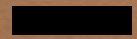


INVESTOR MEETING PRESENTATION



HUGO BOSS



06/2023



- 01** "CLAIM 5" STRATEGY
- 02** Q1 2023 RESULTS
- 03** OUTLOOK FY 2023
- 04** GENERAL
INFORMATION

VISION

BECOME **THE**
PREMIUM TECH-
DRIVEN FASHION
PLATFORM
WORLDWIDE

HUGO BOSS

MISSION

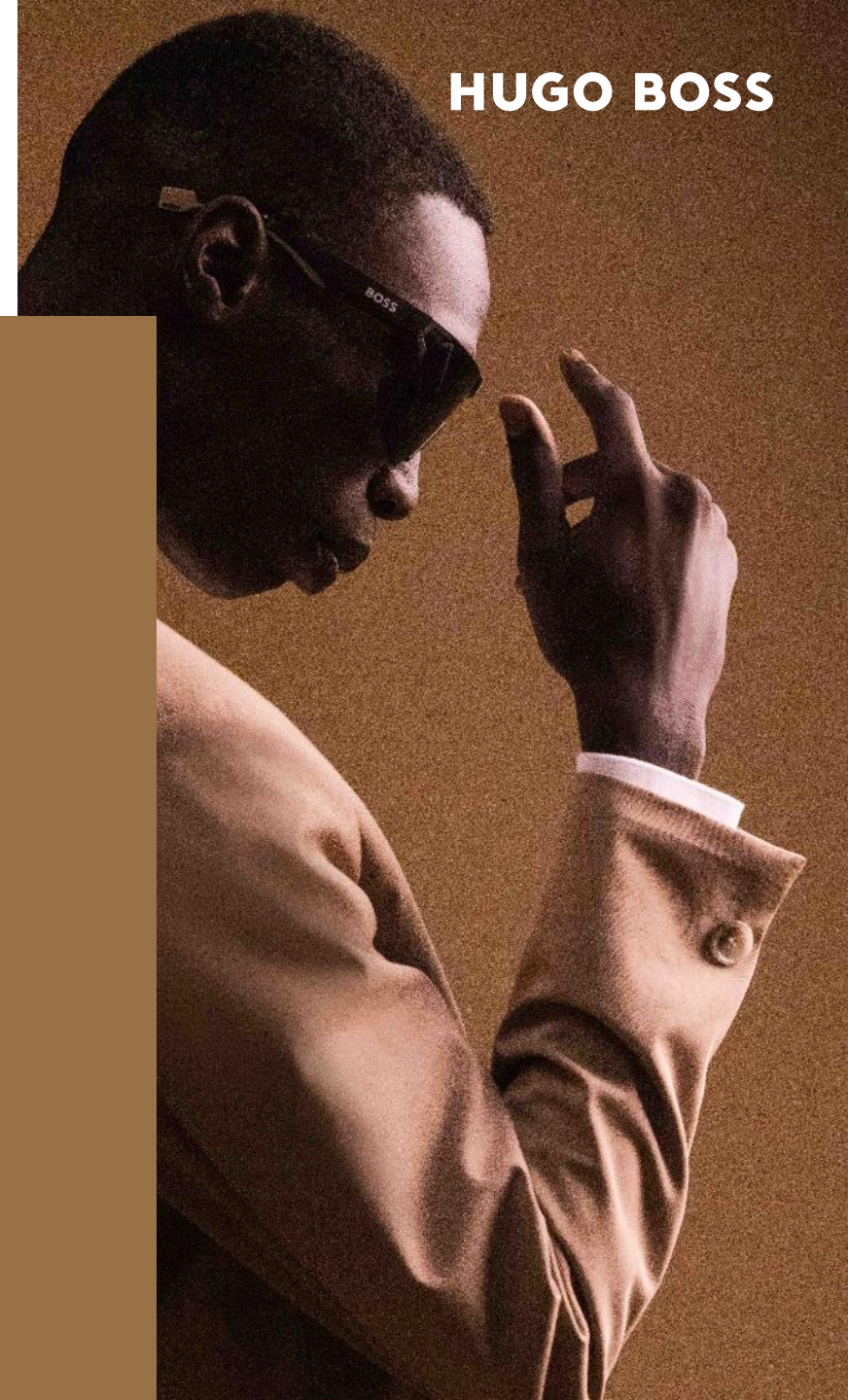
WE **LOVE**
FASHION,
WE **CHANGE**
FASHION

AMBITION

€5 BILLION SALES IN 2025
≥12% EBIT MARGIN IN 2025

**BECOME ONE OF
THE TOP 100
GLOBAL BRANDS**

HUGO BOSS



CLAIM 5
STRATEGY

WHY

CONSUMER FIRST

WHAT

1

BOOST
BRANDS

2

PRODUCT
IS KEY

3

LEAD IN
DIGITAL

4

DRIVE
OMNICHANNEL

5

ORGANIZE
FOR GROWTH

HOW

SUSTAINABLE THROUGHOUT

RIGOROUS EXECUTION

EMPOWER PEOPLE AND TEAMS

LOOKING BACK

**WE HAVE
ACHIEVED
A LOT**



CLAIM 5 FINANCIAL PROGRESS REPORT WE HAVE KEPT OUR PROMISE...

Strong acceleration in
top-line growth
(8% CAGR 2019–2022)



€4 B sales target to be
reached in 2023 (two
years ahead of plan)



Gross margin at upper
end of mid-term outlook
despite external
headwinds



Nearly €200 M
incremental investments
in digital and marketing
(2022 vs. 2019)



Almost €200 M
investments in store
network (2021–2022)



More than €550 M
absolute EBIT generated
(2021–2022)



Strong FCF generation
of around €730 M
(2021–2022)

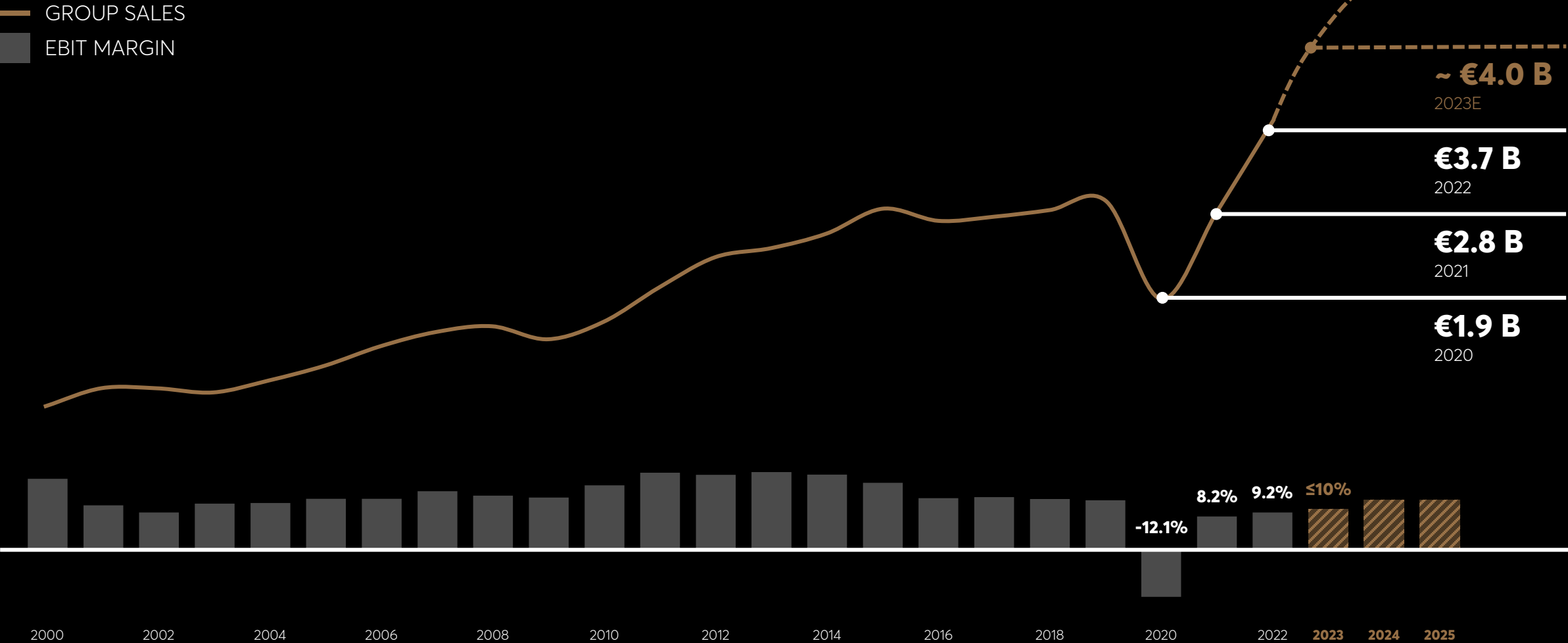


Strong investment-
grade ratings received
(BBB / Baa2)



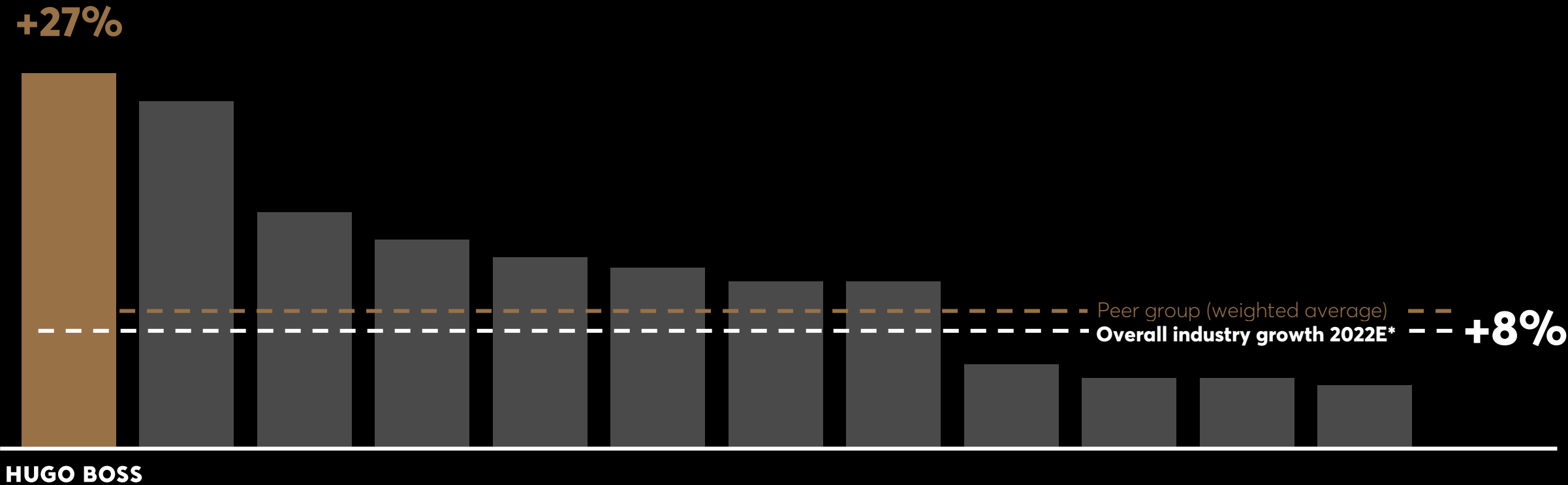
HUGO BOSS IS BACK ON GROWTH TRAJECTORY

STRONG ACCELERATION SINCE INTRODUCTION OF "CLAIM 5"



HUGO BOSS WITH SIGNIFICANT OUTPERFORMANCE VS. KEY COMPETITORS

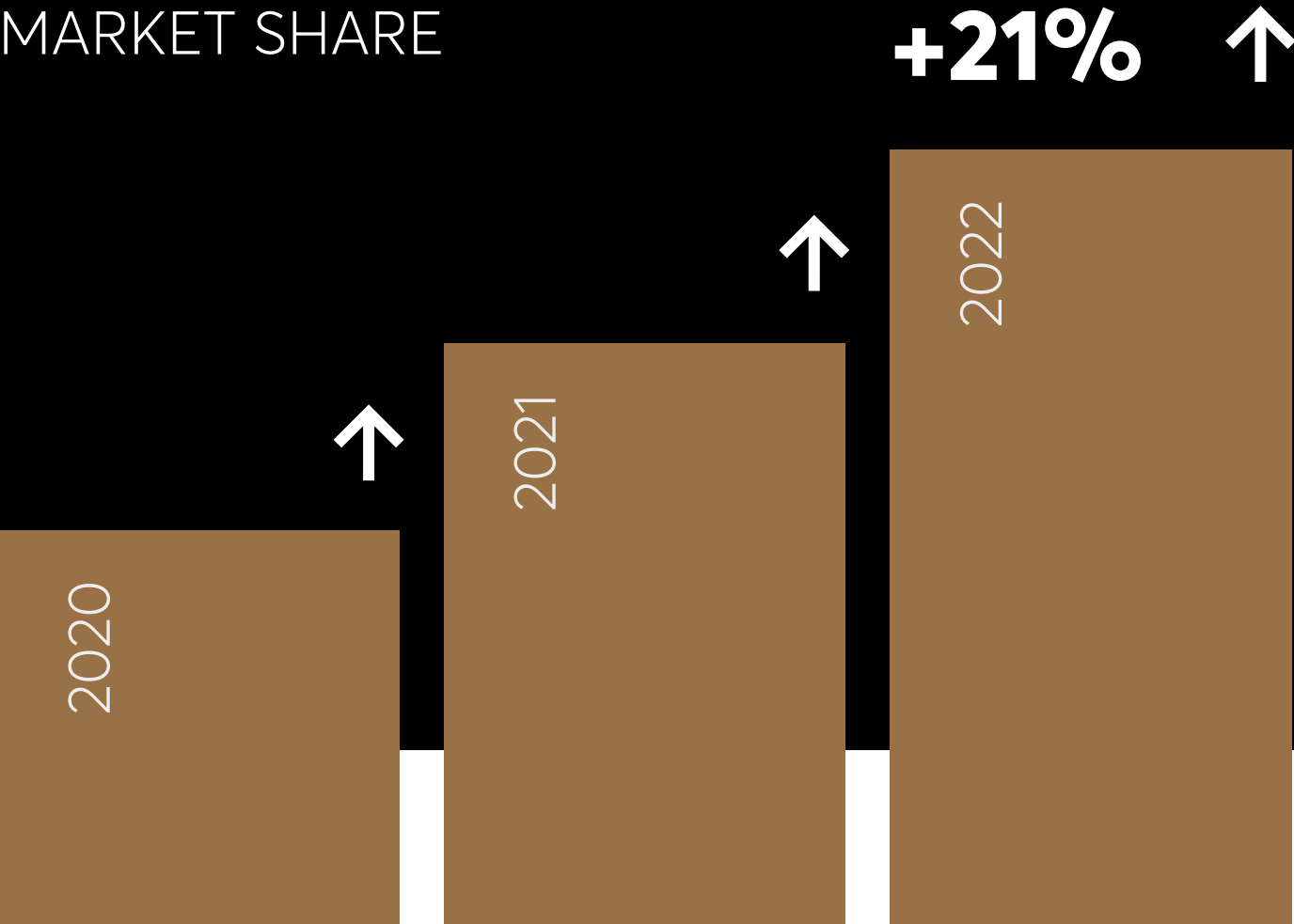
GROUP SALES DEVELOPMENT (CURRENCY-ADJUSTED CHANGE IN % VS. 2021)



* SOURCE: GLOBAL DATA 03/2023

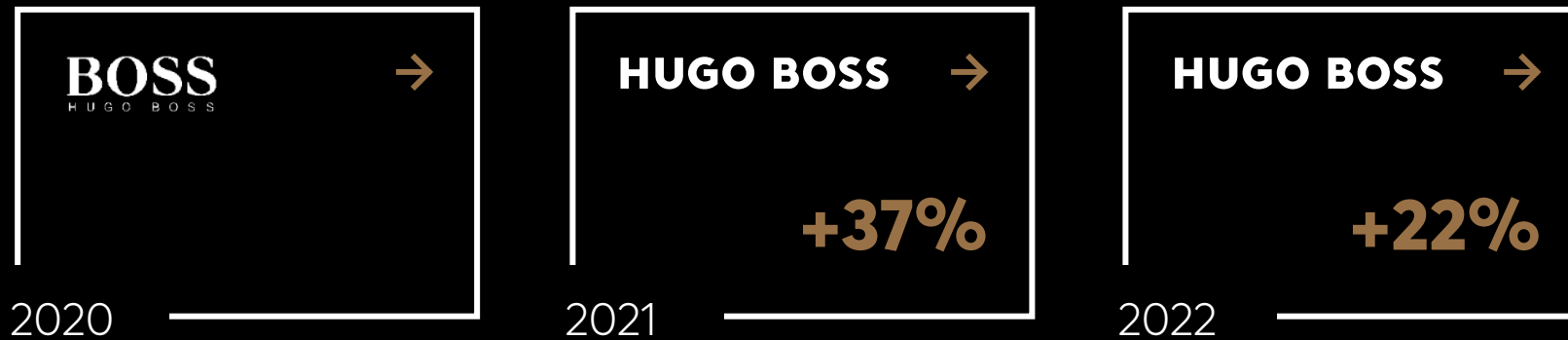
SIGNIFICANT MARKET SHARE GAINS
IN 2022

MARKET SHARE



Note: Global Data excluding Russia & Ukraine
Source: Global Data 03/2023

SIGNIFICANT INCREASE IN BRAND VALUE BEST GLOBAL BRANDS 2022

Interbrand

+68%



INCREASE IN BRAND VALUE 2022 VS. 2020

**BECOME
ONE OF THE
TOP 100
GLOBAL
BRANDS**



BOSS CLAIMS

**1ST PLACE
IN BRAND HEAT
RANKING FOR
THE FIRST TIME**

*THE BRAND HEAT INDEX IS AN INTERNAL RANKING DEVELOPED
WITH MARKET RESEARCH FIRM IPSOS.



NEW 2025 FINANCIAL AMBITION

CLAIM 5 UPDATE

HUGO BOSS



EXECUTION OF **CLAIM 5** TO IMPACT FINANCIAL AMBITION



OUTLOOK **INVESTOR** **DAY 2023**

Continue
superior top-line
growth

Business operations
platform to support
gross margin

Further invest
in marketing,
digital, and logistics

Accelerate
store portfolio
refresh

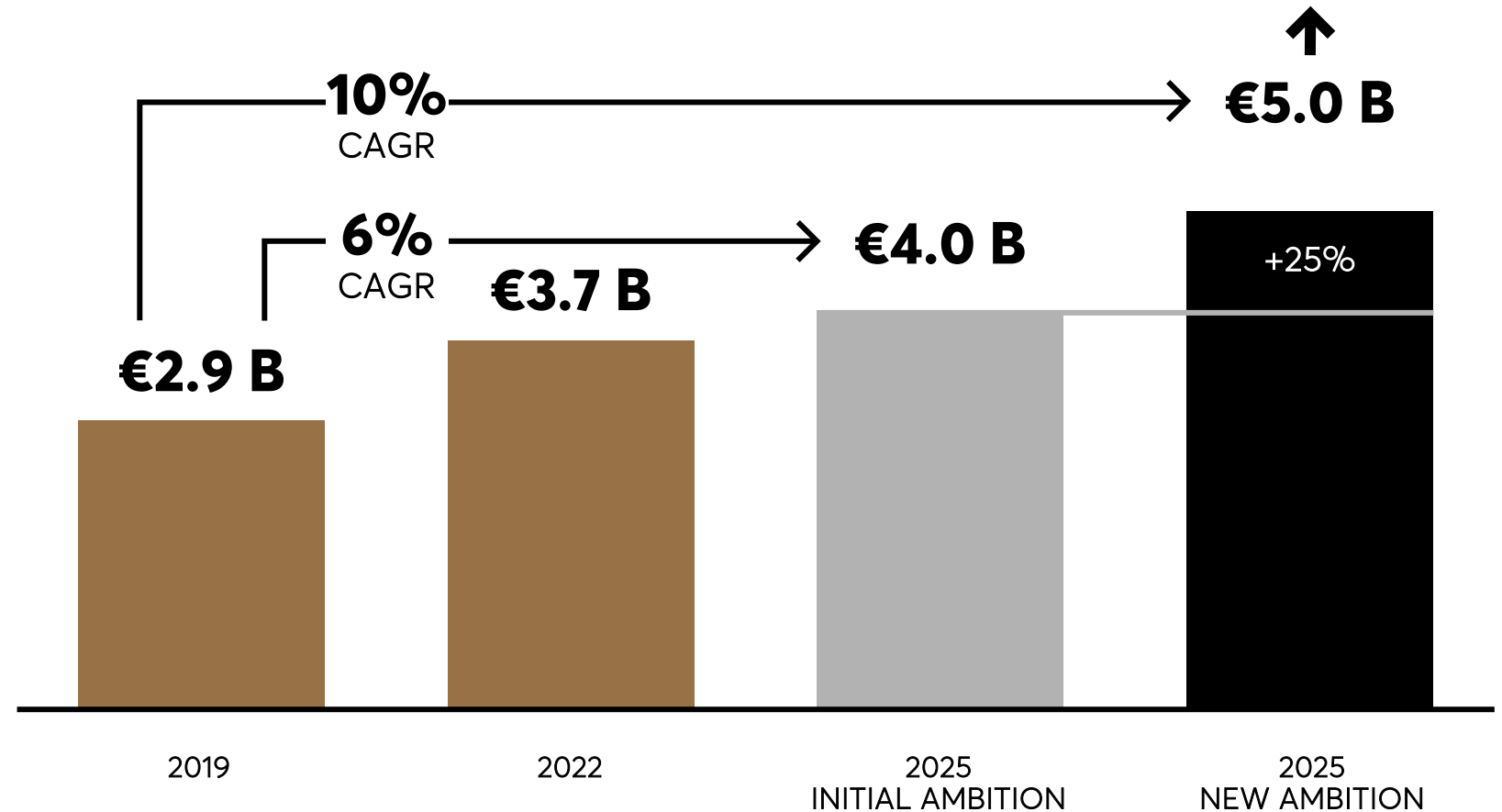
**VALUE
CREATION
SHIFTS TO
ABSOLUTE
PROFITABILITY
IMPROVEMENTS
AND FREE
CASH FLOW
GENERATION**

NEW 2025 FINANCIAL AMBITION

	2025 INITIAL	2025 NEW
GROUP SALES	€4 B in 2025	↑ €5 B in 2025
SALES GROWTH	6% CAGR 2019–2025	↑ 10% CAGR 2019–2025
EBIT	~ €480 M	↑ ≥ €600 M
EBIT MARGIN	~12% OF GROUP SALES	↑ ≥ 12% OF GROUP SALES
FCF GENERATION	~ €2 B 2021–2025	↑ ~ €2.5 B 2021–2025

TOP-LINE NEW 2025 SALES TARGET

- Building on regained brand momentum and leveraging global growth opportunities
- Balanced growth between space expansion, volume and price



BALANCED
GROWTH
PROFILE TO
CONTINUE
ACROSS
BRANDS,
CHANNELS,
AND REGIONS

BRANDS



CHANNELS



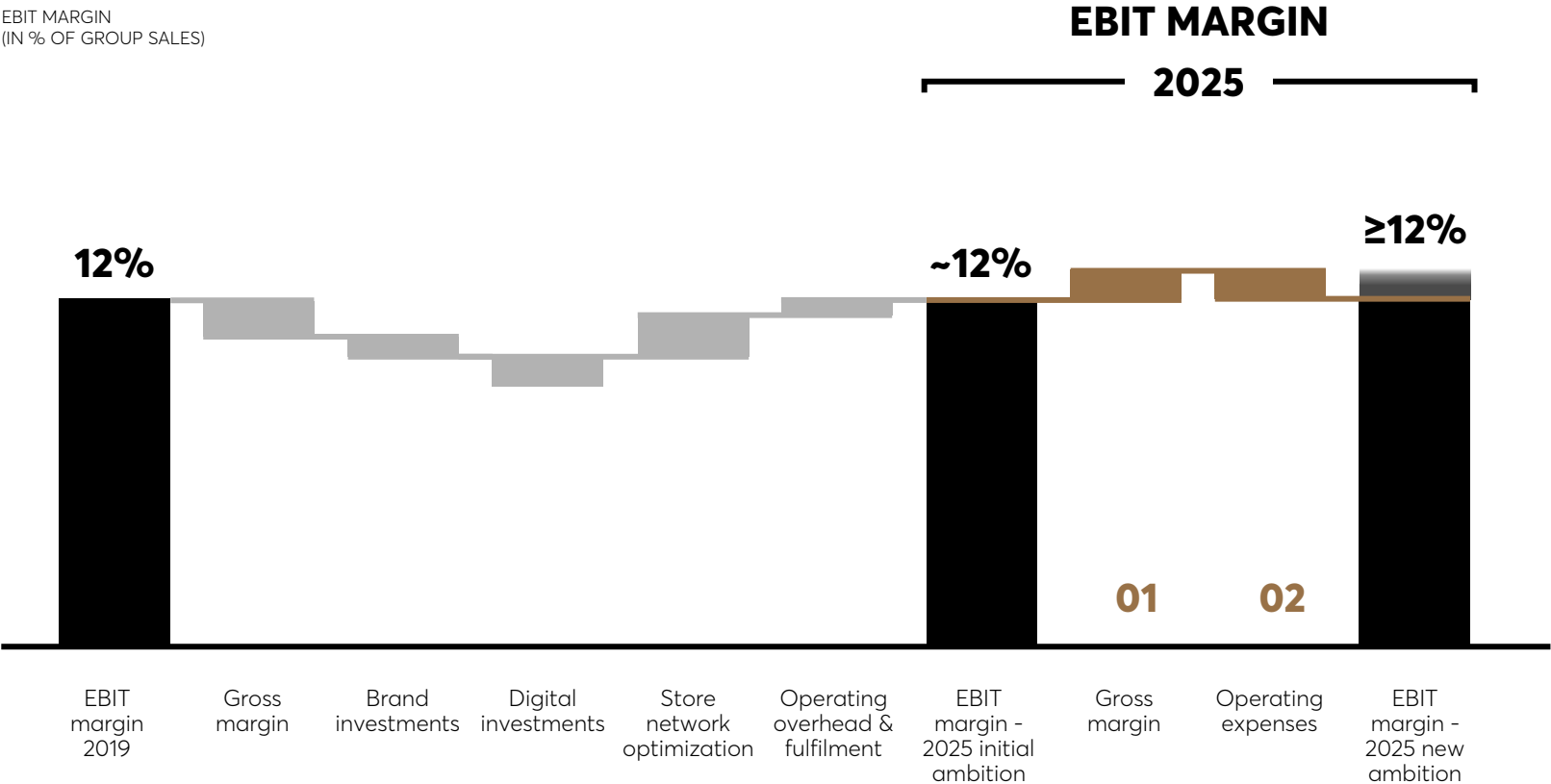
REGIONS



BOTTOM-LINE
DEVELOPMENT

COMMITTED TO ACHIEVE
≥12% EBIT MARGIN BY 2025

- Gross margin improvements to support EBIT margin development
- Investments in operating overhead and fulfilment to weigh on operating expenses

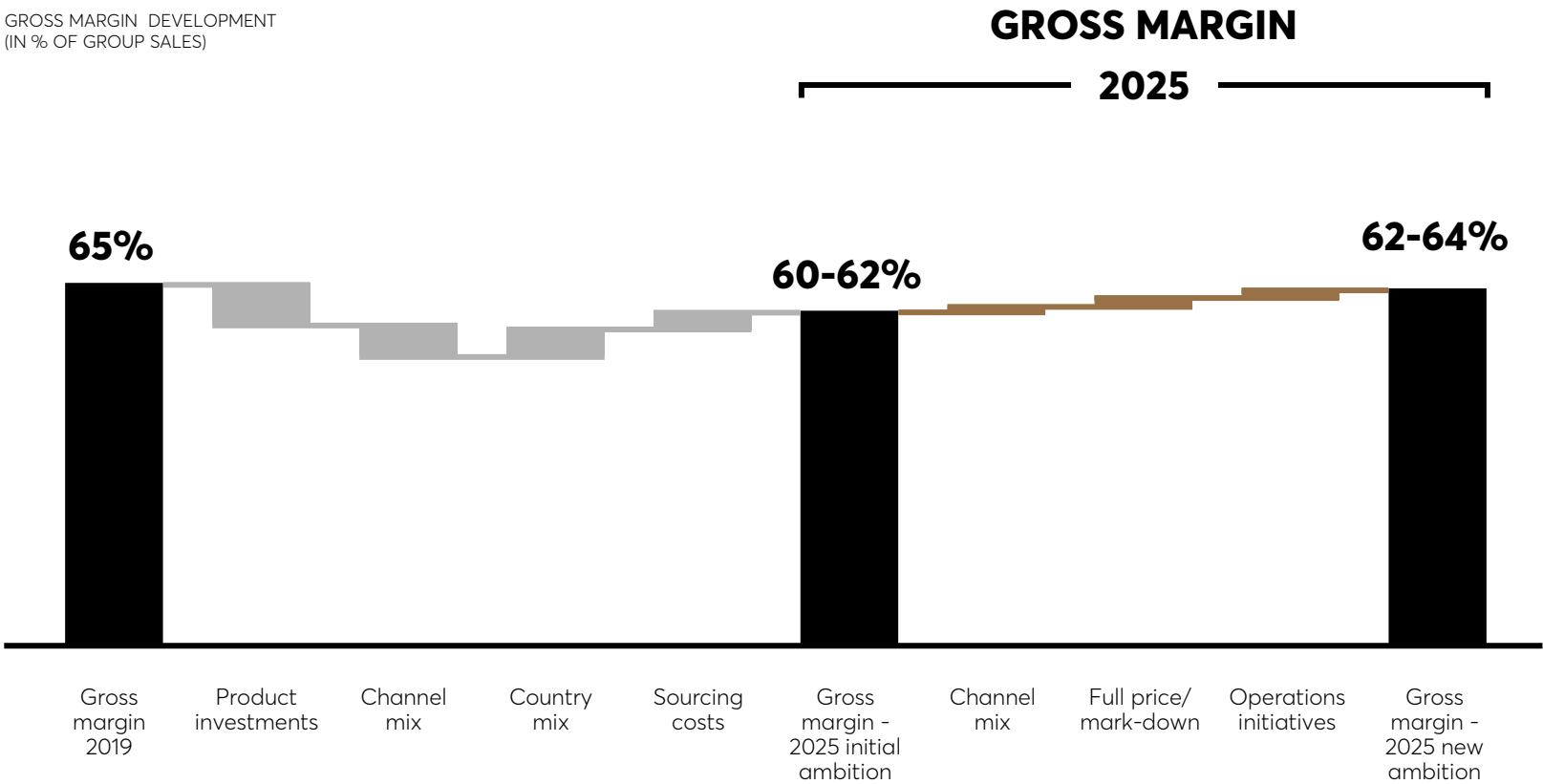


GROSS MARGIN

IMPROVEMENT IN GROSS MARGIN MAINLY REFLECTS SURGE IN BRAND MOMENTUM

- B&M retail expansion drives favorable channel mix
- Regained brand strength leads to higher full-price sales
- Business operations platform leads to sourcing efficiencies

GROSS MARGIN DEVELOPMENT
(IN % OF GROUP SALES)

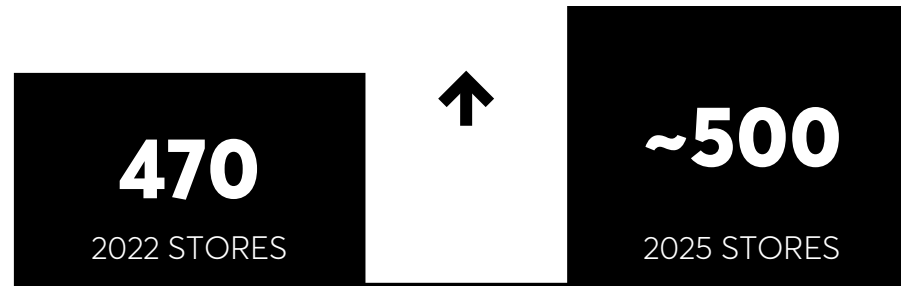


STORE NETWORK OPTIMIZATION

OPTIMIZATION AND SELECTIVE EXPANSION OF STORE NETWORK TO CAPITALIZE ON BRAND MOMENTUM

- Further optimizing store network remains key priority
- Store productivity to increase by at least 3% p.a. until 2025
- Selective expansion of B&M retail store network

DEVELOPMENT OF FREESTANDING RETAIL STORES UNTIL 2025

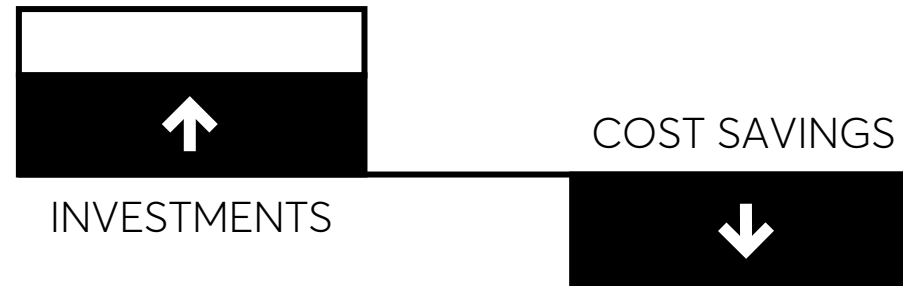


~(600)
BPS VS. 2019

OPERATING OVERHEAD COSTS AND FULFILMENT

FUTURE GROWTH
AMBITION TO BE BACKED
BY STRONG AND EFFICIENT
ORGANIZATION

- Higher fulfilment costs to support top-line growth by 2025 and beyond
- Setting up best-in-class organization for future growth and profitability
- Overall cost inflation weighs on overhead costs



~16%
OF GROUP
SALES 2019



~15%
OF GROUP
SALES 2025



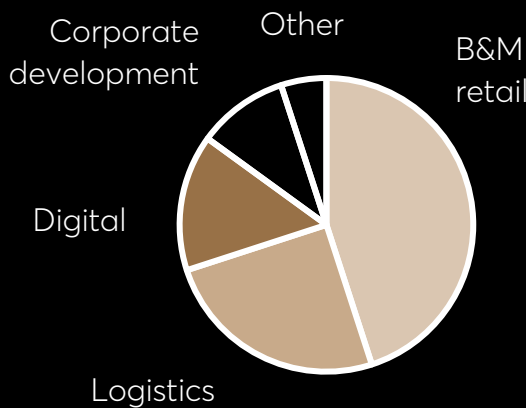
~(100)
BPS VS 2019

CAPITAL EXPENDITURE

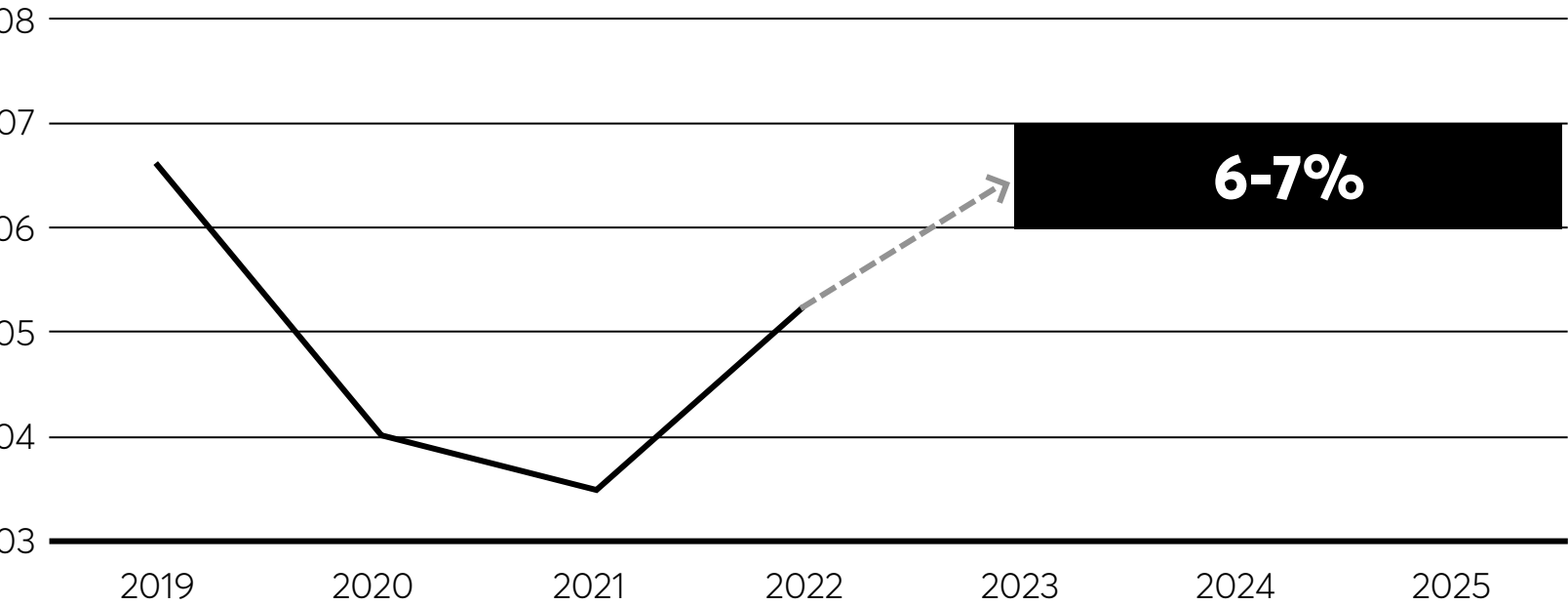
RATIO OF GROWTH VS. MAINTENANCE CAPEX OF AROUND 40/60

CAPEX 2023-2025

>80% of capital expenditure related to store network, logistics expansion, and digital excellence



CAPITAL EXPENDITURE (IN % OF GROUP SALES)

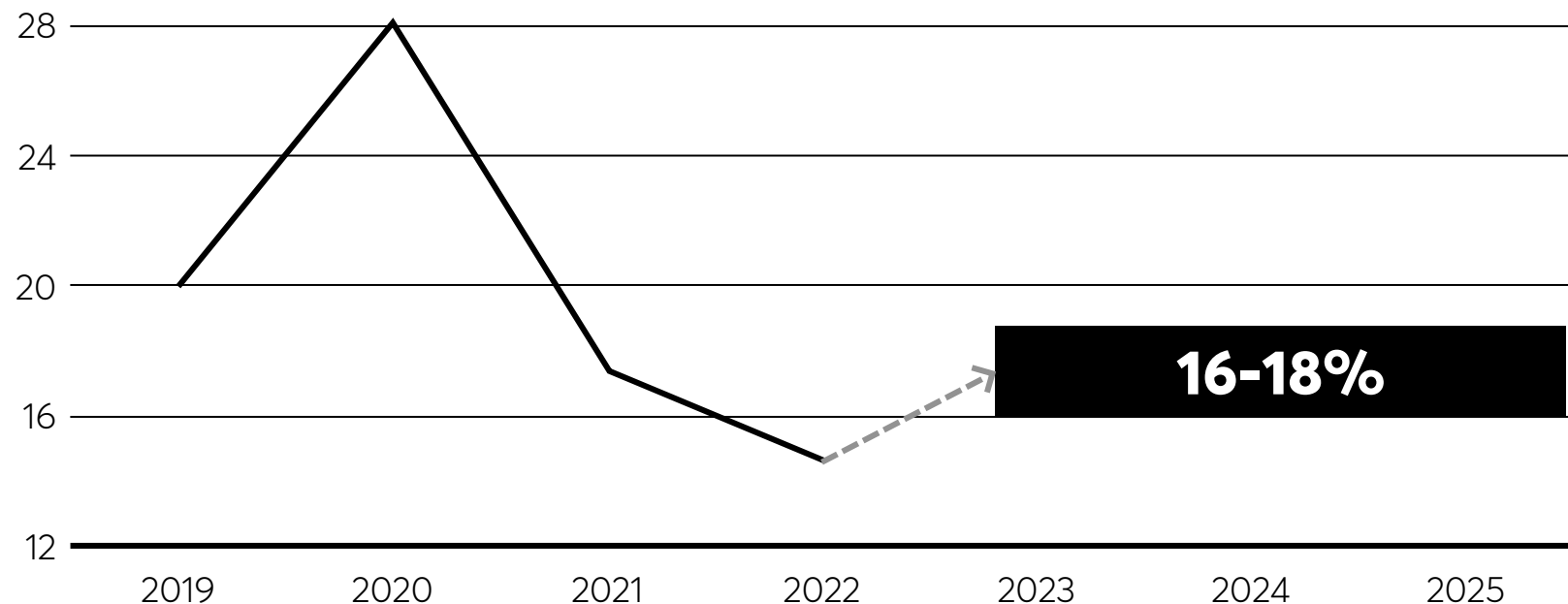


TRADE NET WORKING CAPITAL

TRADE NET WORKING CAPITAL TO REMAIN AT A STRONG LEVEL BETWEEN 16% AND 18%

- Inventory optimization initiatives and supplier financing program to support TNWC
- Inventories in % of sales to improve to a level of <20% by 2025

TNWC (IN % OF GROUP SALES)



DRIVING ORGANIC GROWTH TO GENERATE SHAREHOLDER RETURN

CAPITAL ALLOCATION FRAMEWORK

01



**REINVEST FOR
ORGANIC
GROWTH**

Investments

02



**PROGRESSIVE
ABSOLUTE
DIVIDEND
PAYMENTS**

Payout ratio
30-50%

03



**STRATEGIC
INVESTMENTS**

M&A

04



**RETURN EXCESS
LIQUIDITY TO
SHAREHOLDERS**

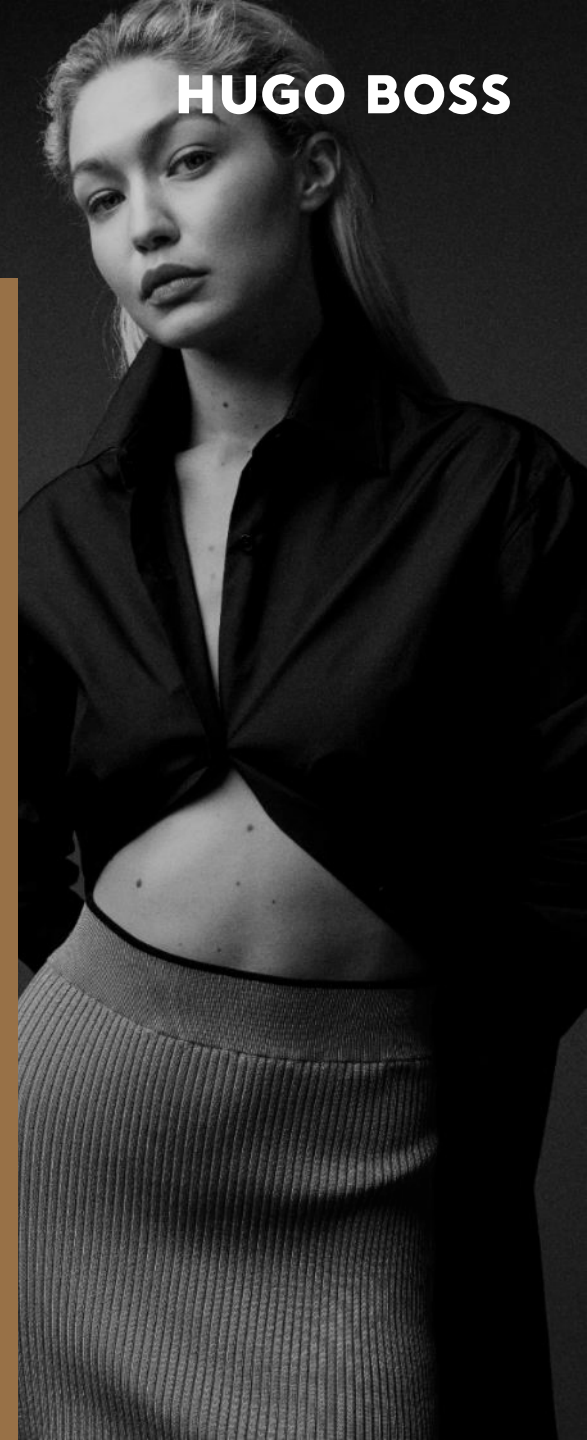
Special dividend
Share buyback

01

BOOST BRANDS

CLAIM 1

HUGO BOSS



01
01
01
01



WE REVITALIZED OUR
BRAND PORTFOLIO
STRATEGY AND BRAND
ARCHITECTURE WITH

TWO CLEARLY DISTINGUISHED BRANDS

POSSIBILITY TO ADD MORE
BUSINESSES WITH
PREMIUM LIFESTYLE
POSITIONING

BE YOUR OWN BOSS

BOSS addresses customers in the premium segment who lead a self-determined life, show a clear attitude, and pursue ambitions with determination

BOSS offers the perfect outfit for every occasion – from business to leisure – with casualness and comfort being key attributes

**24/7
LIFESTYLE**

BOSS



HUGO YOUR WAY

HUGO targets customers who consider their way of dressing as an expression of their individual personality and who see themselves as trendsetters

HUGO offers a broad range of trendy and modern products reflecting the brand's authentic and unconventional style



ATTRACTING YOUNGER AUDIENCES WHILE STAYING RELEVANT FOR EXISTING CUSTOMER BASE

+4 M

**FOLLOWERS ON
INSTAGRAM & TIKTOK
BETWEEN
18-34**

SINCE INTRODUCTION
OF CLAIM 5

+35%

**SHARE OF E-COM
& DOS SALES BY
MEMBERS UNDER 30**

2022 VS. 2021

HUGO BOSS



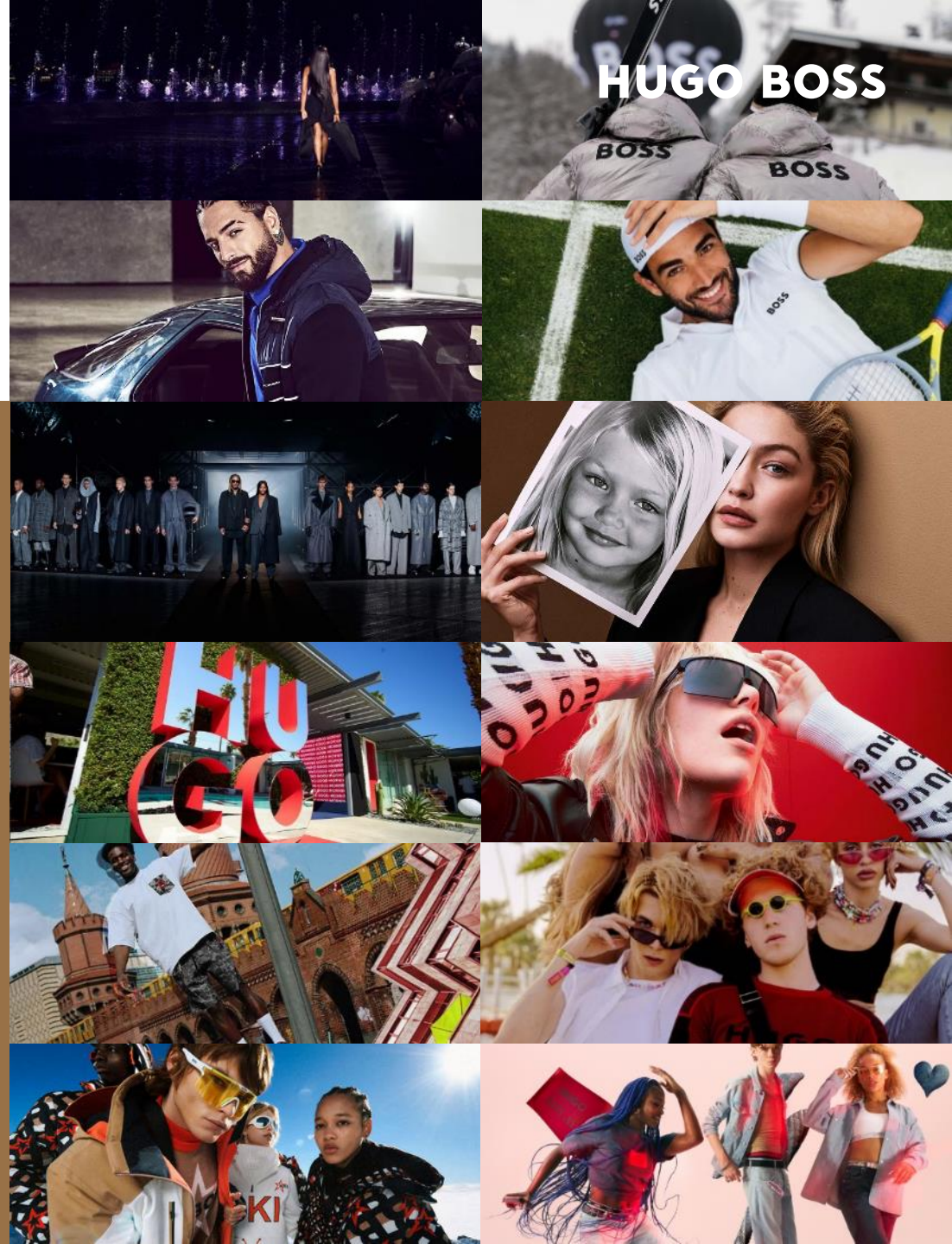
RECORD-BREAKING RESULTS ON SOCIAL MEDIA AND BEYOND

>80 B

IMPRESSIONS
ACROSS ALL
CHANNELS

>2 B

ENGAGEMENTS
ACROSS SOCIAL
MEDIA



CONTINUOUS FOCUS ON BRAND BUILDING INITIATIVES TO FUEL RELEVANCE OF BOSS AND HUGO



REINFORCE
**TWO-BRAND
STRATEGY** IN
CONSUMERS'
MIND

LEVERAGE
FULL POTENTIAL
OF BOSS
AND HUGO
BRAND LINES

INTRODUCE
NEW WAYS
TO REACH
**YOUNGER
CONSUMERS**

CREATE **UNIQUE
BRAND
MOMENTS**
TO INCREASE
BRAND
RELEVANCE

BOOST BRANDS

CLEARLY DISTINGUISHED MARKETING STRATEGIES

BOSS

HUGO

2 DIFFERENT
**LIFESTYLE
BRANDS**

2 DIFFERENT
**TARGET
GROUPS**

2 DIFFERENT
**MARKETING
APPROACHES**

OVERALL MARKETING STRATEGY

- **Marketing investments** to remain at 7-8% of Group sales
- **Activate consumers** across all touchpoints
- Continue a **digital-first marketing strategy**
- Become **culturally relevant** through sports, music, arts, and collabs
- **Sustainably connect** with consumers through **emotional storytelling**



MAXIMIZE CONSUMER IMPACT

2023 UPCOMING HIGHLIGHTS

BOSS
BOSS
BOSS
BOSS
BOSS



PORSCHE X
BOSS



MILAN
FASHION SHOW



ALPINE
SKIING



NAOMI
CAMPBELL



HUGO X BELLA POARCH
SEPTEMBER



HUGO X URBANISTA
JUNE

HUGO
HUGO
HUGO
HUGO
HUGO

02

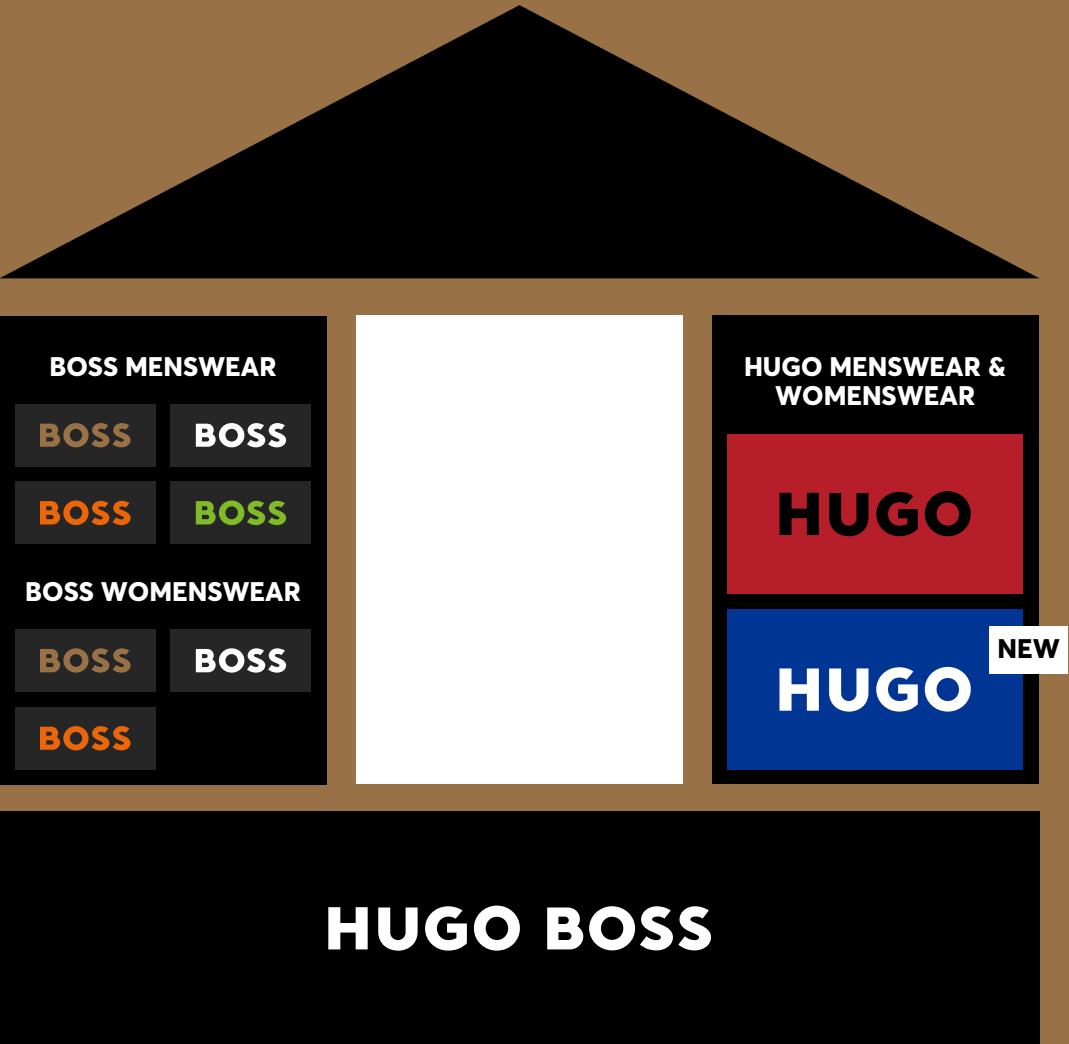
PRODUCT IS KEY

CLAIM 2

HUGO BOSS



02
02
02
02



**STRONG COMMITMENT TO
TWO-BRAND STRATEGY
WITH MULTIPLE BRAND LINES**

BOSS	LUXURIOUS-WEAR
BOSS	TAILORING & SMART CASUALWEAR
BOSS	CASUALWEAR
BOSS	ATHLEISUREWEAR
HUGO	STREET TAILORING & CASUALWEAR
HUGO	DENIMWEAR & BEYOND

BRAND LINES REFLECT BOSS MENSWEAR 24/7 LIFESTYLE PROMISE



**FROM HIGH-END
TAILORING
HERITAGE...**

BOSS CAMEL



**TO MODERN
PERFORMANCE
SUITS...**

BOSS BLACK



**BOLD SMART
CASUAL
STYLES...**

BOSS ORANGE



**AND DENIM
COMPETENCE...**

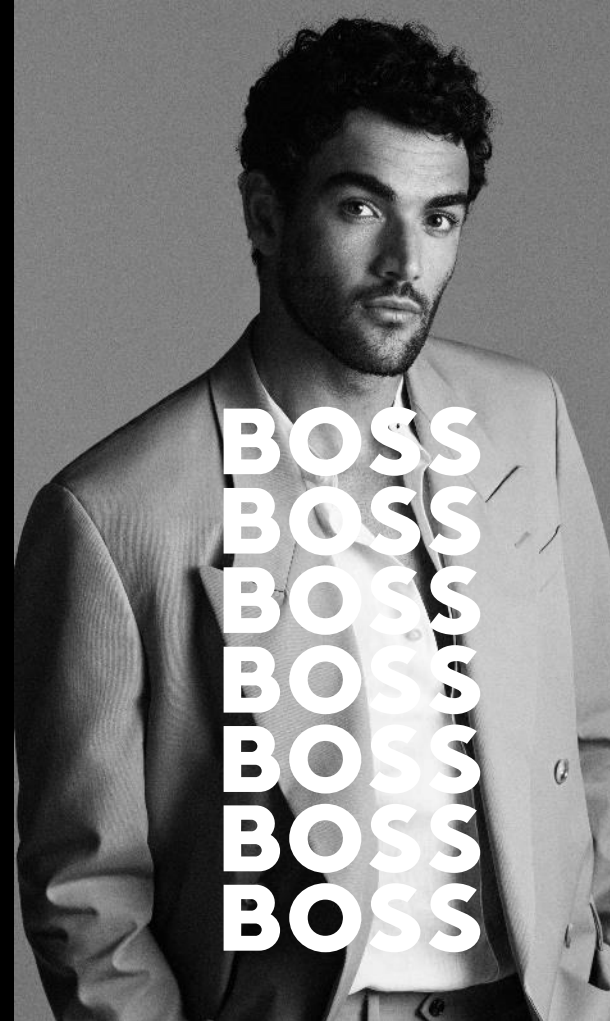


**TO AN ACTIVE
LIFESTYLE**

BOSS GREEN

PRODUCT STRATEGY BOSS MENSWEAR

- Amplify the **brand DNA** – own the **heritage in suiting** in a modern way
- Offer products to wear **24/7 from morning to evening**
- **Keep the momentum** and sharpen the collection to **consumer** and **regional needs**
- Claim **price-value leadership** across categories
- Fully exploit the potential of **hero products**
- Partner up with **industry leaders** to **boost innovation** and **category competence**



HUGO BOSS

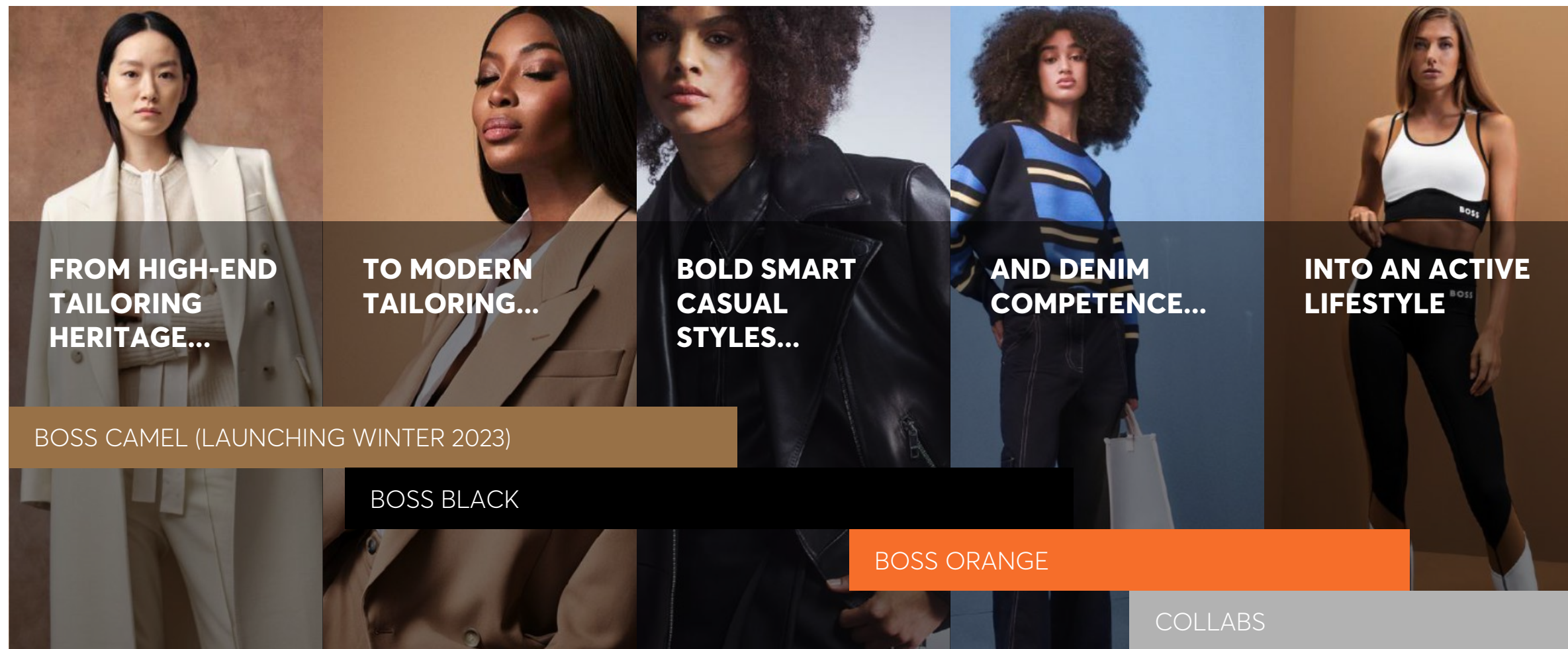
~ **€3.5 B**

2025 AMBITION

~70%

OF GROUP SALES

BRAND LINES REFLECT BOSS WOMENSWEAR 24/7 LIFESTYLE PROMISE



PRODUCT STRATEGY BOSS WOMENSWEAR

- Offer products to wear **24/7 from morning to evening**
- **Foster cohesive aesthetic** between BOSS Menswear and Womenswear **communication**
- Amplify **brand DNA** – translate **heritage in suiting** into **new business wear** and create **true hero products**
- Further **establish BOSS Camel** and **BOSS Orange**
- Partner up with **industry leaders** to **boost innovation** and **category competence**
- **Strengthen athletic content** and install BOSS Green in the long-term



HUGO BOSS

~ €0.5 B

2025 AMBITION

~10%

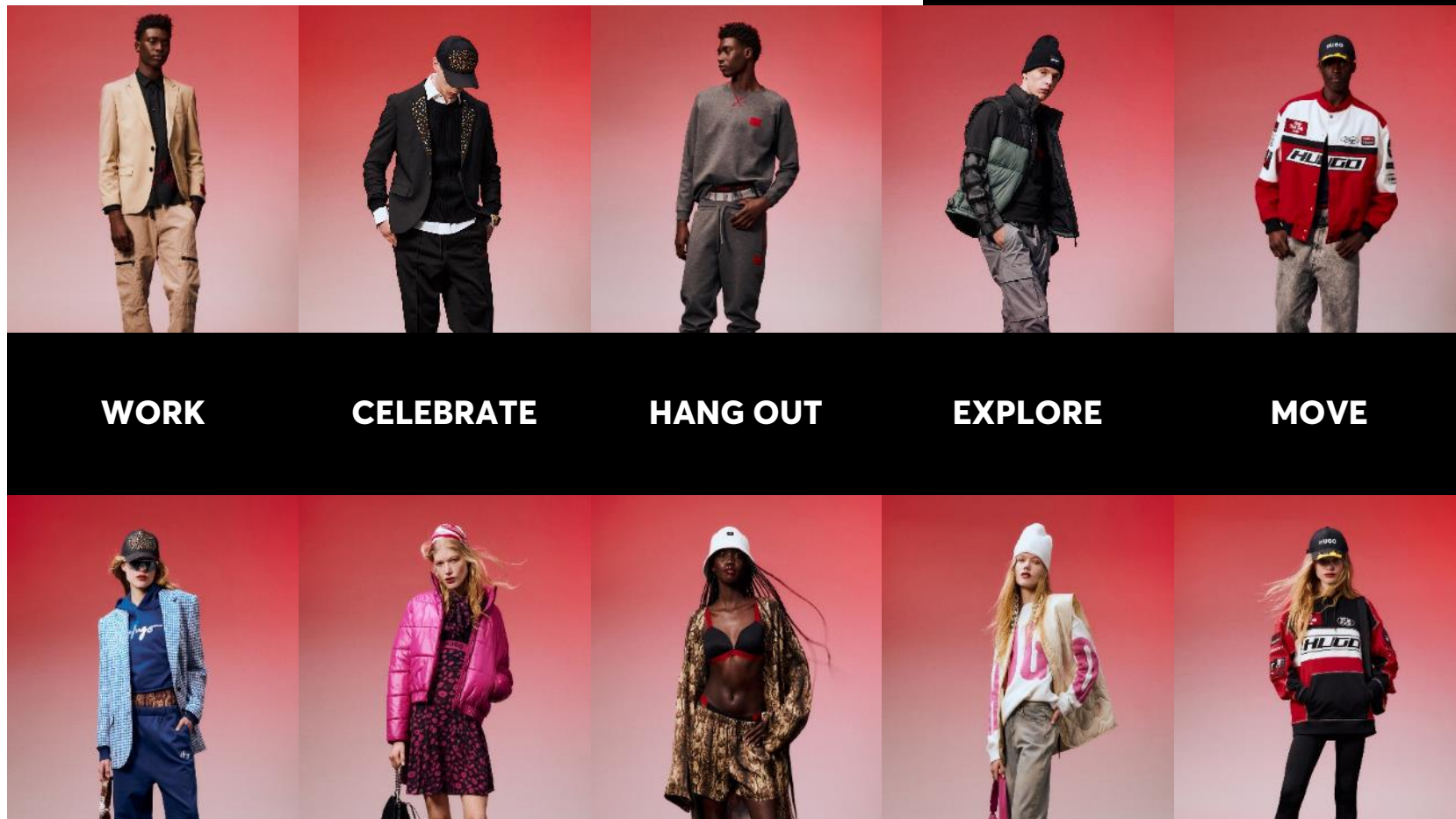
OF GROUP SALES

HUGO CELEBRATES 24H SELF-EXPRESSION IN EVERY SITUATION

Modern and authentic
HUGO style to **gain relevance**
among younger and young-
minded consumers

Balanced offer of **commercial**
and contemporary pieces

Investment in new
categories such as
womenswear
bodywear & hosiery



PRODUCT STRATEGY

HUGO

- **Foster cohesive aesthetic** between Menswear and Womenswear
- **Balance** out **commercial** and more **contemporary designs**
- **Mix tailoring and streetwear** for HUGO RED and push **clothing, jersey, and outerwear**
- Leverage HUGO BLUE to **grasp growth opportunity in denim**
- Fully leverage the **potential of hero products**



HUGO BOSS

~ €1.0 B

2025 AMBITION

~20%

OF GROUP SALES

TWO BRAND LINES WITH DEDICATED STYLES AND COMMON BRAND VALUES



HUGO RED WITH A
STRONG FOCUS ON
STREET TAILORING
**FOR FASHION-
FORWARD
CONSUMERS**



HUGO BLUE
EMPHASIZES
**COMMERCIAL
STYLES** WITH **DENIM**
AT THE CORE

TARGETED ASSORTMENT PLAN FOR BOSS AND HUGO

ALIGNING PRODUCT STRATEGY WITH COMMERCIAL OBJECTIVES

2022

~45%

~10%

~45%

CORE MERCHANDISE



(SEASONAL) BASIC



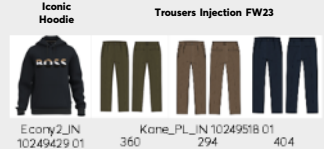
CAPSULE



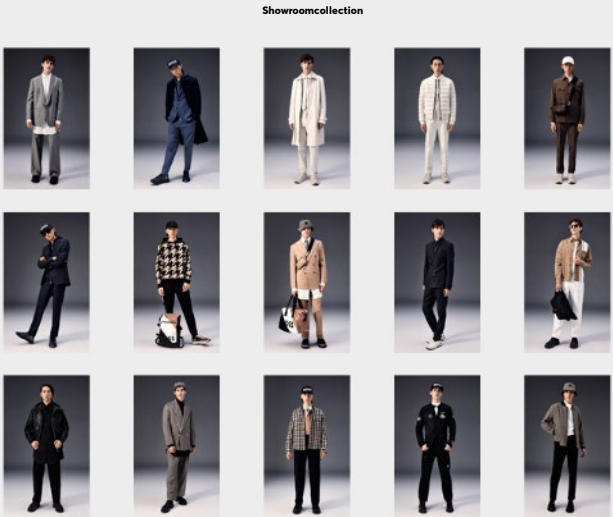
COLLABS



QUICK RESPONSE



SEASONAL FASHION



TARGET

~40% THE FOUNDATION

~20% STAY RELEVANT

~40% INSPIRE

↓
DRIVING SALES
& PROFITABILITY

↓
CREATE A BUZZ

↓
CREATING NEWNESS
& DRIVING SALES

GLOBAL LICENSES BUSINESS
EXTENDS 24/7 LIFESTYLE PROMISE



FRAGRANCES



EYEWEAR



WATCHES &
JEWELRY



KIDSWEAR



HOME



WRITING &
GIFTS



DOG
ACCESSORIES



GOLF APAC
NEW LAUNCH (APR 2023)



CYCLING
NEW LAUNCH (JUN 2023)



EQUESTRIAN
NEW LAUNCH (AUG 2023)

BOSS
BOSS
BOSS
BOSS
BOSS

HUGO
HUGO
HUGO
HUGO
HUGO

03

LEAD IN DIGITAL

CLAIM 3

03
03
03
03



CONSTANTLY DEVELOPING DIGITAL CAPABILITIES TO EMPHASIZE SPEED, PERSONALIZATION, AND COST EFFICIENCY



SHIFTING TOWARDS TREND ANALYTICS BY THE HELP OF DATA INSIGHTS AND GENERATIVE AI

GENERATIVE AI CREATES
NEW SPACES FOR CREATIVITY.

IDENTIFY
KEY EMERGING
TRENDS

IMPROVE
TIME-TO-MARKET

WIN
WITH RELEVANT
CONSUMER
GROUPS



DEMAND

DESIGN &
DEVELOPMENT

PRODUCTION
& LOGISTICS

SALES &
MARKETING

FOSTER DIGITAL PRODUCT CREATION TO ACCELERATE DESIGN AND DEVELOPMENT PROCESS

DIGITAL PRODUCT CREATION TO **INCREASE EFFICIENCY,
REDUCE COSTS, AND FURTHER OPTIMIZE QUALITY.**

~55%

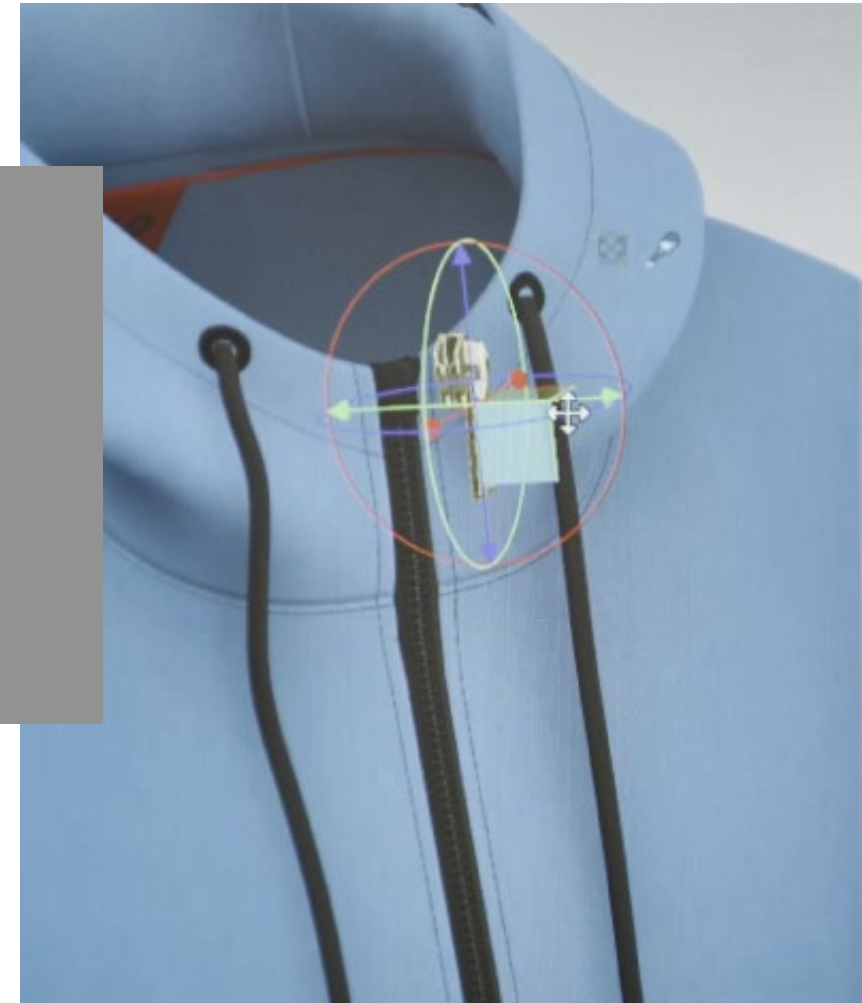
DIGITAL STYLE
CREATION
WINTER 2023

>30%

VS. WINTER 22

>90%

DIGITAL STYLES
TARGETED
BY 2025



DEMAND

DESIGN &
DEVELOPMENT

PRODUCTION
& LOGISTICS

SALES &
MARKETING

LAUNCH OF A DIGITAL TWIN TO BUILD THE BACKBONE OF FUTURE GROWTH

DIGITAL TWIN ENABLES SMART DECISION-MAKING BY
CONNECTING PLANNING AND EXECUTION, FROM DEMAND TO SUPPLY.

SUSTAIN
GROWTH

BOOST
PROFITABILITY

INCREASE
**SUPPLY CHAIN
TRANSPARENCY**



DEMAND

DESIGN &
DEVELOPMENT

PRODUCTION
& LOGISTICS

SALES &
MARKETING

DIGITAL SHOWROOM OFFERS A NEW WAY OF DIGITAL SELLING WITH STRONG INCREASE IN PLACED ORDERS

MATCH THE INCREASING DEMAND FOR A
FASTER AND MORE IMPACTFUL ORDER EXPERIENCE

17

DIGITAL
SHOWROOM
LOCATIONS
GLOBALLY

~150

DIGITAL SELLING
POINTS

>25 K

ORDERS PLACED
IN 2022



DEMAND

DESIGN &
DEVELOPMENT

PRODUCTION
& LOGISTICS

SALES &
MARKETING

DIGITAL INNOVATION IN RETAIL AS AN INTEGRAL PART OF OUR GROWTH JOURNEY

VIRTUAL STYLING

enabling virtual try-ons based on personalized mannequins

IN-STORE DIGITALIZATION

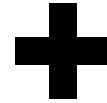
adding new digital touchpoints into stores to create an attractive point of access to products and services

RFID TECHNOLOGY

simplifying in-store day-to-day processes leading to an improved customer experience



LEVERAGING DATA TO IMPROVE OUR MERCHANDISING PROCESSES AND INCREASE EFFICIENCY IN RETAIL MERCHANDISE OPERATIONS



ADVANCED MARKDOWN MANAGEMENT

Drive **efficient end-of-season pricing** by automatically finding optimal markdown.

DATA-DRIVEN INTER-STORE TRANSFER

Optimization and **automation of transfers between retail stores** to match inventory to forecasted demand.

04

04

04

04

04

DRIVE OMNICHANNEL

CLAIM 4



WE MOVE TO WHERE CONSUMERS EXPECT US TO BE

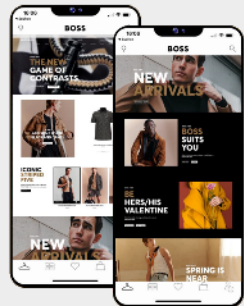
RETAIL



WHOLESALE



OMNICHANNEL



DIGITAL



METAVESE

LEVERAGING OUR HIGH-QUALITY CHANNEL MIX TO REFLECT NEW REALITIES

2025 AMBITION



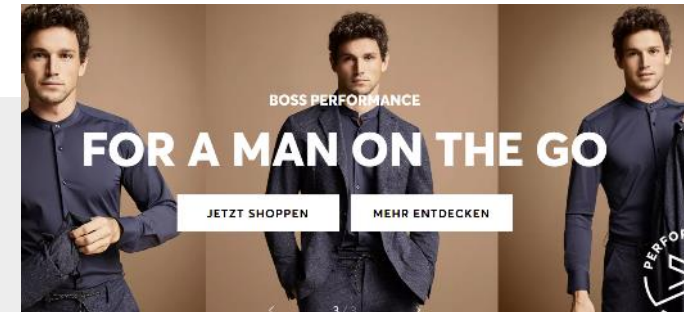
KEEP
RETAIL
AT

>50%
OF GROUP SALES



MAINTAIN
WHOLESALE
AT

~25%
OF GROUP SALES



ADAPT
DIGITAL
TO

>20%
OF GROUP SALES

EXPERIENTIAL IN RETAIL

ACTIONS



- Become THE **"place to be"** for our customers
- Enhance **customer experience** with a desirable look and feel
- Increase **productivity** by at least 3% per year
- Continue to refresh and optimize **store portfolio**

ENABLERS



- **Experiential store design, pop-ups, and digitalization** at the POS
- Valuable **hospitality** concept
- **Excellence** in store management and service
- Improved **merchandising** strategy

> €2.5 B

AMBITION 2025

>8%

CAGR 2022-2025

>50%

SHARE OF
GROUP SALES

INVESTING UP
TO €600 M IN
STORE PORTFOLIO



~25%

of stores refreshed
by end of 2022

~80%

of stores to be refreshed
by end of 2025

NUMBER OF
FULL-PRICE STORES

470

2022

~500

2025
AMBITION

INCREASE STORE PRODUCTIVITY BY AT LEAST 3% PER YEAR

STORE PRODUCTIVITY
(€/SQM)

≥3% PER YEAR ↑

11,900

2022

>13,000

2025 AMBITION

- Accelerate rollout of latest **store concepts**
- Continue **store optimization** program
- Constantly improve **product offering** at the POS

WIN WITH THE WINNERS IN WHOLESALE

ACTIONS



- Leverage **brand lines**
- Grow with existing **strong partners**
- Drive **digital selling** and automated replenishment
- Continue **shop-in-shop refreshments** and pop-ups
- Exploit potential of **franchise business**

ENABLERS




- **Strong positioning** of brands and focused product offering
- Strong relationship based on **customer and product insights**
- Improved **in-season** management
- Implemented **segmentation** strategy



~ **€1.3 B**

AMBITION 2025



~**12%**

CAGR 2022-2025



~**25%**

SHARE OF
GROUP SALES

EXPLOIT THE FULL POTENTIAL OF OUR GLOBAL FRANCHISE BUSINESS

FOCUS ON EXPANDING
IN EMERGING MARKETS



NUMBER OF
FRANCHISE STORES



INSPIRATIONAL IN DIGITAL

ACTIONS



- **Expand and grow** hugoboss.com
- Improve **user experience** and push **mobile and social** commerce
- Grow with **strong** digital partners including **hybrid models**
- Continue to drive **community building** through **i-commerce**

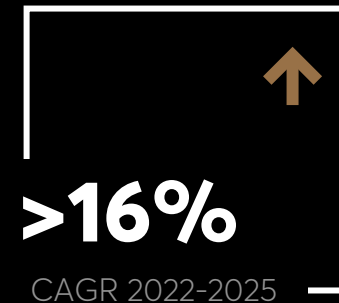
ENABLERS



- **Localized** content and marketing
- Latest **app skills** and **AI-driven features**
- **Data-driven** decision-making and improvement of products and services
- Implemented **segmentation** strategy



AMBITION 2025



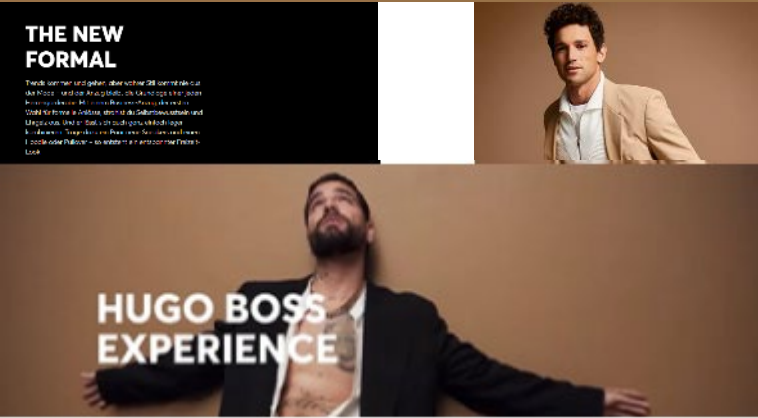
CAGR 2022-2025



SHARE OF
GROUP SALES

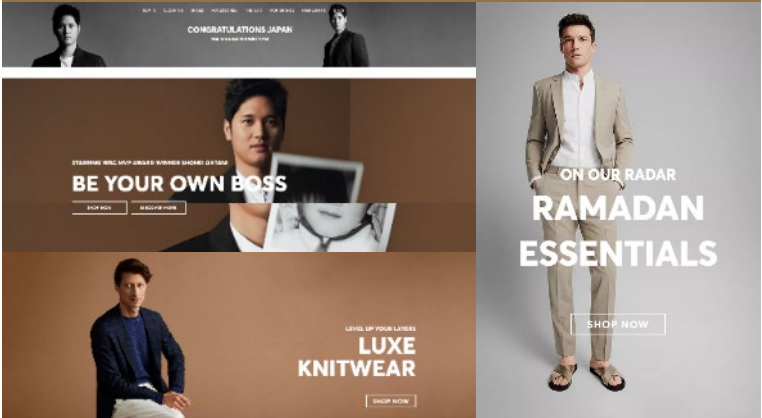
LEVERAGING POTENTIAL OF HUGOBOSS.COM BY DELIVERING NEXT-LEVEL DIGITAL EXPERIENCE

DESIRABLE
STORYTELLING AND
BRAND CONTENT



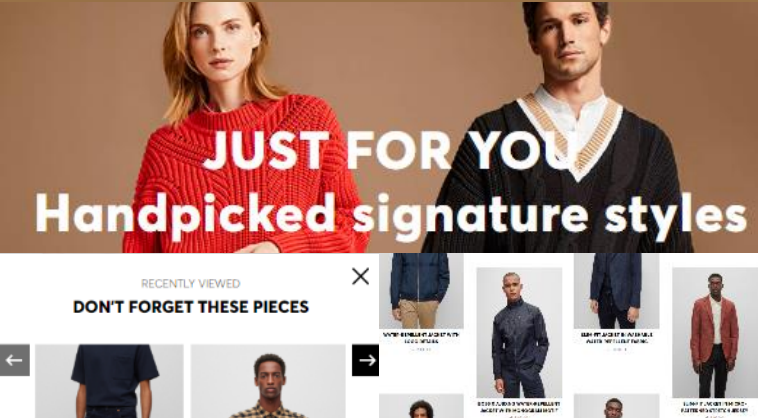
INCREASED PAGE VALUE

CONTENT DESIGNED
AND ADAPTED TO
LOCAL NEEDS



HIGHER TRAFFIC

PERSONALIZED
CUSTOMER JOURNEY
LEVERAGING AI



NEW CUSTOMERS

HIGHER CONVERSION

PUSH CRM & LOYALTY

Provide **customized** content, **unique** service, as well as **personalized** and **socializing** entertainment

ACTIONS



- Increase customer **engagement and retention**
- Establish **360° view** of customers' interactions
- Implement **next-level loyalty program**
- Leverage data to **improve relevancy** of communication

ENABLERS



- **Advanced analytics** to consolidate data across all touchpoints
- **Personalized** customer journey
- State-of-the-art **loyalty program** focusing on a "money can't buy" experience

2025



~4.0 M

ACTIVE MEMBERS

2022



~2.0 M

ACTIVE MEMBERS

KEEP GROWTH TRAJECTORY IN THE AMERICAS



~20%

SALES SHARE 2025

HIGH SINGLE-DIGIT GROWTH CAGR 2022–2025

- Continue to **push 24/7 brand image** in our single largest market, the U.S.
- Further **expand visibility** in U.S. department stores and roll out **digital marketplaces**
- Strengthen **store network** in Latin America



EXPLOIT GROWTH MOMENTUM IN EMEA



>55%

SALES SHARE 2025

MID TO HIGH SINGLE-DIGIT GROWTH CAGR 2022–2025

- Continue to enhance and upgrade **distribution network**
- Accelerate **franchise development**
- Capitalize on **business opportunities** across brand lines



UNLEASH THE FULL POTENTIAL IN ASIA/PACIFIC



~20%

SALES SHARE 2025

LOW DOUBLE- DIGIT GROWTH CAGR 2022–2025

- Secure **affordable luxury position** in China, Japan, and Korea
- Strengthen retail and drive wholesale in **South East Asia & Pacific**
- Boost **digital commerce**



05

ORGANIZE FOR GROWTH

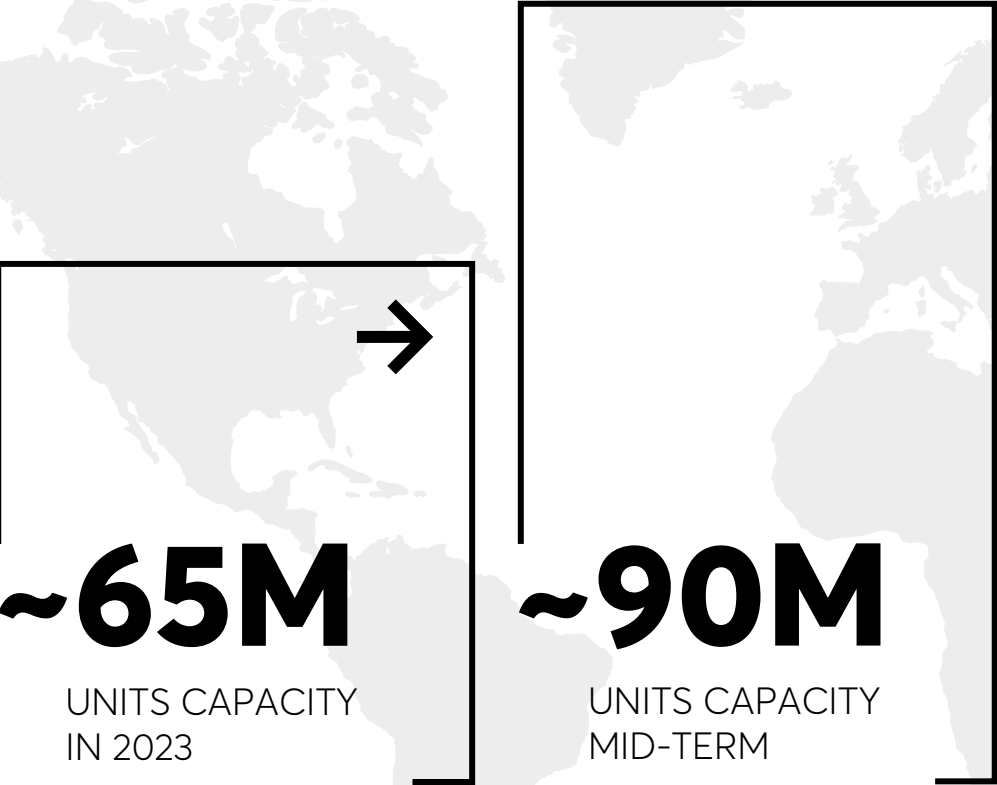
CLAIM 5

05
05
05
05



STEPPING UP INVESTMENTS IN OUR LOGISTICS NETWORK TO SUPPORT GROWTH AMBITION

LOGISTICS CAPACITY



PLANNED LOGISTICAL EXPANSIONS

OWN OPERATIONS

USA
GERMANY

THIRD-PARTY PROVIDER

UK
CHINA

SUCCESSFUL EXPANSION OF OUR OWN PRODUCTION CAPACITIES

IZMIR FACTS & FIGURES

~5,000

EMPLOYEES

~5M

UNITS

4

PRODUCTION
PLANTS

14%*

OWN PRODUCTION
THEREOF ~12%* IN IZMIR, TURKEY

* IN % OF TOTAL SOURCING AND PRODUCTION VOLUME

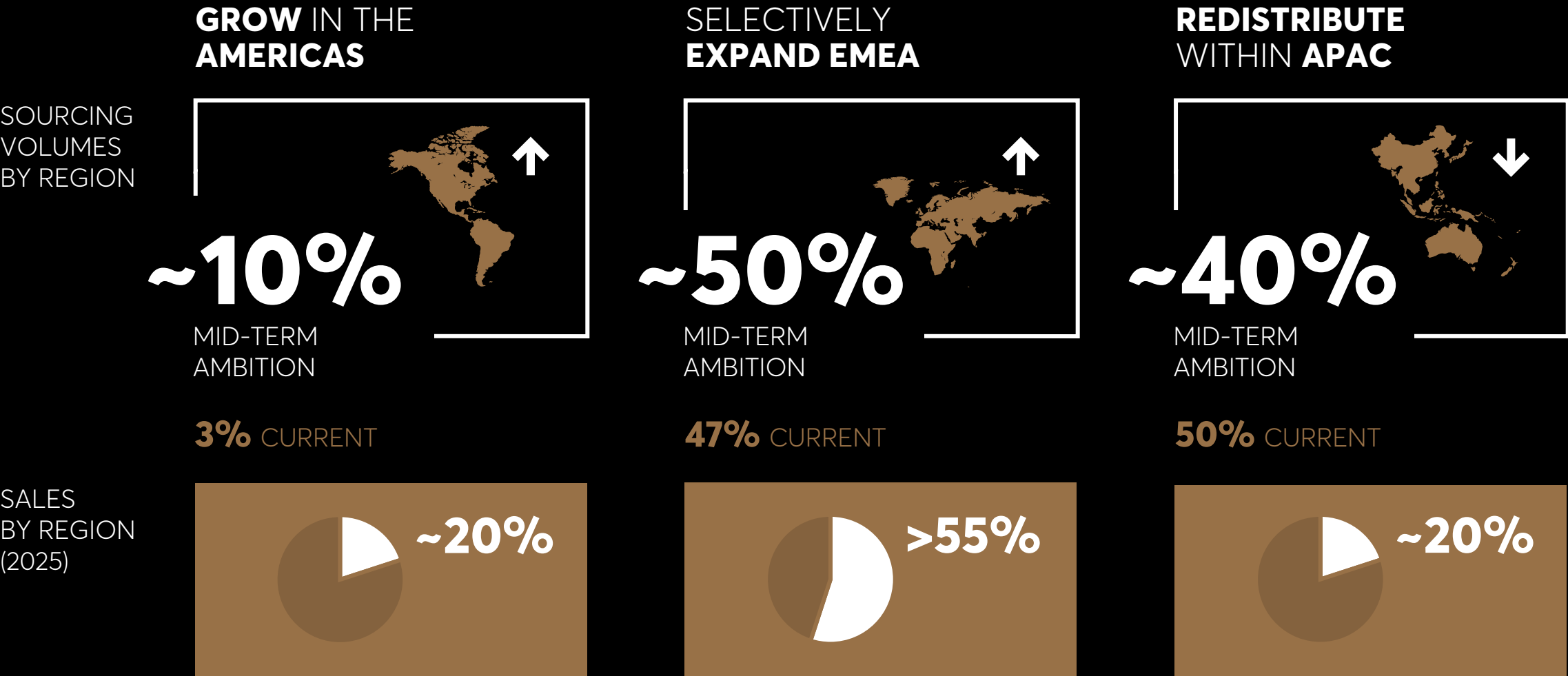
2x
TOTAL
CAPACITY IN
IZMIR ALMOST
DOUBLED
IN 2022

1/3
OF TOTAL
PRODUCTION
CAPACITY
DEDICATED TO
CASUALWEAR



**IZMIR
EXPANSION**

ADVANCING WITH NEARSHORING TO BETTER ALIGN
REGIONAL SOURCING ACTIVITIES WITH SALES MARKETS



BUILDING THE BACKBONE FOR FUTURE GROWTH BY INTRODUCING THE DIGITAL TWIN

SUSTAIN
GROWTH

01

SUPPORT
PROFITABILITY

02

DRIVE
SUSTAINABILITY

03

ENABLING SMART DECISION-MAKING
THROUGH A TECH-DRIVEN BUSINESS
OPERATIONS PLATFORM



A close-up photograph of cotton bolls on a branch. The bolls are white and fluffy, with some brown, dried leaves and stems visible. The background is a soft-focus field of more cotton plants.

SUSTAINABLE THROUGHOUT

STRONG ACHIEVEMENTS

IN THE AREAS OF SUSTAINABILITY

6X LISTED IN

**DOW JONES
SUSTAINABILITY
INDEX**

STRATEGIC PARTNERSHIP

**HEIQ AEONIQ,
A CELLULOSIC
FILAMENT YARN**



SUSTAINABILITY IS AND REMAINS AN ESSENTIAL PART OF OUR CORPORATE RESPONSIBILITY

FOR A PLANET FREE OF WASTE & POLLUTION



**INCREASE
CIRCULARITY**



**DRIVE DIGITI-
ZATION
& DATA
ANALYTICS**



**LEVERAGE
NATURE
POSITIVE
MATERIALS**



**FIGHT
MICRO-
PLASTIC**



**PUSH ZERO
EMISSIONS**

A STRONG SOCIAL & ENVIRONMENTAL BASIS

WHAT WE WANT TO ACHIEVE

OUR MOST IMPORTANT ESG TARGETS

PRODUCT

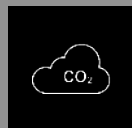
**8 IN 10 PRODUCTS
MEET
CIRCULARITY
CRITERIA BY 2030**

**INCREASE SHARE
OF RESPONSIBLE
STYLES TO 60%
BY 2025**



PLANET

**NET ZERO
GREENHOUSE GAS
EMISSIONS
THROUGHOUT THE
ENTIRE VALUE
CHAIN (SCOPE 1-3)
BY 2050**



PEOPLE

**SOURCING ALL
OF GOODS FROM
SUPPLIERS
SCORING IN ONE
OF THE TOP 2
SOCIAL AUDIT
CATEGORIES
BY 2025**



OUR ONGOING COMMITMENT TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

MINIMIZE IMPACT ON CLIMATE CHANGE



by e.g. operating a comprehensive environmental and energy management system and working in the UNFCCC Fashion Industry Charter for Climate Action

REDUCE THE CONSUMPTION OF RESOURCES



by using innovative technologies, reduce waste volumes and where this is not possible, recycle and reuse waste

USE CHEMICALS RESPONSIBLY



by requesting our suppliers to commit on implementing the ZDHC Manufacturing Restricted Substances List and supporting them in the implementation



TAKING RESPONSIBILITY FOR OUR EMPLOYEES & SUPPLIERS

FOSTER CREATIVITY, QUALIFICATION EQUAL PAY AND DIVERSITY OF EMPLOYEES



e.g. new work model
"Threedom of Work,"
trainings, good work
life balance

PERFORM DEFINED ONBOARDING PROCESS & COMPLIANCE CHECKS AT SUPPLIERS



e.g. question catalogues,
contracts incl. Supplier Code
of Conduct, on-site social
audits, pilot projects in
relation to fair compensation
in the supply chain with
selected suppliers

WORK TOWARDS SYSTEMIC CHANGE



by engaging in MSIs such
as the Partnership for
Sustainable Textiles or the
Fair Labor Association

HUGO BOSS



FIRST QUARTER 2023 RESULTS

MAY 4, 2023



HUGO BOSS



HUGO BOSS RECORDS EXCELLENT START TO 2023

GROUP SALES

968

EUR MILLION

+25%*

VS. Q1 2022

EBIT

65

EUR MILLION

+63%*

VS. Q1 2022

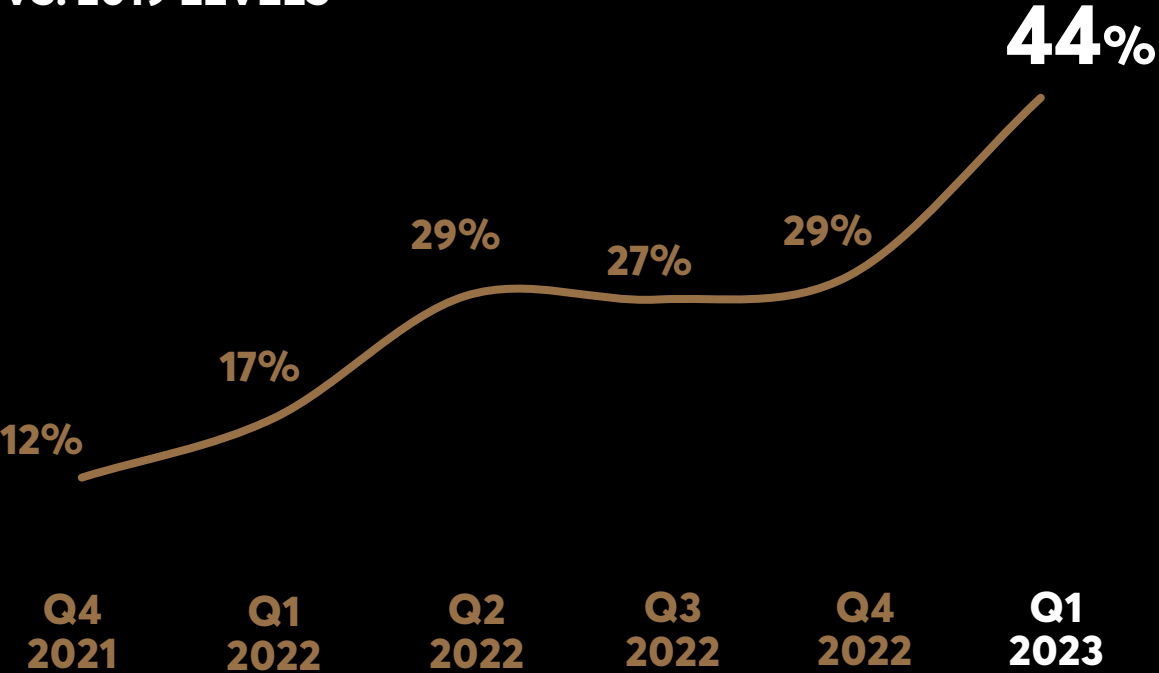


*CURRENCY-ADJUSTED



RIGOROUS EXECUTION OF "CLAIM 5" DRIVES TOP-LINE ACCELERATION

GROUP SALES DEVELOPMENT*
VS. 2019 LEVELS



*CURRENCY-ADJUSTED

DOUBLE-DIGIT SALES INCREASES ACROSS BRANDS AND WEARING OCCASIONS



BOSS

MENSWEAR

+23%*

VS. Q1 2022

WOMENSWEAR

+28%*

VS. Q1 2022



HUGO

+31%*

VS. Q1 2022

*CURRENCY-ADJUSTED

BROAD-BASED MOMENTUM ACROSS ALL CONSUMER TOUCHPOINTS

DIGITAL

+22%*

VS. Q1 2022



hugoboss.com and
digital partner business
with double-digit increases

RETAIL

+26%*

VS. Q1 2022



Brand strength leads to
strong uptick in traffic
and **store productivity**
improvements

WHOLESALE

+26%*

VS. Q1 2022



Broad-based growth
across regions due to
ongoing robust
demand from partners

DOUBLE-DIGIT SALES IMPROVEMENTS ACROSS ALL REGIONS

A stylized world map in a dark brown color is centered on a black background. Three callout boxes are positioned over the map: one over North America, one over Europe and Africa, and one over Asia and Australia. Each callout contains a large percentage increase and a reference to Q1 2022.

+38%*

VS. Q1 2022

+21%*

VS. Q1 2022

+31%*

VS. Q1 2022

AMERICAS

Broad-based momentum with **double-digit growth** across all markets

Growth in the **U.S. market** further accelerates, driven by strong uptick in brand perception

EMEA

Double-digit increases in key markets such as Germany and France

Momentum in the **Middle East** continues, with strong double-digit increases in Q1

ASIA/PACIFIC

Greater China returns to double-digit growth supported by robust uptick in consumer sentiment

Strong momentum in **South East Asia & Pacific** continues, with stellar performance in Japan

*CURRENCY-ADJUSTED

STRONG BOTTOM-LINE IMPROVEMENTS IN Q1 DESPITE ONGOING INVESTMENTS

GROSS MARGIN

SLIGHT DECREASE MAINLY DUE TO UNFAVORABLE CURRENCY EFFECTS

Q1 2023

CHANGE

61.4%

(30) BP

OPERATING EXPENSES (IN % OF SALES)

IMPROVEMENT DRIVEN BY FURTHER EFFICIENCY GAINS IN B&M RETAIL

54.6%

(180) BP

EBIT

INCREASE DRIVEN BY STRONG TOP-LINE PERFORMANCE

65
EUR MILLION

+63%

EBIT MARGIN

ROBUST IMPROVEMENT DESPITE BRAND AND DIGITAL INVESTMENTS

6.7%

+160 BP

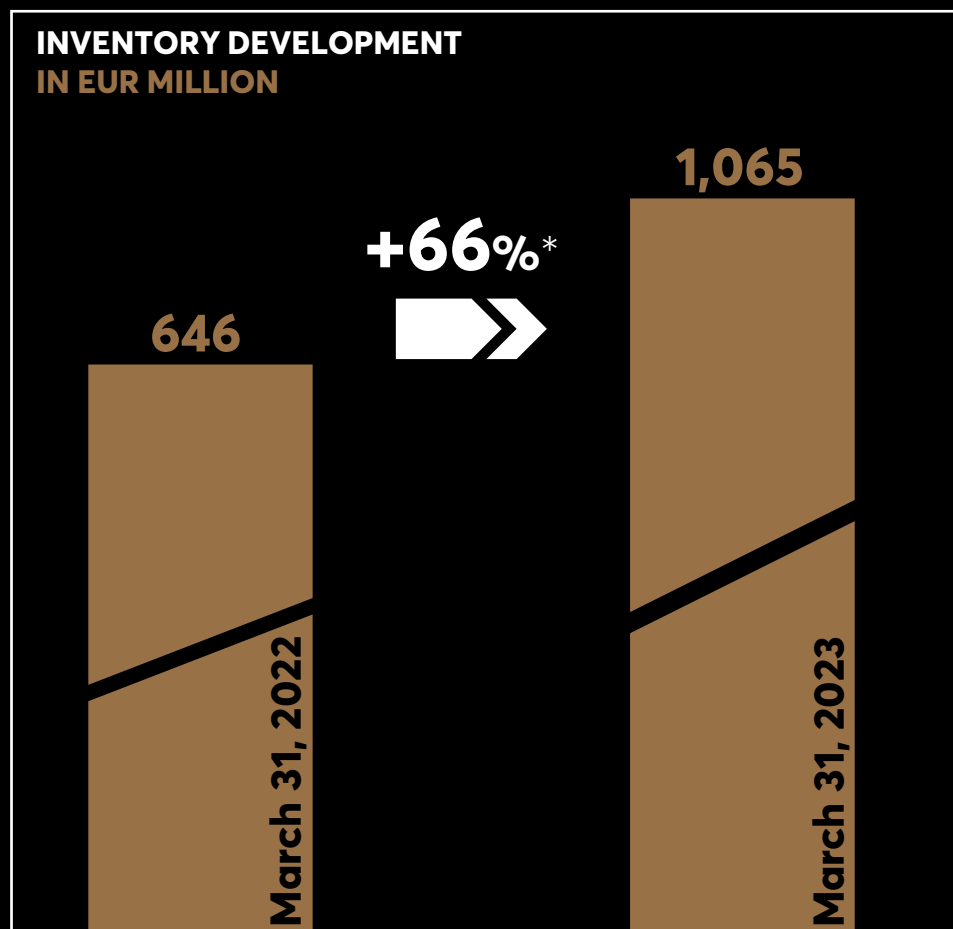
NET INCOME (ATTRIBUTABLE TO SHAREHOLDERS)

STRONG INCREASE DESPITE UNFAVORABLE CURRENCY EFFECTS

35
EUR MILLION

+44%

HUGO BOSS REMAINS COMFORTABLE WITH INVENTORY POSITION



*CURRENCY-ADJUSTED



Inventory position aims to **support strong top-line momentum** across channels



Composition of inventories remains **healthy** and of **high quality**



Easing of supply chain disruptions to support inventory development during remainder of 2023



Gradual normalization of inventories expected by end of fiscal year 2023

INCREASE IN INVENTORIES AND HIGHER CAPEX WEIGH ON FREE CASH FLOW DEVELOPMENT

MARCH 31, 2023
TNWC
(IN % OF SALES)

16.4%

+130 BP

JAN-MARCH 2023
CAPITAL
EXPENDITURE

42
EUR MILLION

>100%

JAN-MARCH 2023
FREE
CASH FLOW

(120)
EUR MILLION

<(100)%

► Higher **inventory position** partly offset by increase in trade payables

► Step-up reflects ongoing **investments in store network** and **digitalization**

► Improvements in EBIT more than offset by **increase in inventories and capex**

OUTLOOK 2023

HUGO BOSS



2023

2023 TO BE A FURTHER IMPORTANT MILESTONE IN ACHIEVING 2025 AMBITION

- ▶ **Macroeconomic and geopolitical uncertainties** likely to persist in 2023
- ▶ **Relentless execution of key strategic initiatives** remains top priority to foster brand momentum
- ▶ Ongoing commitment to **further investing into the business as part of "CLAIM 5"**



SALES OUTLOOK

- ▶ Guidance increase in light of **strong top-line performance** in Q1
- ▶ **Robust brand momentum** adds further confidence for remainder of 2023
- ▶ **Broad-based growth** expected across all brands, channels, and regions

INCREASE OF **~10%**

3.7

EUR BILLION
2022



~4.0

EUR BILLION
2023E



EBIT OUTLOOK

- ▶ **Robust improvements in EBIT** anticipated, driven by strong top-line growth expected in 2023
- ▶ **Ongoing investments** more than offset by an **at least stable gross margin** and **further efficiency gains**

335**EUR MILLION**
2022**+10% TO +20%****370 TO 400****EUR MILLION**
2023E

FINANCIAL CALENDAR & INVESTOR RELATIONS CONTACT

AUGUST

2

2023

**SECOND QUARTER
RESULTS**

CHRISTIAN STÖHR

VICE PRESIDENT INVESTOR RELATIONS

E-MAIL Christian_stoehr@hugoboss.com

PHONE +49 7123 94 80903



GENERAL INFORMATION

HUGO BOSS AT A GLANCE

3.7

EUR BILLION
SALES

335

EUR MILLION
EBIT

9.2%

EBIT
MARGIN

166

EUR MILLION
**FREE CASH
FLOW**

132

COUNTRIES

~17,000

EMPLOYEES

~20%

SHARE OF
DIGITAL SALES

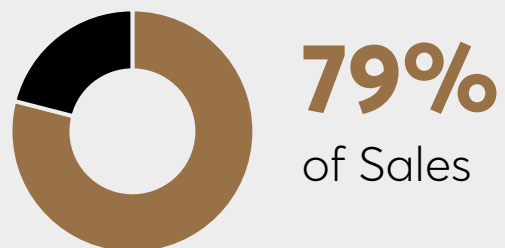
7,400

**POINTS
OF SALE**

2022

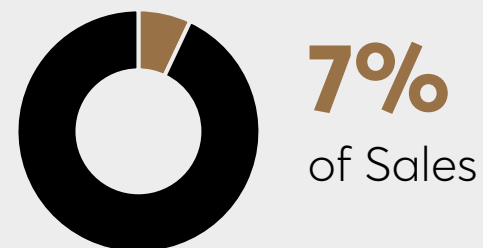
SALES BY BRAND 2022

BOSS MENSWEAR



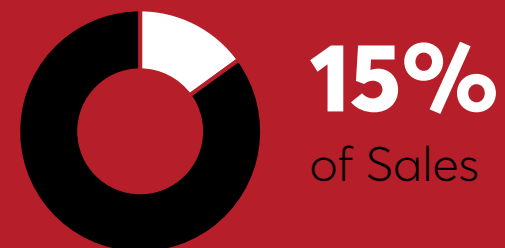
2,868
EUR MILLION

BOSS WOMENSWEAR



239
EUR MILLION

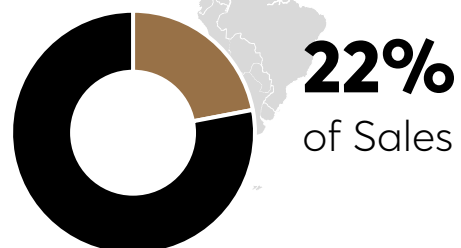
HUGO



545
EUR MILLION

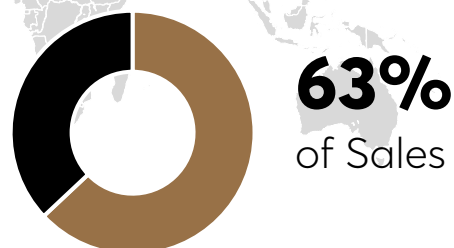
HUGO BOSS GLOBAL MARKET PRESENCE

AMERICAS



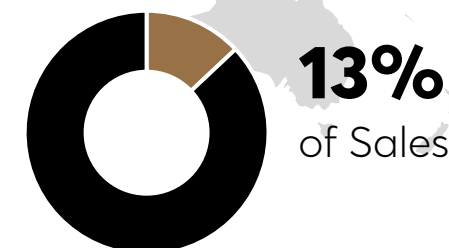
789 EUR million Sales
~**1,800** Points of sale
106 Freestanding retail stores
13% Employees

EMEA



2,303 EUR million Sales
~**5,050** Points of sale
212 Freestanding retail stores
74% Employees

ASIA/PACIFIC



467 EUR million Sales
~**550** Points of sale
152 Freestanding retail stores
13% Employees

DISTRIBUTION CHANNELS

Brick-and-mortar retail



Freestanding stores

Freestanding stores operated by the Group in prime locations



Shop-in-shops

Shops operated by the Group on retail space of partners



Factory outlets

Sale of prior season's merchandise in specialist stores in high-traffic peripheral zones

Brick-and-mortar wholesale



Multi-brand points of sale

General selling space in multi-brand stores



Shop-in-shops

BOSS and HUGO shops operated by partners



Franchise business

Freestanding BOSS and HUGO stores operated by partners

Digital



Online store hugoboss.com

Digital flagship store with separate brand environments for BOSS and HUGO



Partnerships with pure online retailers

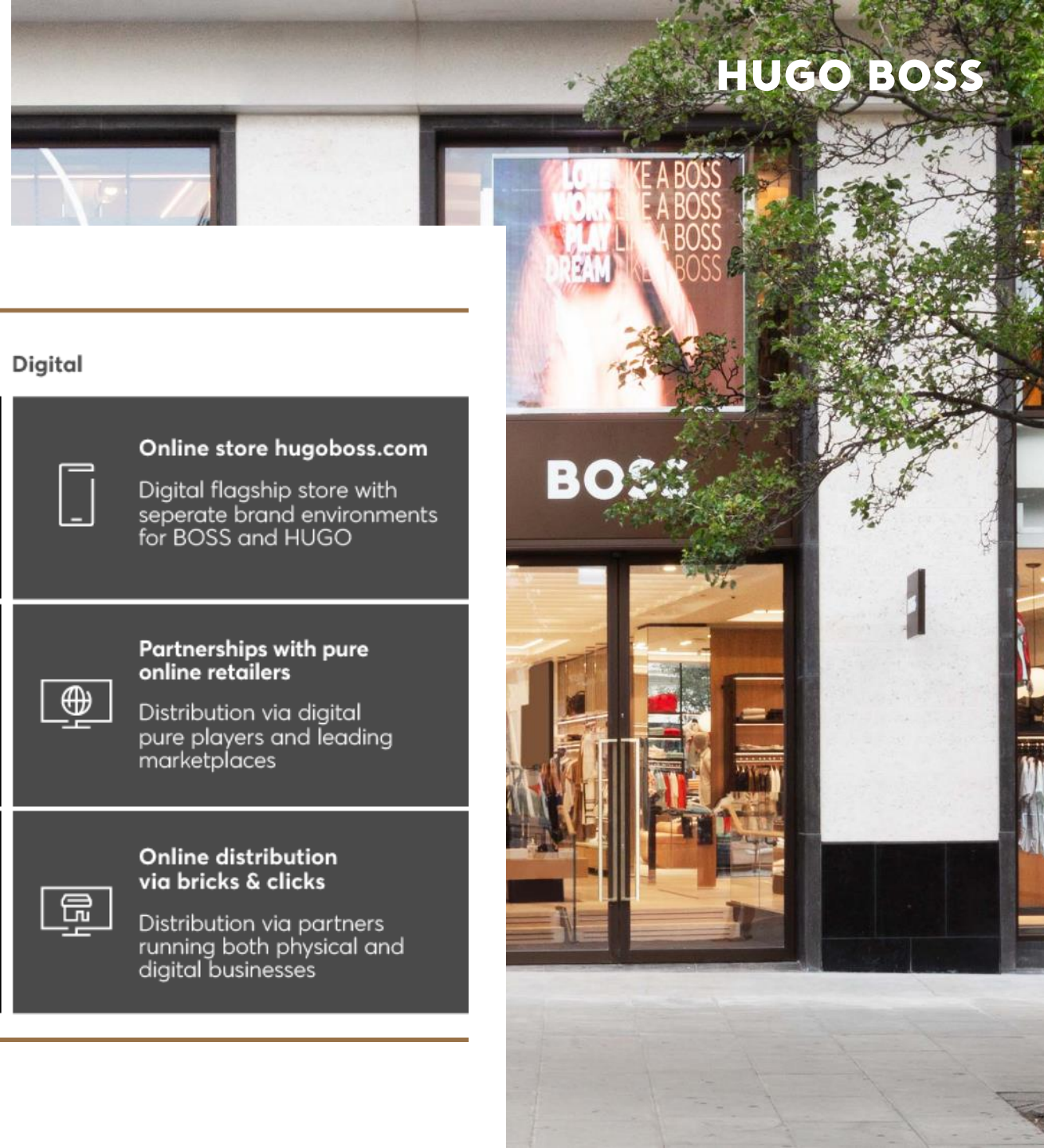
Distribution via digital pure players and leading marketplaces



Online distribution via bricks & clicks

Distribution via partners running both physical and digital businesses

HUGO BOSS



SALES

BY DISTRIBUTION CHANNEL

SALES BY DISTRIBUTION CHANNEL (in EUR million)

	2022	In % of sales	2021	In % of sales	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	2,016	55	1,512	54	33	29
Brick-and-mortar wholesale	895	25	647	23	38	33
Digital	648	18	549	20	18	15
Licenses	92	3	77	3	19	19
Total	3,651	100	2,786	100	31	27

RETAIL STORE NETWORK

NUMBER OF OWN RETAIL POINTS OF SALES

2022	EMEA	Americas	Asia/Pacific	Total
Number of own retail points of sale	581	383	352	1,316
Thereof freestanding retail stores	212	106	152	470
2021				
Number of own retail points of sale	579	310	339	1,228
Thereof freestanding retail stores	206	98	147	451

TOTAL
NUMBER OF
RETAIL POINTS
OF SALE

1,316

INCLUDING FREE-
STANDING STORES,
SHOP-IN-SHOPS AND
OUTLETS

SOURCING FOOTPRINT

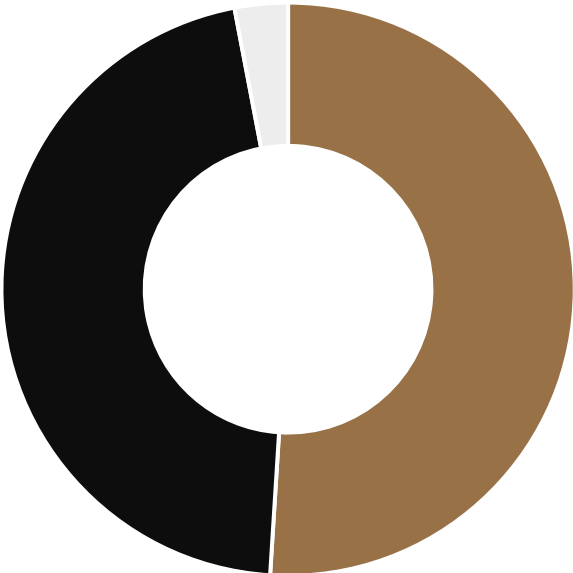
WELL BALANCED REGIONAL SOURCING & PRODUCTION MIX

REGIONALLY BALANCED
STRATEGIC SOURCING MIX

EMEA
46%

Americas
3%

Asia
51%



OWN PRODUCTION COMPLEMENTS
THIRD-PARTY SOURCING ACTIVITIES

External Sourcing
86%

Own Production
14%

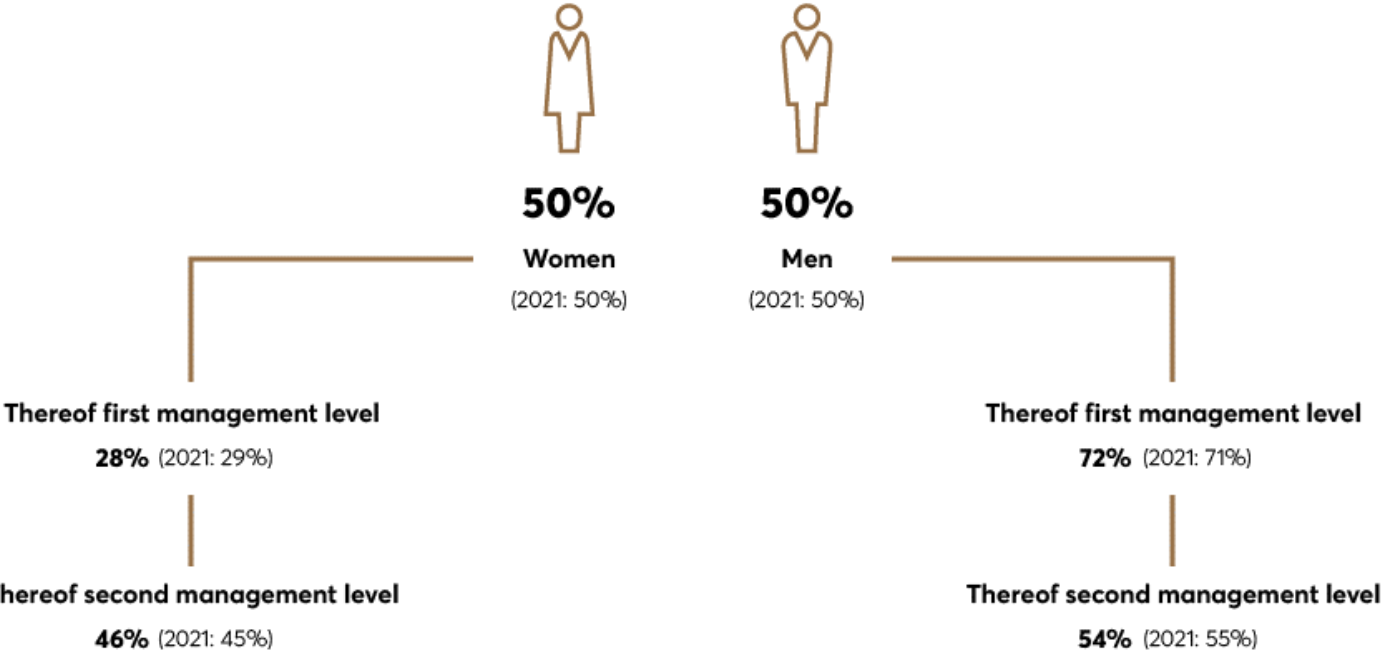


12%

Izmir, Turkey
(Largest single
source of production)

STRONG ORGANIZATIONAL SET-UP

EMPLOYEES IN MANAGEMENT (2022)



EMPLOYEE SATISFACTION

78%

CONDUCTED ANNUALLY WITH GREAT PLACE TO WORK® GERMANY



COMPENSATION SYSTEM

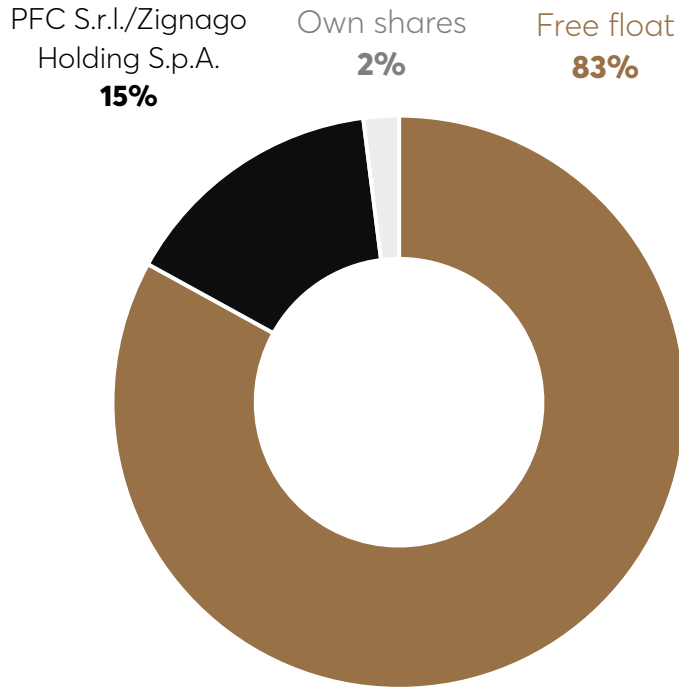
STRONGLY SUPPORTING LONG-TERM TARGETS

Components	<div>STI</div> <div>Short-term variable compensation</div>			<div>LTI</div> <div>Long-term variable compensation</div>			
Performance Targets	<div>EBIT</div>			<div>Relative total shareholder return (RTSR)</div>			
Weight	<div>SALES</div>			<div>Return on capital employed (ROCE)</div>			
	<div>Trade net working capital (TNWC)</div>			<div>Employee satisfaction</div>			
	<div>40%</div>			<div>Performance in Sustainability</div>			
Comment	<div>STI FOCUS ON:</div> <div>Stable free cash flow generation by optimizing the most important value drivers</div>			<div>LTI PROVIDES STRONG INCENTIVES FOR:</div> <div>The successful execution of the group strategy</div> <div>The value creation and long-term development</div> <div>The increase of employee satisfaction and trust</div> <div>The achievement of ambitious sustainably goals</div>			

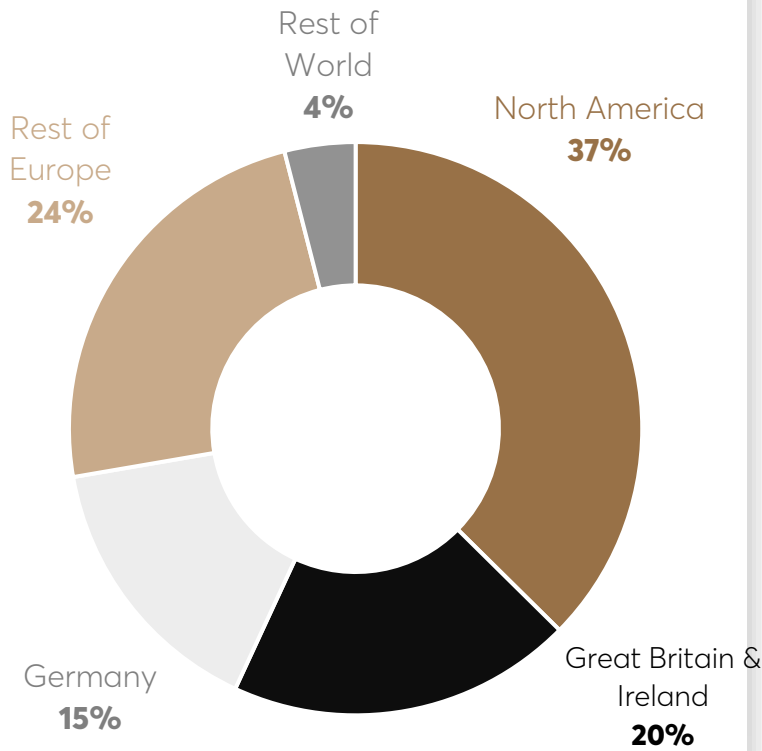
PERFORMANCE-RELATED COMPENSATION SYSTEM

SHAREHOLDER STRUCTURE

**SHAREHOLDER STRUCTURE
AS OF MARCH 31**
(IN % OF SHARE CAPITAL)



**INSTITUTIONAL INVESTORS
(FREE FLOAT) BY REGION
AS OF MARCH 31 (IN %)**



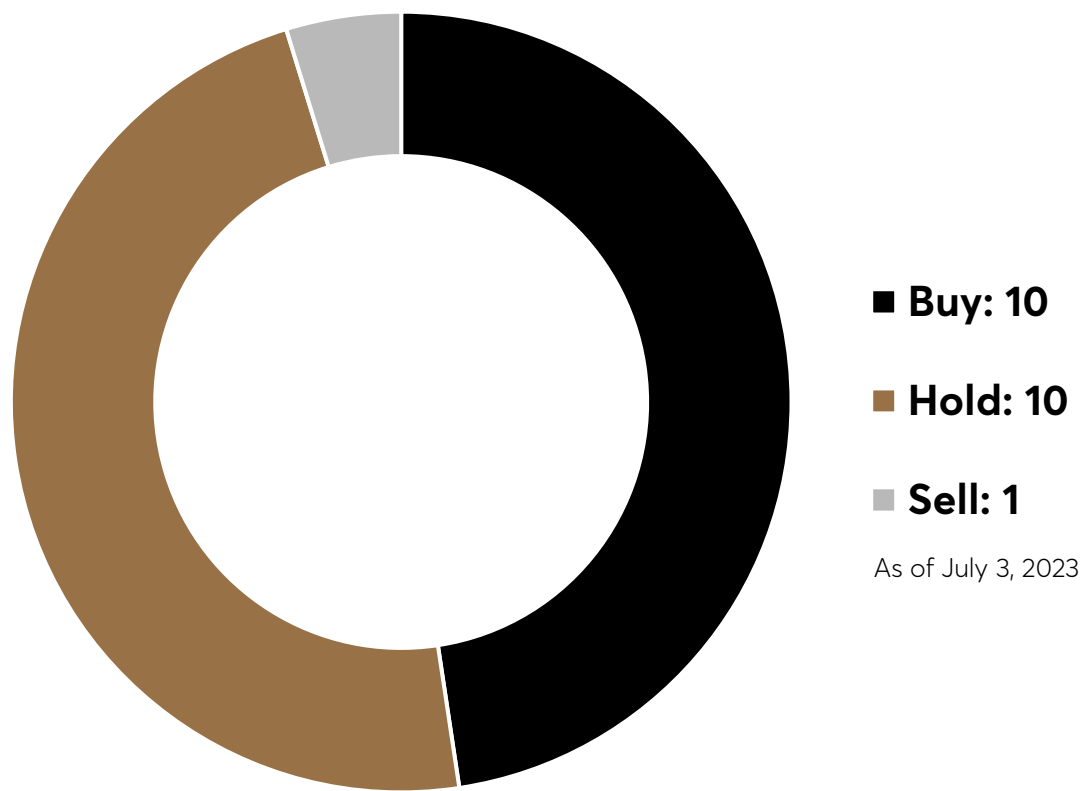
~40,000

**TOTAL NUMBER OF
SHAREHOLDERS**

~10%

**OF SHARES HELD BY
PRIVATE SHAREHOLDERS**

ANALYST RECOMMENDATIONS



As of July 3, 2023

~20

**ANALYSTS ARE
COVERING HUGO BOSS**

SHARE PRICE TARGET

75.30

EUR

MULTI-YEAR-OVERVIEW SALES

	2022	2021	2020	2019	2018	2017
Sales (in EUR million)	3,651	2,786	1,946	2,884	2,796	2,733
Sales by brand						
BOSS Menswear	2,868	2,181	1,530	2,488	2,422	2,336
BOSS Womenswear	239	192	131			
HUGO	545	413	285	396	374	397
Sales by segments						
EMEA	2,303	1,742	1,231	1,803	1,736	1,681
Americas	789	543	308	560	574	577
Asia/Pacific	467	423	343	438	410	396
Licenses	92	77	64	84	76	79
Sales by distribution channel						
Brick-and-mortar retail	2,016	1,512	1,057	1,869	1,768	1,732
Brick-and-mortar wholesale	895	647	472	931	952	922
Digital	648	549	352	-	-	-
Licenses	92	77	64	84	76	79

For full details around the multi year overview please refer to the Annual Report 2021.

MULTI-YEAR-OVERVIEW

P&L, BALANCE SHEET AND OTHER KEY FIGURES

	2022	2021	2020	2019	2018	2017
Results of operations (in EUR million)						
Gross profit	2,256	1,721	1,187	1,875	1,823	1,808
Gross margin in %	61.8	61.8	61.0	65.0	65.2	66.2
EBIT	335	228	(236)	344	347	341
EBIT margin in %	9.2	8.2	(12.1)	11.9	12.4	12.5
EBITDA	680	568	230	707	476	499
Net income attributable to equity holders of the parent company	209	137	(220)	205	236	231
Net assets and liability structure as of December 31 (in EUR million)						
Trade net working capital	613	376	491	528	537	459
Non-current assets	1,535	1,458	1,516	1,713	686	662
Equity	1,135	940	760	1,002	981	915
Equity ratio in %	36	34	30	35	53	53
Total assets	3,127	2,736	2,570	2,877	1,858	1,720
Financial position and dividend (in EUR million)						
Free cash flow	166	560	164	457	170	294
Net financial liabilities (as of December 31)	767	628	1,004	1,040	22	7
Capital expenditure	191	104	80	192	155	128
Depreciation/amortization	345	339	465	362	129	158
Total leverage (as of December 31) ¹⁰	1.1	1.1	(6.7)	0.2	0.0	0.0
Amount distributed ¹¹	69	48	3	3	186	183
Additional key figures						
Employees (as of December 31) ¹²	16,930	14,041	13,795	14,633	14,685	13,985
Personnel expenses (in EUR million)	794	627	570	640	629	604
Number of Group's own retail points of sale	1,316	1,228	1,157	1,113	1,092	1,139
Shares (in EUR)						
Earnings per share	3.04	1.99	(3.18)	2.97	3.42	3.35
Dividend per share ¹¹	1.00	0.70	0.04	0.04	2.70	2.65
Last share price (as of December 31)	54.16	53.50	27.29	43.26	53.92	70.94
Number of shares (as of December 31)	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000	70,400,000

For full details around the multi year overview please refer to the Annual Report 2021.

FORWARD-LOOKING STATEMENTS CONTAIN RISKS

This document contains forward-looking statements that reflect management's current views with respect to future events. The words "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should", and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.