$ 630.0	\$ 520.0
Inventory - 2022 ⁽²⁾	\$ 451.3	\$ 605.7	\$ 838.8	\$ 745.2
<i>Percentage Change</i>	60.8 %	7.0 %	(24.9)%	(30.2)%

⁽¹⁾ Q3 2023 and Q4 2023 represent the Company's reported inventory outlook for each period end.

⁽²⁾ Q1, Q2 and Q3 2022 inventory amounts are adjusted for the Keds business and Wolverine Leathers business.

DIVESTITURE
FINANCIAL SUMMARY
(Unaudited)
(In millions, except per share amounts)

In order to provide visibility regarding the anticipated financial impact of completed and planned divestitures, and the anticipated impact of the planned transition of Hush Puppies® from a wholesale model to a license model on July 1, 2023, the Company has provided additional information within the supplemental table below. The items included in the tables represent amounts that are reflected in the reported fiscal 2023 and 2022 results that are related to businesses the Company has sold or announced that the Company does not intend to include the business in the Company's long-term plans. The Company believes providing the following information is helpful to better understand the impact to the Company's go-forward business.

	Q1	Q2	Q3	Q4	2023 YTD
Revenue - Impact					
Keds business ⁽¹⁾	\$ 6.5	\$ —	\$ —	\$ —	\$ 6.5
Wolverine Leathers business ⁽²⁾	12.5	10.9	—	—	23.4
Total Revenue - Impact	\$ 19.0	\$ 10.9	\$ —	\$ —	\$ 29.9
Operating profit - Impact					
Keds business ⁽¹⁾	\$ (1.9)	\$ —	\$ —	\$ —	\$ (1.9)
Wolverine Leathers business ⁽²⁾	1.4	0.8	—	—	2.2
Total Operating profit - Impact	\$ (0.5)	\$ 0.8	\$ —	\$ —	\$ 0.3
Net earnings per share - Impact	\$ (0.01)	\$ 0.01	\$ —	\$ —	\$ —

	Q1	Q2	Q3	Q4	2022 Full-Year
Revenue - Impact					
Keds business ⁽¹⁾	\$ 20.4	\$ 24.0	\$ 21.3	\$ 17.1	\$ 82.8
Wolverine Leathers business ⁽²⁾	18.5	17.7	14.0	8.4	58.6
Hush Puppies ⁽³⁾	—	—	6.4	4.9	11.3
Total Revenue - Impact	\$ 38.9	\$ 41.7	\$ 41.7	\$ 30.4	\$ 152.7
Operating profit - Impact					
Keds business ⁽¹⁾	\$ 1.5	\$ 0.5	\$ 0.4	\$ (0.9)	\$ 1.5
Wolverine Leathers business ⁽²⁾	1.4	1.7	0.9	0.4	4.4
Hush Puppies ⁽³⁾	—	—	(0.3)	(1.4)	(1.7)
Total Operating profit - Impact	\$ 2.9	\$ 2.2	\$ 1.0	\$ (1.9)	\$ 4.2
Net earnings per share - Impact	\$ 0.03	\$ 0.02	\$ 0.01	\$ (0.02)	\$ 0.04

⁽¹⁾ The *Keds*® business line item reflects the revenue and operating profit from sale of *Keds*® products that will not reoccur after the Company's first period in fiscal 2023 as a result of the sale of the global *Keds*® business effective February 4, 2023.

⁽²⁾ The Wolverine Leathers business line item reflects revenue and operating profit from the Wolverine Leathers business that will not reoccur after the Wolverine Leathers business is sold. The Company is currently in an active process to sell the Wolverine Leathers business.

⁽³⁾ The *Hush Puppies*® line item represents financial results associated with the *Hush Puppies*® United States and Canada operations prior to the planned transition from a wholesale model to a license model on July 1, 2023, net of estimated license revenue.

2023 GUIDANCE RECONCILIATION TABLES
RECONCILIATION OF REPORTED GUIDANCE TO ADJUSTED TO GUIDANCE,
REPORTED DILUTED EPS GUIDANCE TO ADJUSTED DILUTED EPS
GUIDANCE AND SUPPLEMENTAL INFORMATION*

(Unaudited)

(In millions, except earnings per share)

	GAAP Basis	Divestiture Adjustments ⁽¹⁾	Other Adjustments ⁽²⁾	As Adjusted
Revenue - Fiscal 2023 Full Year	\$2,307 - \$2,327	\$(47)		\$2,260 - \$2,280
Gross Margin - Fiscal 2023 Full Year	39.4 %	0.6 %		40.0 %
Operating Margin - Fiscal 2023 Full Year	4.8 %	— %	0.2 %	5.0 %
Dilutive EPS - Fiscal 2023 Full Year	\$0.43 - \$0.53	\$(0.01)	\$0.03	\$0.45 - \$0.55
Fiscal 2023 Full Year Supplemental information:				
Net Earnings	\$35 - \$43	\$(1)	\$3	\$37 - \$45
Net Earnings used to calculate diluted earnings per share	\$34 - \$42	\$(1)	\$3	\$36 - \$44
Shares used to calculate diluted earnings per share	79.4			79.4

⁽¹⁾ 2023 adjustments reflect financial results for the *Keds*[®] business and Wolverine Leathers.

⁽²⁾ 2023 adjustments reflect impairment of long-lived assets, debt modification costs, reorganization costs, partially offset by gain from the sale of the *Keds*[®] business and estimated environmental and other related costs net of recoveries and reorganization costs.

* To supplement the consolidated condensed financial statements presented in accordance with Generally Accepted Accounting Principles ("GAAP"), the Company describes what certain financial measures would have been if environmental and other related costs net of recoveries, impairment of long-lived assets, reorganization costs, debt modification costs, gain on the sale of *Champion* trademarks, costs associated with *Sweaty Betty*[®] integration and financial results from the *Keds* business and Wolverine Leathers business were excluded. The Company believes these non-GAAP measures provide useful information to both management and investors by increasing comparability to the prior period by adjusting for certain items that may not be indicative of the Company's core ongoing operating business results and to better identify trends in the Company's ongoing business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis.

The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing constant currency information provides valuable supplemental information regarding results of operations, consistent with how the Company evaluates performance. The Company calculates constant currency by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to the Company's current period reported results.

Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitution for, financial information prepared in accordance with GAAP. A reconciliation of all non-GAAP measures included in this press release, to the most directly comparable GAAP measures are found in the financial tables above.

The supplemental information included below about transitory supply chain expenses and profit improvement initiative savings are intended to show the quarterly timing of the impact of these items on Gross Profit, Selling, general and administrative expense and Operating profit. The transitory costs are more prominent in the first half of the year and the cost savings are more prominent in the back half the year.

**TRANSITORY SUPPLY CHAIN AND
EXCESS INVENTORY EXPENSES - 2023 IMPACT**

(Unaudited)

(In millions)

	Costs from 2022 that will be expensed in 2023	Expected additional expense in 2023	Total Impact on 2023	Q1	Q2	Q3	Q4
Gross Profit Impact	\$ 45.0	\$ 20.0	\$ 65.0	\$ 23.0	\$ 19.0	\$ 11.0	\$ 12.0
Selling, general and administrative Impact	\$ 3.0	\$ 2.0	\$ 5.0	\$ 2.0	\$ 1.0	\$ 1.0	\$ 1.0
Operating Profit Impact	\$ 48.0	\$ 22.0	\$ 70.0	\$ 25.0	\$ 20.0	\$ 12.0	\$ 13.0

**PROFIT IMPROVEMENT INITIATIVES
2023 SAVINGS IMPACT**

(Unaudited)

(In millions)

	Total Savings in 2023	Q1	Q2	Q3	Q4
Gross Profit Benefit	\$ 25.0	\$ 3.0	\$ 7.0	\$ 7.0	\$ 8.0
Selling, general and administrative Benefit	\$ 45.0	\$ 5.0	\$ 8.0	\$ 14.0	\$ 18.0
Operating Profit Benefit	\$ 70.0	\$ 8.0	\$ 15.0	\$ 21.0	\$ 26.0



9341 Courtland Drive, Rockford, MI 49351
Phone (616) 866-5500

.....
FOR IMMEDIATE RELEASE
CONTACT: Dave Latchana, (616) 863-4226

WOLVERINE WORLDWIDE APPOINTS CHRISTOPHER E. HUFNAGEL AS PRESIDENT AND CHIEF EXECUTIVE OFFICER

Company veteran brings decades of omnichannel brand-building experience to drive strategic transformation

ROCKFORD, Mich., August 10, 2023 – Wolverine World Wide, Inc. (NYSE: WWW) today announced that its Board of Directors has appointed Christopher E. Hufnagel, President of Wolverine, as President, Chief Executive Officer, and a member of the Board of Directors, effective immediately. Mr. Hufnagel succeeds Brendan L. Hoffman, who is no longer with the Company.

Mr. Hufnagel joined Wolverine Worldwide in 2008 and has served in leadership roles across the organization. Before his appointment as President in May 2023, he was President of the Company's Active Group with responsibility for Merrell, Saucony, Chaco, the Kids Group, and Global Licensing. He has also served as Wolverine Worldwide's Global Brand President of Merrell and Global Brand President of CAT Footwear. In earlier roles at the Company, he was President of Direct-to-Consumer and Senior Vice President of Strategy. Prior to joining Wolverine Worldwide, Mr. Hufnagel held senior leadership roles at Under Armour, Gap, and Abercrombie & Fitch.

Tom Long, Chairman of the Wolverine Worldwide Board of Directors said, "The Board has confidence in Wolverine's potential and capacity to deliver strong shareholder value on a sustained basis. This, of course, depends heavily on our continued ability to develop great products and build compelling brands. Chris has a demonstrated track record of successfully building global brands, and he has a deep understanding of the Company, our people, and our priorities. We are confident in the Company's overarching strategy, and in Chris and the team's ability to execute it with substantially enhanced urgency and boldness."

Mr. Long continued, "We are grateful to Brendan for his leadership over the past three years. He has played a key role in setting us on the path to simplify the business and prioritize our most important growth initiatives. We wish him the best in his next chapter."

"I am honored to step in as CEO at this critical moment for the Company. Wolverine Worldwide maintains some of the world's most recognizable and loved lifestyle and footwear brands, and transforming our business to bring the full power of these brands to life will be a key driver of our success," said Mr. Hufnagel. "I have had the privilege of working with many teams across this organization over the past 15 years, and we have what it takes to build a stronger, more resilient company. I look forward to working with the entire team to continue to improve profitability, generate growth, and create shareholder value."

ABOUT WOLVERINE WORLDWIDE

Founded in 1883 on the belief in the possibility of opportunity, Wolverine World Wide, Inc. (NYSE:WWW) is one of the world's leading marketers and licensors of branded casual, active lifestyle, work, outdoor sport, athletic, children's and uniform footwear and apparel. Through a diverse portfolio of highly recognized brands, our products are designed to empower, engage and inspire our consumers every step of the way. The Company's portfolio includes [Merrell®](#), [Saucony®](#), [Sperry®](#), [Sweaty Betty®](#), [Hush Puppies®](#), [Wolverine®](#), [Chaco®](#), [Bates®](#), [HYTEST®](#), and [Stride Rite®](#). Wolverine Worldwide is also the global footwear licensee of the popular brands [Cat®](#) and [Harley-Davidson®](#). Based in Rockford, Michigan, for 140 years, the Company's products are carried by leading retailers in the U.S. and globally in approximately 170 countries and territories. For additional information, please visit our website, www.wolverineworldwide.com.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including statements regarding the Company's expectations with respect to: the Company's growth; profitability; potential and capability to deliver strong shareholder value; and execution of the Company's strategy. In addition, words such as "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions ("Risk Factors") that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. Risk Factors include, among others: the risk that the Company will be able to successfully implement its growth and profit improvement strategies; changes in general economic conditions, employment rates, business conditions, interest rates, tax policies, inflationary pressures and other factors affecting consumer spending in the markets and regions in which the Company's products are sold; the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets; the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences; the inability to effectively manage inventory levels; increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export; foreign currency exchange rate fluctuations; currency restrictions; supply chain or other capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing; the cost and availability of raw materials, inventories, services and labor for contract manufacturers; the effects of the COVID-19 pandemic and other health crises and containment efforts on the Company's business, operations, financial results and liquidity, including the duration and magnitude of such effects; labor disruptions; changes in relationships with, including the loss of, significant wholesale customers; risks related to the significant investment in, and performance of, the Company's consumer-direct operations; risks related to expansion into new markets and complementary product categories; the impact of seasonality and unpredictable weather conditions; effects of changes in general economic conditions and/or the credit markets on the Company's distributors, suppliers and retailers; increases in the Company's effective tax rates; failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company; the risks of doing business in developing countries, and politically or economically volatile areas; the ability to secure and protect owned intellectual property or use licensed intellectual property; the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health; the potential breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar events; problems affecting the Company's supply chain or distribution system, including service interruptions at shipping and receiving ports; strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses, and implementing

new initiatives and ventures; the risk of impairment to goodwill and other intangibles; changes in future pension funding requirements and pension expenses; and additional factors discussed in the Company's reports filed with the Securities and Exchange Commission and exhibits thereto. The foregoing Risk Factors, as well as other existing Risk Factors and new Risk Factors that emerge from time to time, may cause actual results to differ materially from those contained in any forward-looking statements. Given these or other risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements.

###