

H U G O B O S S

FINANCIAL STATEMENTS
OF HUGO BOSS AG
FOR FISCAL YEAR

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COMBINED MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

The management report of HUGO BOSS AG and the Group management report are combined in accordance with section 315(5) HGB ("Handelsgesetzbuch": German Commercial Code) in conjunction with section 298(2) HGB and published in the 2020 annual report.

The financial statements and the management report of HUGO BOSS AG, which is combined with the Group management report, for fiscal year 2020 are submitted to and published in the elektronischer Bundesanzeiger (Electronic German Federal Gazette).

The financial statements of HUGO BOSS AG and the Group's annual report for fiscal year 2020 are also published online at <http://group.hugoboss.com/en/investor-relations/financial-reports/>.

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FINANCIAL STATEMENTS OF HUGO BOSS AG

BALANCE SHEET

of HUGO BOSS AG as of December 31, 2020

Assets

(in EUR thousand)

	Notes – No.	12/31/2020	12/31/2019
A. Fixed assets			
I. Intangible assets	(1)		
1. Self-created commercial property rights and similar rights and assets		34	40
2. For consideration industrial property rights and similar rights as well as licenses in such rights and assets		88,606	90,327
3. Goodwill		52	105
4. Prepayments		1,778	2,430
		90,470	92,902
II. Property, plant and equipment	(1)		
1. Land and buildings incl. buildings on third party land		127,251	131,554
2. Technical equipment and machinery		813	1,072
3. Other equipment, factory and office equipment		90,997	102,174
4. Prepayments and construction in progress		3,076	7,556
		222,137	242,356
III. Financial assets	(2)		
1. Shares in affiliated companies		661,462	678,753
2. Other shares		10	10
		661,472	678,763
		974,079	1,014,021
B. Current assets			
I. Inventories			
1. Raw materials and supplies		21,151	29,144
2. Work in progress		287	375
3. Finished goods and merchandise		154,730	155,671
4. Payments on account		0	835
		176,168	186,025
II. Receivables and other assets	(3)		
1. Trade receivables		11,871	18,915
2. Receivables from affiliated companies		50,651	38,853
3. Other assets		34,150	55,635
		96,672	113,403
III. Cash and cash equivalents		1,123	2,653
		273,963	302,081
C. Prepaid expenses	(4)	4,650	4,765
		1,252,692	1,320,867

Equity and liabilities

(in EUR thousand)

	Notes – No.	12/31/2020	12/31/2019
A. Shareholders' equity			
I. Subscribed capital	(5)		
1. Common Stock		70,400	70,400
Nominal amount - treasury shares of common stock		(1,384)	(1,384)
		69,016	69,016
II. Capital reserve	(5)	399	399
III. Retained earnings	(5)		
1. Legal reserves		6,641	6,641
2. Other revenue reserves		355,538	355,538
		362,179	362,179
IV. Unappropriated income	(6)	38,262	193,600
		469,856	625,194
B. Provisions			
1. Provisions for pensions and similar obligations	(8)	10,211	9,706
2. Tax provisions		31,318	54,018
3. Other provisions	(9)	99,723	92,193
		141,252	155,917
C. Liabilities	(10)		
1. Liabilities due to banks		83,384	97,485
2. Trade payables		98,983	117,360
3. Liabilities against affiliated companies		439,873	301,321
4. Other liabilities		16,204	20,620
		638,444	536,786
D. Prepaid income		3,140	2,970
		1,252,692	1,320,867

INCOME STATEMENT

of HUGO BOSS AG for the period from January 1 to December 31, 2020

(in EUR thousand)

	Notes – No.	2020	2019
1. Net sales	(12)	893,841	1,315,505
2. Cost of Sales		(719,614)	(874,262)
3. Gross profit		174,227	441,243
4. Distribution expenses	(13)	(211,985)	(290,395)
5. General administrative expenses	(14)	(93,210)	(129,779)
6. Other operating income	(15)	39,678	96,088
7. Other operating expenses	(16)	(65,682)	(65,738)
8. Operating result		(156,972)	51,419
9. Income from investments	(17)	41,327	121,101
10. Other interests and similar income	(18)	1,658	1,507
11. Income from profit transfer agreements	(19)	0	81,002
12. Losses from loss transfer agreements	(19)	(116)	(3)
13. Depreciation/amortization of financial assets and securities classified as current assets	(20)	(17,291)	0
14. Interests and similar expenses	(18)	(14,930)	(14,660)
15. Income taxes	(21)	(5,984)	(71,103)
16. After tax income		(152,308)	169,263
17. Other taxes		(269)	(143)
18. Net income		(152,577)	169,120
19. Transfer from other revenue reserves		0	20,744
20. Accumulated income previous year		190,839	3,736
21. Unappropriated income		38,262	193,600

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

of HUGO BOSS AG for fiscal year 2020

General information

HUGO BOSS AG is a public listed stock corporation with registered office in Dieselstrasse 12, 72555 Metzingen, Germany. The Company is registered in the commercial register of Stuttgart local court under HRB 360610.

The financial statements comprise the balance sheet, the income statement and the notes.

HUGO BOSS AG prepares its income statement in line with the cost of sales format. To ensure the clarity of the balance sheet and the income statement, comments and explanations for individual items have only been included in the notes in accordance with section 265(7) of the Handelsgesetzbuch (HGB -- German Commercial Code).

The 2020 annual financial statements of HUGO BOSS AG were prepared in accordance with the regulations of the Handelsgesetzbuch (HGB -- German Commercial Code) and the Aktiengesetz (AktG -- German Stock Corporation Act). Amounts are reported in thousands of euro (EUR thousand).

Owing to rounding differences it is possible that individual figures in the annual financial statements of HUGO BOSS AG do not exactly add up to the totals shown and that the percentages shown do not reflect the absolute figures to which they refer.

Effects of COVID-19

In fiscal year 2020, the global spread of COVID-19 led to a significant overall impairment of the business of HUGO BOSS AG. For example, multiple temporary store closures due to global lockdowns, significant restrictions in public social life including extensive social distancing measures, and international travel restrictions had a considerable negative impact on the development of sales, net income, and free cashflow.

The annual financial statements for fiscal year 2020 are prepared on the basis of the going-concern principle and the balance sheet items are reported accordingly in the sense of the continuation of business activities. At an early stage of the pandemic, the Company initiated extensive measures to secure its financial stability and successfully implemented them throughout the year. The measures were aimed primarily at reducing operating expenses, postponing non-business-critical investments, reducing the accrual of assets, and suspending the dividend for fiscal year 2019, with the exception of the minimum statutory dividend of EUR 0.04 per share. In addition, the Company secured further credit commitments in 2020. In view of its healthy balance sheet structure and the strong cash flow generation that is expected to continue in the future, as well as the sufficient supply of free credit lines, the management believes that the Company continues to be in a solid economic situation.

Accounting policies

The accounting policies of the prior year were maintained.

Fixed assets

Self-created intangible assets are valued at their creation costs and amortized on a linear basis over the expected useful life of seven years.

Purchased intangible assets were capitalized at cost of acquisition and written down on a straight-line basis over an expected useful life of three to sixteen years. Capitalized purchased goodwill is amortized over an expected useful life of eight or 15 years. The useful lives are based on long-term tenancy agreements.

Tangible fixed assets are carried at acquisition or production cost less depreciation. Real estate rights are capitalized at acquisition-related costs.

Useful lives of eight to 50 years are used for depreciation on buildings, of five to 19 years for technical equipment and machinery, five to 16 years for other equipment and three to 23 years for operating and office equipment. Additions prior to December 31, 2007 are depreciated using the declining balance method. Additions acquired after December 31, 2007 are depreciated using the straight-line method only.

Low-value assets with an acquisition or production cost up to EUR 250 are written down in full in the year of addition. An omnibus item is recognized for low-value assets with an individual acquisition or production cost of between EUR 250 and EUR 1,000. The omnibus item is written down in profit or loss by a fifth in the year of recognition and each of the four subsequent fiscal years.

Financial assets are measured at cost. For the purpose of impairment testing, HUGO BOSS AG measures the fair values of all investments on an annual basis by discounting future cash flows. The assessment of impairment is based on detailed planning of results of operations, of the statement of financial position and of investments for the next three years for all units of the Group, which is prepared annually in the Company-wide budget planning process and approved by the Supervisory Board, taking account of the current business situation. For periods beyond the budget's planning horizon, a long-term growth rate is set to project future cash flows in the detailed planning period of two additional years. The growth rates used are based on the one hand on management's assumptions regarding the expected recovery of business development in the brick-and-mortar retail business from the effects of the COVID-19 pandemic and on the other hand on external sources of information.

Current assets

Raw materials, consumables and supplied are measured at the moving average cost of acquisition.

Work in progress and finished goods are measured at the cost of production.

Production cost includes direct material, direct labor, proportionate material and production overheads, and amortization and depreciation insofar as this is a consequence of production. Also included are general administrative expenses and expenses for social facilities, expenses for voluntary social benefits and occupational pensions, to the extent that they are related to production and are incurred in the production period. Borrowing costs are not capitalized. Production-related development costs are generally included in the calculation of the cost of unfinished and finished goods.

Any risks arising from low inventory turnover and reduced utilization are covered by appropriate write-downs.

Receivables and other assets are measured at the lower of nominal and fair value. Identifiable individual risks with possible effects based on the Coronavirus pandemic were taken into account through allowances. A general valuation allowance appropriately covers general credit risks.

Cash and cash equivalents are measured at the lower of nominal and market value.

Equity

In accordance with section 272(1a) of the Handelsgesetzbuch (HGB -- German Commercial Code), own shares are deducted from subscribed capital at nominal amount on the face of the balance sheet.

Provisions and liabilities

Pension provisions are calculated for accounting purposes on the basis of the projected unit credit (PUC) method. In line with the PUC method, the provision amount is defined as the actuarial present value of pension obligations earned by employees based on their past service as per the pension formula and vesting provisions. They are calculated using an interest rate of 2.31% (2019: 2.71%), dynamic growth on eligible benefits of 2.50%, an adjustment of current pensions of 1.75% and the Heubeck 2018G mortality tables. In accordance with section 253(2) of the Handelsgesetzbuch (HGB -- German Commercial Code), pensions were discounted using the average market interest rate over the past ten years and an assumed residual maturity of 15 years for the fiscal year 2020.

The Company holds assets to secure the pension benefits. These assets satisfy the requirements of the first part of section 246(2) sentence 2 of the Handelsgesetzbuch (HGB -- German Commercial Code) and can be offset against pension provisions. The assets are measured at market value.

In the event of congruent covered pension commitments, the provision is valued at the fair value of the plan.

An external tax audit has been ongoing at HUGO BOSS AG since 2017 for the 2012–2015 assessment periods. Based on the information available to date, the Company has identified possible tax risks from balance sheet and off-balance sheet items, as well as structural changes and has set aside a tax provision for this purpose. As the audit procedures of the financial administration office have been completed, voluntary advance payments were made for the audit period in some cases, and corresponding provisions plus interest were set up for the remainder.

The other provisions cover all discernible risks and uncertain obligations. They are carried at the settlement amount determined in line with prudent business judgement (i.e. including future cost and price increases). Provisions with a remaining term of more than one year are discounted using the average market interest rate. The risks of possible effects from the corona pandemic have been sufficiently taken into account. Provisions with a residual maturity of more than one year were discounted using the average market interest rate over the last seven fiscal years corresponding to their residual maturity. The interest from the external tax audit has also been recognized in other provisions.

Liabilities are carried at settlement amount.

Loans, which were taken out in conjunction with a swap for the purpose of long-term hedging of the interest rates (micro hedge) do not serve a speculative purpose, but is instead intended solely to hedge interest rate risks arising from the financing of property, plant and equipment. As cash flows from the interest rate swap and credit financing balance each other out, this is a valuation unit in accordance with section 255 of the Handelsgesetzbuch (HGB -- German Commercial Code), for which an individual valuation was waived in accordance with section 252 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Revenue recognition

Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. This is generally the case when the goods are delivered. Sales are disclosed net of sales deductions such as discounts, price reductions, customer bonuses and rebates.

Cost of Sales

Cost of sales includes all costs incurred to generate the sales. These essentially relate to the costs stemming from all direct material costs and overheads, direct labor costs and production overheads, special production costs and systematically allocable costs from product-related administration expenses of the technical product development, product implementation and sourcing functions.

Function costs

Function costs are broken down into cost of sales, selling expenses and general administrative expenses. Operating expenses are essentially allocated to the respective functions based on the allocation of cost centers to functions. Expenses incurred in connection with cross-functional activities or projects are spread among the functions concerned using an adequate allocation key.

Currency translation

Foreign currency receivables and liabilities are translated using the exchange rate on the transaction date and are measured at the mean spot rate on the balance sheet date. Exchange rate losses from assets and liabilities denominated in foreign currency incurred as of the reporting date are recorded. Exchange rate gains from the measurement of current assets and liabilities due in less than one year are recognized in profit or loss pursuant to section 256a of the Handelsgesetzbuch (HGB -- German Commercial Code). Exchange rate gains are recognized in the line item other operating income and expenses from currency translation in the line item other operating expenses. Fixed assets purchased and inventories purchased in a foreign currency are translated at the mean spot rate on the transaction date.

Deferred taxes

Deferred taxes are calculated for temporary differences between the accounting and tax carrying amounts of assets, prepaid expenses and deferred income and liabilities. This takes into account not just the differences in the balance sheet items of HUGO BOSS AG, but also in those of Group subsidiaries and partnerships in which HUGO BOSS AG holds interests. Deferred taxes are calculated on the basis of the combined income tax rate of the tax group, which is currently 29.55% (2019: 29.55%) (corporation tax, trade tax and solidarity surcharge). In deviation from this, deferred taxes from temporary accounting differences at investments with the legal form of a partnership are calculated based on a combined income tax rate including only corporation tax and the solidarity surcharge; this is currently 15.83% (2019: 15.83%). Any surplus overall tax expense is carried in the balance sheet as a deferred tax liability. In the event of tax relief, the corresponding capitalization option is not exercised.

Notes to the Balance Sheet

1 Fixed assets

Changes in fixed assets are shown in the statement of changes in fixed assets:

(in EUR thousand)					
	Acquisition or manufacturing costs				
	01/01/2020	Additions	Regrouped	Disposals	12/31/2020
I. Intangible Assets					
1. Self-created commercial property rights and similar rights and assets	41	0	0	0	41
2. For consideration industrial property rights and similar rights as well as licenses in such rights and assets	256,498	17,716	1,976	2,211	273,979
3. Goodwill	1,340	0	0	0	1,340
4. Prepayments	2,430	1,324	(1,976)	0	1,778
	260,309	19,040	0	2,211	277,138
II. Property, Plant and Equipment					
1. Land and buildings including buildings on third party land	157,300	48	0	423	156,925
2. Technical equipment and machinery	10,123	76	34	567	9,666
3. Other equipment, factory and office equipment	228,302	5,307	2,586	5,228	230,967
4. Prepayments and construction in progress	7,556	2,167	(2,620)	4,027	3,076
	403,281	7,598	0	10,245	400,634
III. Financial Assets					
1. Shares in affiliated companies	679,269	0	0	0	679,269
2. Other shares	10	0	0	0	10
	679,279	0	0	0	679,279
	1,342,869	26,638	0	12,456	1,357,051

The intangible assets mainly relate to software for the group-wide ERP system in industry solutions SAP AFS and SAP Retail and necessary software solutions for the operational business. The addition of EUR 19,040 thousand (2019: EUR 29,749 thousand) essentially arose from investments in software for the future expansion of online trading, associated with disposals within basic software. In addition, due to longer life cycles, the useful lives of various software programs have been extended by up to two years. This results in a decrease in scheduled depreciation of EUR 2,369 thousand.

Additions to property, plant and equipment amounting to EUR 7,598 thousand (2019: EUR 132,678 thousand) result from investments in IT hardware, the expansion of logistics capacities and the existing retail network in Germany. The flexible use of space, the conversion to a new office concept, and significantly reduced demand for physical workplaces as a result of the Coronavirus pandemic mean that the scheduled addition of an administration and service building on the Company's campus at the Metzingen site will not be implemented as planned. The construction in progress item formed for the capital expenditures already made in concept and planning work was therefore derecognized in profit and loss.

Depreciation			Net values		
01/01/2020	Additions	Disposals	12/31/2020	12/31/2020	12/31/2019
1	6	0	7	34	40
166,171	21,353	2,151	185,373	88,606	90,327
1,235	53	0	1,288	52	105
0	0	0	0	1,778	2,430
167,406	21,412	2,151	186,668	90,470	92,902
25,745	3,928	0	29,673	127,251	131,554
9,015	306	504	8,852	813	1,072
126,129	18,975	5,133	139,971	90,997	102,174
0	0	0	0	3,076	7,556
160,925	23,209	5,637	178,496	222,137	242,356
516	17,291	0	17,807	661,462	678,753
0	0	0	0	10	10
516	17,291	0	17,807	661,472	678,763
328,847	61,911	7,788	382,972	974,079	1,014,021

2 Financial assets with Shareholdings of HUGO BOSS AG in accordance with section 285 No. 11 of the Handelsgesetzbuch (HGB – German Commercial Code)

HUGO BOSS AG either directly or indirectly holds 100% of capital in the in the companies shown below in the list of holdings. The only exceptions to this are the 94% shareholding in ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Metzingen KG, the 70% shareholding in Salam Stores HUGO BOSS WLL and the 49% shareholding in HUGO BOSS AL FUTTAIM UAE TRADING L.L.C.

EUR 661,462 thousand (2019: 678,753 thousand) are posted in Shares in affiliated companies in the annual financial statements of HUGO BOSS. The decline of EUR 17,291 thousand results from unscheduled depreciation on shares in HUGO BOSS Textile Industry Ltd. due to an impairment that is expected not to be permanent with section 253(3) sentence 6 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Shareholdings of HUGO BOSS AG in accordance with section 285 No. 11 of the Handelsgesetzbuch (HGB – German Commercial Code)

Unless stated otherwise, the interest in capital amounts to 100%.

(in EUR thousand)

Company	Registered Office	Earnings ¹	Equity ¹
		2020	2020
HUGO BOSS Holding Netherlands B.V.	Amsterdam, Netherlands	3,287	647,831
HUGO BOSS International B.V.	Amsterdam, Netherlands	-38,977	557,163
HUGO BOSS Internationale Beteiligungs-GmbH ^{2,5}	Metzingen, Germany	0	524,800
HUGO BOSS USA, Inc. ⁴	New York, NY, USA	-18,620	121,875
HUGO BOSS UK Limited	London, Great Britain	6,141	59,076
HUGO BOSS China Retail Co. Ltd.	Shanghai, China	13,103	57,294
Lotus (Shenzhen) Commerce Ltd.	Shenzhen, China	410	57,155
HUGO BOSS Benelux B.V.	Amsterdam, Netherlands	97	52,546
HUGO BOSS Textile Industry Ltd. ²	Izmir, Turkey	576	49,079
HUGO BOSS Benelux B.V. y CIA S.C	Madrid, Spain	-1,062	38,191
HUGO BOSS France SAS	Paris, France	-2,303	37,189
HUGO BOSS Lotus Hong Kong Ltd.	Hong Kong	-146	36,493
HUGO BOSS Trade Mark Management GmbH & Co. KG ²	Metzingen, Germany	39,603	32,670
HUGO BOSS Canada, Inc.	Toronto, Canada	-2,195	31,889
HUGO BOSS Ticino S.A.	Coldrerio, Switzerland	-48,740	22,124
HUGO BOSS Mexico S.A. de C.V. ²	Mexico-City, Mexico	-525	21,851
HUGO BOSS International Markets AG	Zug, Switzerland	-4,475	12,778
HUGO BOSS Holdings Pty. Ltd.	Preston, Australia	0	12,363
HUGO BOSS AL FUTTAIM UAE TRADING L.L.C. ⁶	Dubai, U.A.E.	1,061	12,169
HUGO BOSS Shoes & Accessories Italia S.p.A.	Morrovalle, Italy	937	10,193
HUGO BOSS Portugal & Companhia	Lissabon, Portugal	-315	10,039
HUGO BOSS Rus LLC ²	Moscow, Russia	402	9,516
HUGO BOSS Middle East FZ-LLC	Dubai, U.A.E.	60	9,358
HUGO BOSS Hong Kong Ltd.	Hong Kong	-6,491	9,262
HUGO BOSS Scandinavia AB	Stockholm, Sweden	-724	8,993
HUGO BOSS Italia S.p.A.	Milan, Italy	-9,054	8,312
HUGO BOSS do Brasil Ltda.	São Paulo, Brazil	-2,847	7,082
HUGO BOSS (Schweiz) AG	Zug, Switzerland	-673	6,041
HUGO BOSS Ireland Limited	Dublin, Ireland	-165	4,209
HUGO BOSS Guangdong Trading Co. Ltd.	Guangzhou, China	220	4,056
HUGO BOSS Nordic ApS	Copenhagen, Denmark	-2,464	3,994
Lotus Concept Trading (Macau) Co. Ltd.	Macau	-3,793	3,982
HUGO BOSS Hellas LLC	Athens, Greece	-119	3,449
HUGO BOSS Belgium BVBA ²	Diegem, Belgium	423	3,400
HUGO BOSS Vermögensverwaltungs GmbH & Co. KG ²	Metzingen, Germany	393	3,169
HUGO BOSS Australia Pty. Ltd.	Preston, Australia	-3,419	2,492
HUGO BOSS Mexico Management Services S.A. de C.V. ²	Mexico-City, Mexico	209	2,390
HUGO BOSS Finland OY	Helsinki, Finland	226	2,053
HUGO BOSS Shoes & Accessories Poland Sp. z o.o.	Radom, Poland	157	1,847
HUGO BOSS South East Asia PTE.LTD.	Singapore	-1,392	1,351

(in EUR thousand)

Company	Registered Office	Earnings ¹	Equity ¹
		2020	2020
HUGO BOSS Holding Sourcing S.A.	Coldrerio, Switzerland	-12	1,171
HUGO BOSS Malaysia SDN. BHD.	Kuala Lumpur, Malaysia	-1,756	873
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Dieselstrasse KG ²	Metzingen, Germany	159	824
HUGO BOSS Magazacilik Ltd. Sti.	Izmir, Turkey	-5,840	725
HUGO BOSS Korea Ltd.	Seoul, South Korea	-2,112	553
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Metzingen KG ^{2,3}	Grünwald, Germany	346	356
HUGO BOSS Dienstleistungs GmbH ²	Metzingen, Germany	-1	118
HUGO BOSS Trade Mark Management Verwaltungs-GmbH	Metzingen, Germany	1	41
HUGO BOSS Beteiligungsgesellschaft mbH ^{2,5}	Metzingen, Germany	0	-85
HUGO BOSS Estonia OÜ	Tallinn, Estonia	-102	-135
HUGO BOSS Latvia SIA.	Riga, Latvia	-106	-223
Salam Stores HUGO BOSS WLL ⁷	Doha, Qatar	-500	-475
GRAMOLERA Grundstücks-Vermietungsgesellschaft Objekt Ticino mbH	Metzingen, Germany	0	-499
GRETANA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt D 19 KG	Grünwald, Germany	-7	-539
HUGO BOSS New Zealand Ltd.	Auckland, New Zealand	-67	-2,149
HUGO BOSS Belgium Retail BVBA	Diegem, Belgium	-6,823	-5,075
HUGO BOSS Benelux Retail B.V.	Amsterdam, Netherlands	-11,638	-15,202
HUGO BOSS Japan K.K.	Tokyo, Japan	-3,144	-24,211

¹ The figures correspond to the financial statements after possible profit transfer, for subsidiaries according to inner-consolidated IFRS financial statements.

² Directly affiliated to HUGO BOSS AG.

³ Investments with an equity share of 94%.

⁴ Subgroup financial statement.

⁵ Companies with a profit transfer agreement with HUGO BOSS AG.

⁶ Investments with an equity share of 49%.

⁷ Investments with an equity share of 70%.

3 Receivables and other assets

(in EUR thousand)

Presentation according to remaining terms	With a remaining term			Total
	of up to 1 year	from 1 to 5 years	of more than 5 years	
2020				
Trade receivables	11,871	-	-	11,871
Receivables from affiliated companies	50,651	-	-	50,651
Other assets	33,993	-	157	34,150
	96,515	-	157	96,672
<hr/>				
2019		from 1 to	of more than	
	of up to 1 year	5 years	5 years	Total
Trade receivables	18,915	-	-	18,915
Receivables from affiliated companies	38,853	-	-	38,853
Other assets	55,401	-	234	55,635
	113,169	-	234	113,403

EUR 10,418 thousand (2019: EUR 12,816 thousand) of loans from affiliated companies relate to intercompany financing, the rest to trade receivables.

As of December 31, 2020, other assets essentially include income tax receivables (EUR 10,340 thousand; 2019: EUR 11,157 thousand) and receivables from value added tax (EUR 5,843 thousand; 2019: EUR 1,729 thousand).

4 Prepaid expenses

Prepaid expenses mainly relate to IT maintenance agreements and marketing spendings.

5 Equity

Subscribed capital

As of December 31, 2020, the subscribed capital of HUGO BOSS AG remained unchanged as compared to the previous year amounting to EUR 69,016 thousand in total. Shares without a par value have a nominal value of EUR 1. The subscribed capital breaks down as follows:

(in EUR thousand)

	12/31/2020	12/31/2019
bearer common shares	70,400	70,400
treasury shares, bearer common shares	(1,384)	(1,384)
	69,016	69,016

Authorized capital

The Managing Board of HUGO BOSS AG may with the Supervisory Board's consent increase the share capital by up to EUR 35,200,000.00 on or before May 15, 2024 by issuing 35,200,000 new registered shares on a cash and/or non-cash basis once or repeatedly (Authorized Capital). As a matter of principle, the shareholders have pre-emptive subscription rights.

Capital reserves

The capital reserves contain the share premium received on the issuance of shares and are reported in accordance with section 272(2) no. 1 of the Handelsgesetzbuch (HGB -- German Commercial Code). It remains unchanged at EUR 399 thousand. In fiscal year 2020 no additions or withdrawals were done.

Retained earnings

As of December 31, 2020, retained earnings include the statutory reserve of EUR 6,641 thousand (2019: EUR 6,641 thousand) and other retained earnings of EUR 355,538 thousand (2019: EUR 355,538 thousand).

Other retained earnings balance developed as follows:

(in EUR thousand)	
Position as of December 31, 2019	355,538
Transfer from other revenue reserves according to dividend proposal of Managing Board and Supervisory Board	0
Position as of December 31, 2020	355,538

Own shares

The Company held 1,383,833 own shares on December 31, 2020. These account for EUR 1,384 thousand of the subscribed capital remains unchanged to previous year (2019: EUR 1,384 thousand) (2.0%). These own shares include 855,278 former preferred shares, which were converted into ordinary shares on June 15, 2012. The nominal amount was deducted from subscribed capital on the face of the balance sheet. The difference of EUR 30,300 thousand between the nominal value of the own shares and the carrying amount reported as of December 31, 2009 was offset against revenue reserves in 2010.

The own shares were purchased in the years between 2004 and 2007:

(in EUR thousand)		
Purchase date	Number of common shares in units	Number of preferred shares in units
03/2004	35,966	0
05/2004	36,280	0
06/2004	11,513	0
07/2004	40,506	0
02/2005	12,992	0
03/2005	34,794	1,000
04/2005	84,000	82,467
10/2005	21,700	153,700
05/2006	0	210,200
06/2006	79,700	0
07/2006	158,628	0
08/2006	0	20,021
09/2006	9,976	110,084
01/2007	0	94,411
02/2007	2,500	183,395
06/2012	855,278	-855,278
12/31/2020	1,383,833	0

The historical cost of the own shares was EUR 42,362 thousand.

At the Annual Shareholders' Meeting of May 27, 2020, a resolution was passed authorizing the Managing Board to acquire the Company's own shares up to a total of 10% of the current share capital on or before May 26, 2025. In addition, it was authorized to use equity derivatives for the acquisition of the Company's own shares.

No further own shares were bought or sold in fiscal year 2020.

6 Unappropriated income

(in EUR thousand)	
Distributable profit as of December 31, 2019	193,600
Profit distribution for 2019	2,761
Accumulated income	190,839
Annual deficit	152,577
Transfer to/from other revenue reserves	0
Distributable profit as of December 31, 2020	38,262

7 Disclosures on non-distributable amounts

As in the previous year, there were no amounts blocked from distribution within the meaning of section 268(8) of the Handelsgesetzbuch (HGB -- German Commercial Code). According to section 253(6) of the Handelsgesetzbuch (HGB -- German Commercial Code), there is a payout block in the amount of the difference between the pension provision and the value of derived if discounting had been performed at the average interest rate over seven years. This results in an amount of EUR 5,753 thousand that is blocked from being paid out. In the fiscal year, no capitalization of self-made assets was recorded as an amount blocked from being paid out (2019: EUR 41 thousand).

8 Provisions for pensions and similar obligations

Obligations under pension commitments are covered in part by qualifying insurance policies (plan assets). The benefits from the insurance policies serve solely to meet the respective pension obligations and are withdrawn from access by other creditors through pledging.

The fair value of the reinsurance claim consists of the insurance company's reserves detailed in the business plan plus any available credit balance from the refund of premiums (so-called profit participation).

(in EUR thousand)	12/31/2020	12/31/2019
Settlement amount of pensions and similar obligations	91,779	94,131
Fair value of reinsurance	81,568	84,425
Net value of pensions and similar obligations (provision)	10,211	9,706
Historical cost of invested assets in reinsurance	81,568	84,425

Income resulting from the cover assets and the interest expenses from corresponding settlement amounts from the provisions for pensions in fiscal year 2020 are shown below:

(in EUR thousand)	2020	2019
Income from fund assets	621	2,069
Interest expenses for corresponding provisions for pension	5,308	6,645
Netted interest expenses	4,687	4,576

The balance amounting to EUR 4,687 thousand is shown in interest expenses. This includes interest expenses of EUR 2,870 thousand from the change in the interest rate (2020: 2.31%; 2019: 2.71%).

The difference arising from discounting the average market interest rates for a term of ten fiscal years instead of seven stands at EUR 5,753 thousand as of December 31, 2020 (ten-year average: 2.31% / seven-year average: 1.61%) (2019: EUR 6,731 thousand; ten-year average: 2.71% / seven-year average: 1.97%).

9 Other provisions

(in EUR thousand)	12/31/2020	12/31/2019
Personnel expenses	36,564	36,005
Outstanding invoices	32,840	31,826
Refund for goods	6,466	3,930
Other reserves	23,853	20,432
	99,723	92,193

The provisions for personnel expenses predominantly relate to severance pay, partial early retirement as well as the various tranches of the long-term incentive program (LTI).

Outstanding invoices for which the amount and due date are known are reported in trade payables.

The provision for returns includes returned goods, that are largely expected to be completed within 12 months.

The other provisions primarily relate to provisions for other risks amongst other things as interest from external tax audit, provisions for impending losses for supplier contracts and to provisions for supervisory board remuneration of EUR 1,204 thousand (2019: EUR 1,205 thousand).

10 Liabilities

(in EUR thousand)

Presentation according to remaining terms	With a remaining term			Total
	of up to 1 year	from 1 to 5 years	of more than 5 years	
2020				
Due to financial institutions	13,442	34,989	34,953	83,384
Trade payables	98,983	-	-	98,983
Due to affiliated companies	439,873	-	-	439,873
Other Liabilities	16,188	13	3	16,204
	568,486	35,002	34,956	638,444
2019				
Due to financial institutions	14,882	40,714	41,889	97,485
Trade payables	117,360	-	-	117,360
Due to affiliated companies	301,321	-	-	301,321
Other Liabilities	20,602	13	5	20,620
	454,165	40,727	41,894	536,786

EUR 281,844 thousand (2019: EUR 283,057 thousand) of liabilities to affiliated companies relate to loans, the rest to trade payables.

As of December 31, 2020, collateral in the form of land charges were valued at EUR 131,537 thousand for recognized liabilities with banks (2019: EUR 137,394 thousand).

Breakdown of other liabilities

(in EUR thousand)

	12/31/2020	12/31/2019
Taxes	2,823	11,445
Social security	127	0
Other	13,254	9,175
	16,204	20,620

Liabilities from short-term bonuses were reclassified from provisions to other liabilities (2020: EUR 5,689 thousand; 2019: EUR 4,633 thousand).

11 Deferred taxes

Corporation tax, trade tax, the solidarity surcharge and income taxes charged abroad (e.g. eligible withholding tax) are reported as income tax expenses.

In total there was future tax relief from temporary differences between the accounting and tax carrying amounts of assets, prepaid expenses and deferred income and liabilities – taking into account not just HUGO BOSS AG but also the companies and partnerships in the same tax group in which HUGO BOSS AG holds interests – of EUR 18,034 thousand (2019: EUR 54,275 thousand) as of December 31, 2019. This amount was calculated on the basis of a combined income tax rate of 29.55% (2019: 29.55%) (HUGO BOSS AG and tax group companies) and 15.83% (2019: 15.83%) (investments with the legal form of a partnership).

Deferred tax assets are primarily the result of different carrying amounts in fixed assets. The differences between the provisions for pensions and the plan assets to be netted off also result in deferred tax assets. Additional deferred assets result from provisions that are not eligible for tax purposes. Deferred tax liabilities mainly arose from differing carrying amounts recorded in liabilities and intangible assets at the entities included in the Group.

Overall, there was a total deferred tax asset surplus of EUR 54,275 thousand after netting (2019: EUR 16,997 thousand). Deferred tax assets have not been recognized in accordance with the option of section 274(1) sentence 2 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Deferred taxes are not included in tax expenses.

Notes to the Income Statement

12 Sales

(in EUR thousand)

2020	Collection		Sales		Total
	BOSS	HUGO	Other products	Services	
Germany	185,970	84,648	5,031	679	276,328
Europe ¹	284,076	64,473	10,101	119,765	478,415
Americas	21,259	13,389	2,151	6,967	43,766
Asia/Pacific	80,344	4,594	2,224	8,170	95,332
	571,649	167,104	19,507	135,581	893,841

¹ w/o Germany, including Middle East and Africa.

2019	BOSS	HUGO	Other products	Services	
Germany	289,191	108,090	8,206	1,328	406,817
Europe ¹	472,619	85,283	37,873	66,899	662,674
Americas	115,266	19,275	2,947	1,845	139,333
Asia/Pacific	94,873	5,820	3,739	2,249	106,681
	971,949	218,468	52,767	72,321	1,315,505

¹ w/o Germany, including Middle East and Africa.

13 Selling expenses

Selling expenses break down as follows:

(in EUR thousand)

	2020	2019
Marketing costs	14,015	36,352
Expenses for own retail business, indirect sales and marketing organization	86,091	102,702
Costs for storage and procurement	43,696	54,979
Outbound freight and license fees	68,183	96,362
	211,985	290,395

14 General administrative expenses

(in EUR thousand)

	2020	2019
Administrative expenses	93,210	129,779

General and administrative expenses costs mainly result from personnel expenses, space rental, leasing costs, depreciation and amortization and various IT expenses.

15 Other operating income

(in EUR thousand)

	2020	2019
Other operating income	39,678	96,088
thereof from FX effects	3,420	1,679

Other operating income mainly comprises income from charging costs and services to affiliated companies.

16 Other operating expenses

(in EUR thousand)

	2020	2019
Other operating expenses	65,682	65,738
thereof expenses for research and development	34,142	38,600
thereof from FX effects	5,319	1,919

17 Income from equity investments

As a rule, income from equity investments is recorded on the date on which the entitlement arose and receipt of the corresponding income can be expected with reasonable certainty applying prudent business judgement.

Income from equity investments fully relates to related companies. They mainly concern the net income of HUGO BOSS Trade Mark Management GmbH & Co. KG, Metzingen, in the amount of EUR 39,317 thousand (2019: EUR 89,229 thousand), which is credited to the loan account of HUGO BOSS AG as limited partner in accordance with the partnership agreement, as well as the dividend of HUGO BOSS Textile Industry Ltd. in the amount of EUR 1,688 thousand (2019: EUR 30,000 thousand).

18 Other interest and similar income/interests and similar expenses

Other interest and similar income contains income from related parties in the amount of EUR 1,295 thousand (2019: EUR 1,347 thousand).

Interests and similar expenses contain expenses from addition of accrued interest of provisions in the amount of EUR 4,885 thousand (2019: EUR 4,757 thousand). In the total amount of interests and similar expenses EUR 4,553 thousand (2019: EUR 3,382 thousand) to affiliated companies were included.

19 Income from profit transfers/cost of loss absorption

Income from profit and loss transfer agreements is recorded when the income to be transferred can be specified with certainty even if the financial statements of the subsidiary have not been ratified.

There are control and profit transfer agreements with the subsidiaries HUGO BOSS Beteiligungsgesellschaft mbH, Metzingen, and HUGO BOSS Internationale Beteiligungs-GmbH, Metzingen.

20 Depreciation/amortization of financial assets and securities classified as current assets

Due to an impairment that is expected not to be permanent, an unscheduled write-down was performed pursuant to section 253(3) sentence 6 of the Handelsgesetzbuch (HGB - German Commercial Code) on shares in HUGO BOSS Textile Industry Ltd. in the amount of EUR 17,291 thousand (2019: EUR 0 thousand).

21 Taxes on income

Current income taxes for fiscal year 2020 included expenses relating to other periods of EUR 1,835 thousand (2019: EUR 28,649 thousand) and deductible withholding tax of EUR 3,775 thousand (2019: EUR 2,997 thousand). Expenses relating to other periods include provisions for risks from external tax audits of HUGO BOSS AG for the years 2012 to 2015. Statutory changes within the framework of the Coronavirus aid measures of the German Federal Government may result in additional loss carrybacks, which led to a tax refund in 2019 relating to other periods in the amount of 15.83% of the additional loss subject to carryback.

Additional notes to the Income Statement

Cost of material

(in EUR thousand)

	2020	2019
Cost of raw materials, consumables and supplies	343,521	470,476
Cost of services purchased	98,406	95,084
Cost of materials	441,927	565,560

Personnel expenses

(in EUR thousand)

	2020	2019
Wages and salaries	202,523	219,279
Social security and other pension costs	33,845	36,694
thereof for pensions	1,179	1,339
Personnel expenses	236,368	255,973

Income from grants from public authorities

In fiscal year 2020, HUGO BOSS AG received refunds from the public authorities for short-time working compensation and social security contributions in connection with the use of short-time working compensation in the amount of EUR 5,209 thousand. These were offset against personnel expenses.

Income and expenses relating to other periods

In the year under review, income relating to other periods of EUR 9,089 thousand was recognized (2019: EUR 11,699 thousand). This primarily originates from the release of provisions and intra-Group recharged expenses in the prior-year period as well as settlements of bonus agreements from suppliers of disputed receivables.

Expenses relating to other periods included EUR 7,236 thousand (2019: EUR 6,696 thousand) that were mainly write-offs affecting expenses of planned investments (2020: EUR 4,948 thousand).

Additional information

Employee numbers

Average number of employees:

	2020	2019
Industrial employees	987	1,095
Commercial and administrative employees	2,919	3,033
	3,906	4,128

Off-balance sheet transactions in accordance with section 285(3) of the Handelsgesetzbuch (HGB - German Commercial Code)

HUGO BOSS uses not just its own land and buildings, but is also a tenant for several other buildings and the associated land. This use is based on real estate lease agreements (operating leases). This helps to reduce capital commitment and leaves the investment risk with the lessor. The leases have remaining terms of five to six years. The leases result in a lease expense of currently EUR 4,065 thousand (2019: EUR 13,643 thousand). The lease payments are shown in the list of other financial commitments in accordance with section 285(3a) of the Handelsgesetzbuch (HGB - German Commercial Code). These real estate lease agreements contain buy-back options for the relevant properties.

Valuation units not included in the balance sheet pursuant to Sec. 254 HGB (Handelsgesetzbuch – German Commercial Code) in conjunction with Sec. 285 (23) HGB

The Company hedges existing interest rate risks from a variable interest rate loan by using a payer swap. The interest rate hedging covers the entire volume of the bank loan on the balance sheet. The interest swap was not recognized as of the reporting date due to its designation as a valuation unit pursuant to Sec. 254 HGB. The Company has formed a valuation unit (micro-hedge) between the loan (the underlying transaction) and the interest swap (the hedging instrument). The interest swap has a fixed interest rate of 5.77% p.a. and is used solely for the purpose of hedging the variable interest payments of the corresponding loan. The interest swap expires on December 31, 2023. As of December 31, 2020, the hedged carrying amount of the loan was EUR 6,570 thousand (previous year: EUR 7,412 thousand). The fair value of the interest swap, which is not recognized in the balance sheet as a result of the formation of a valuation unit, was minus EUR 954 thousand as of December 31, 2020 (previous year: minus EUR 1,316 thousand) and the nominal volume corresponds to the hedged carrying amount of the loan. The opposing cash outflows from the loan as the underlying transaction and the interest swap as the hedging instrument will be completely offset by 2023 on the basis of the hypothetical derivative method, as the respective loan was hedged immediately after it was granted using the interest swap with identical parameters (maturity, volume, interest rates and interest payment dates).

**Other financial Liabilities under section 285(3a)
of the Handelsgesetzbuch (HGB – German Commercial Code)**

2020	Total	Tenancy and leasing contracts			thereof affiliated companies		thereof associates	
		Buildings/ real estate	Hardware/ software	Other contracts	Buildings Leasing	Other contracts	Buildings Leasing	Other contracts
(in EUR thousand)								
Due 2021	53,037	33,581	17,692	1,764	2,310	-	2,496	-
Due 2022-2025	83,628	80,541	1,451	1,636	5,396	-	9,983	-
Due after 2025	52,114	52,114	-	-	0	-	4,445	-
	188,779	166,236	19,143	3,400	7,706	-	14,924	-
Obligation from investments initiated during the year under review, due in 2021 and 2022	572							
2019	Total	Tenancy and leasing contracts			thereof affiliated companies		thereof associates	
(in EUR thousand)		Buildings/ real estate	Hardware/ software	Other contracts	Buildings Leasing	Other contracts	Buildings Leasing	Other contracts
Due 2020	52,904	33,403	17,468	2,033	2,310	-	2,496	-
Due 2021-2024	98,491	87,364	9,661	1,466	7,139	-	9,983	-
Due after 2024	54,182	54,182	-	-	567	-	4,941	-
	205,577	174,949	27,129	3,499	10,016	-	17,420	-
Obligation from investments initiated during the year under review, due in 2020 and 2021	2,989							

These values are the nominal amounts, i.e. not discounted amounts.

Contingent Liabilities

(in EUR thousand)	12/31/2020	12/31/2019
Contingent liabilities from guarantees	175,363	50,233
thereof affiliated companies	175,363	50,233
Contingent liabilities from the provision of collateral for third party liabilities	5,203	5,790
thereof affiliated companies	5,203	5,790
	180,566	56,023

Guarantees and collateral for third party liabilities have only been provided for the benefit of subsidiaries. According to our information, the underlying obligations can be met by the companies in question in all cases.

Compensation of the Managing Board and the Supervisory Board

Members of the Supervisory Board and the Managing Board are listed on pages 36 to 37.

Compensation of the members of the Managing Board

The total compensation of the members of the Managing Board in accordance with section 285(9a) sentence 1 to 4 of the Handelsgesetzbuch (HGB -- German Commercial Code) came to EUR 5,402 thousand in fiscal year 2020 (2019: EUR 4,540 thousand). Of this amount, EUR 2,294 thousand was attributable to basic compensation including fringe benefits (2019: EUR 2,646 thousand). The information in accordance with section 285(9a) sentence 5 to 8 of the Handelsgesetzbuch (HGB -- German Commercial Code) are given in the compensation report.

In the fiscal year 2020 special remuneration of EUR 200 thousand (2019: EUR 0 thousand) was granted. An amount of EUR 1.232 thousand (2019: EUR 0 thousand) is accounted for by the Short Term Incentive (STI) agreed for the fiscal year 2020. The Long Term Incentive (LTI) for 2020 - 2022 relates to an amount of EUR 1,676 thousand, which results in 50,884 subscription rights in 2020.

Moreover, no loans were granted to nor contingent liabilities assumed in favor of members of the Managing Board in fiscal year 2020. Members of the Managing Board buy, as part of their other in-kind benefits granted, as well as for the personal need discounted at HUGO BOSS.

Pension Commitments (in EUR thousand)

	Mark Langer Chairman of the Managing Board (until July 2020)		Dr. Heiko Schäfer Member of the Managing Board (from March 2020)		Yves Müller Member of the Managing Board	
	2020	2019	2020	2019	2020	2019
Service cost under HGB	247	2,098	215	-	350	260
Pension provision under HGB	1,054	2,674	-	-	-	-

	Ingo Wilts Member of the Managing Board		Total	
	2020	2019	2020	2019
Service cost under HGB	280	280	1,092	2,638
Pension provision under HGB	-	-	1,054	2,674

Compensation of former Managing Board members

In 2020, former members of the Managing Board and their surviving dependents received total compensation of EUR 3,502 thousand (2019: EUR 3,962 thousand). This includes termination-of-employment benefits amounting to EUR 3,645 thousand (2019: EUR 3,513 thousand).

Provisions for pensions obligations for former members of the Managing Board and their surviving dependents was made in the amount of EUR 34,663 thousand (2019: EUR 40,437 thousand). After netting against the reinsurance policy qualifying as plan assets, these amounted to EUR 27,795 thousand (2019: EUR 35,716 thousand).

Compensation of the Supervisory Board

The Supervisory Board received total compensation of EUR 1,205 thousand for its services 2019. For fiscal year 2020, the total compensation will be EUR 1,204 thousand; due to the negative group result, there are no entitlement to variable shares (2020: EUR 0 thousand; 2019: EUR 450 thousand). At the Annual Shareholders' Meeting of May 27, 2020, it was decided to pay a fixed remuneration the Supervisory Board. The Articles of Association were amended with effect from July 30, 2020.

Beyond that no significant transactions between the companies of the HUGO BOSS Group and people in key positions and their next family members took place.

In total, the members of the Managing Board and the Supervisory Board hold circa 1% (2019: less than 1%) of the shares issued by HUGO BOSS AG.

The information in accordance with section 285 no. 9 a) sentence 5 to 8 of the Handelsgesetzbuch (HGB – German Commercial Code) can be found in the compensation report in the combined management report.

German Corporate Governance Code

In December 2020, the Managing Board and Supervisory Board of HUGO BOSS AG issued the declaration of compliance prescribed by Sec. 161 AktG. It is available for shareholders on the Company's website.

Auditor's fees

In accordance with section 285(17) of the Handelsgesetzbuch (HGB -- German Commercial Code), this has not been disclosed here as this information can be found in the consolidated financial statements of HUGO BOSS AG.

Dividend and appropriation of net profit

In 2020, the dividend payment for fiscal year 2019 was suspended except for the legal minimum dividend of EUR 2,761 thousand in accordance with Section 254 (1) of the German Stock Corporation Act (AktG), in order to further secure financial stability and strengthen the internal financing capability of HUGO BOSS during the COVID 19 pandemic. This corresponded to a dividend payment of EUR 0.04 per share for fiscal year 2019 (2018: EUR 2.70 per share). The undistributed profit for financial year 2019 thus amounted to EUR 190,839 thousand.

The fiscal year 2020 of HUGO BOSS AG closed with a net loss of EUR 152,577 thousand (net income 2019: EUR 169,120 thousand). Retained earnings, including the undistributed profits carried forward from the previous year, amount to EUR 38,262 thousand. Due to the persisting high uncertainties in light of the COVID-19 pandemic, the Managing Board and Supervisory Board of HUGO BOSS intend to propose to distribute only the legal minimum dividend of EUR 0.04 per share (2019: EUR 0.04 per share) for financial year 2020. This corresponds to an amount of EUR 2,761 thousand (2019: EUR 2,761 thousand). The retained earnings in the amount of EUR 35,501 thousand will be carried forward.

Subsequent events in accordance with section 289 of the Handelsgesetzbuch (HGB - German Commercial Code)

Between the end of fiscal year 2020 and the date of the preparation of this report on March 5, 2021, the global business of HUGO BOSS continued to be impacted by the COVID-19 pandemic. Persisting lockdowns and temporary store closures, in particular in Europe – by far largest region for the Company –, lasting restrictions on public life including comprehensive social distancing measures as well as ongoing international travel restrictions are expected to continue to weigh on the recovery of the overall industry as well as performance of HUGO BOSS, especially in the first half of 2021.

Beyond this development, there were no other material macroeconomic, socio-political, industry-related or Company-specific changes that the Management expects to have a significant impact on the Group's earnings, net assets and financial position.

Disclosures pursuant to Section 160 (1) no. 8 AktG ["Aktiengesetz": German Stock Corporation Act]

Below is a list of the shares in HUGO BOSS AG subject to a reporting obligation as of the balance sheet date and up to March 5, 2021 that have been notified to the Company in writing in accordance with Sec. 33 (1) or (2) WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act]. The disclosures were taken from the latest notification to HUGO BOSS AG by a party subject to a reporting obligation.

Communicated shares to reporting obligation up to March 5, 2021

On February 13, 2020, PFC S.r.l., Vicenza, Italy, and Zignago Holding S.p.A., Fossalta di Portogruaro, Italy, which have combined their shares through a shareholder agreement, informed the Company that on February 7, 2020 their joint voting rights in HUGO BOSS AG, held directly or indirectly, exceeded the threshold of 15% of the voting rights in HUGO BOSS AG and on that day amounted to 10,879,003 voting rights or 15.45% of the voting rights.

On December 15, 2020, the Ministry of Finance on behalf of the State of Norway, Oslo, Norway, informed the Company that on December 11, 2020 Norges Bank's voting rights in HUGO BOSS AG, held directly or indirectly, fell below the threshold of 3% of the voting rights in HUGO BOSS AG and on that day amounted to 1,805,527 voting rights or 2.56% of the voting rights.

On February 5, 2021, BlackRock, Inc., Wilmington, United States, informed the Company that on February 2, 2021, its voting rights in HUGO BOSS AG, held directly or indirectly, amounted to 2,943,458 voting rights or 4.18% of the voting rights.

On February 24, 2021, UBS Group AG, Zurich, Switzerland, informed the Company that on February 19, 2021, its voting rights in HUGO BOSS AG held directly or indirectly, amounted to 3,858,746 voting rights or 5.48% of the voting rights.

On January 19, 2021, Mr. Michael Ashley informed the Company that on January 13, 2021, his voting rights in HUGO BOSS AG, held directly or indirectly, fell below the threshold of 15% of the voting rights in HUGO BOSS AG and on that day amounted to 10,724,165 voting rights or 15.23% of the voting rights.

Managing Board

Member of the Managing Board	Responsibility
<p>Yves Müller (Hamburg/Metzingen, Germany)</p> <p>Spokesperson of the Managing Board (from July 16, 2020)</p> <p>from December 1, 2017 Member of the Managing Board</p>	<p>Controlling, Finance and Tax, Internal Audit, Investor Relations, Central Services, IT, Risk and Insurance Management, Legal/Compliance, Human Resources, Own Retail, Wholesale, (from July 2020 until January 2021), Corporate Strategy, Communications (from July 2020)</p>
<p>Dr. Heiko Schäfer (Hamburg/Metzingen, Germany)</p> <p>from March 16, 2020 Member of the Managing Board</p>	<p>Operations, Own Manufacturing, Product Development and Sourcing, Sustainability and Quality Management, Global Logistics (from July 2020)</p>
<p>Oliver Timm (Meerbusch/Metzingen, Germany)</p> <p>from January 1, 2021 Member of the Managing Board</p>	<p>Own Retail, Wholesale including e-commerce, Visual Merchandising, Retail Operations, Real Estate Management, Customer Relationship Management (CRM)</p>
<p>Ingo Wilts (Amsterdam, Netherlands/Metzingen, Germany)</p> <p>from August 15, 2016 Member of the Managing Board</p>	<p>Creative Management, Licenses Management, Global Marketing, Business Unit BOSS Menswear (from July 2020), Business Unit BOSS Womenswear, Business Unit HUGO</p>
<p>Mark Langer (Stuttgart, Germany)</p> <p>until July 15, 2020 Chairman and Member of the Managing Board</p>	<p>Corporate Strategy and Communication, Own Retail, Wholesale, Global Sustainability (until March 2020) Global Production and Sourcing (until March 2020), Supply Chain Management (until March 2020), Business Unit BOSS Menswear, Global Logistics</p>

Supervisory Board

Shareholder representatives

Hermann Waldemer

(Blitzingen, Switzerland)

Management Consultant,
Chairman of the Supervisory Board (since May 2020)

Member since 2015

Iris Epple-Righi

(Munich, Germany)

Management Consultant

Member since 2020

Gaetano Marzotto

(Milan, Italy)

Chairman of the Supervisory Board Gruppo Santa
Margherita S.p.A., Fossalta di Portogruaro, Italy

Member since 2010

Luca Marzotto

(Venice, Italy)

Chief Executive Officer Zignago Holding S.p.A.,
Fossalta di Portogruaro, Italy

Member since 2010

Christina Rosenberg

(Munich, Germany)

Management Consultant innotail, Munich

Member since 2020

Robin J. Stalker

(Oberreichenbach, Germany)

Chartered Accountant

Member since 2020

Michel Perraudin

(Hergiswil, Switzerland)

Management Consultant,
Chairman of the Supervisory Board (until May 2020)

Member from/until 2015/2020

Kirsten Kistermann-Christophe

(Oberursel, Germany)

Managing Director Société Générale S.A.,
Frankfurt/Main, Germany

Member from/until 2015/2020

Axel Salzmann

(Großhansdorf, Germany)

Chief Financial Officer Hensoldt Holding GmbH,
Taufkirchen, Germany

Member from/until 2015/2020

Employee representatives

Sinan Piskin

(Metzingen, Germany)

Administrative Employee/Deputy Chairman of the
Works Council HUGO BOSS AG, Metzingen, Germany,
Deputy Chairman of the Supervisory Board (since May 2020)

Member since 2008

Katharina Herzog

(Reutlingen, Germany)

Director Group Finance & Tax HUGO BOSS AG,
Metzingen, Germany

Member since 2020

Anita Kessel

(Metzingen, Germany)

Administrative Employee HUGO BOSS AG,
Metzingen, Germany

Member since 2015

Tanja Silvana Nitschke

(Inzigkofen, Germany)

Chairperson and Treasurer of the German Metalworkers'
Union (IG Metall) Reutlingen-Tuebingen,
Reutlingen, Germany

Member since 2015

Martin Sambeth

(Tiefenbronn, Germany)

Chairperson and Treasurer of the German Metalworkers'
Union (IG Metall) Karlsruhe, Karlsruhe, Germany,

Member since 2016

Antonio Simina

(Metzingen, Germany)

Tailor/Chairman of the Works Council HUGO BOSS AG,
Metzingen, Germany,
Deputy Chairman of the Supervisory Board (until May 2020)

Member since 1985

Fridolin Klumpp

(Caslano, Switzerland)

Business Director BOSS Womenswear HUGO BOSS AG,
Metzingen, Germany

Member from/until 2015/2020

Additional disclosures on the members of the Supervisory Board and the Managing Board

The members of the Company's Supervisory Board are also members of a supervisor board at the following companies:¹

Katharina Herzog	HUGO BOSS Holding Netherlands B.V.	Amsterdam, Netherlands
	HUGO BOSS International B.V.	Amsterdam, Netherlands
Gaetano Marzotto	Style Capital SGR S.p.A. ²	Milan, Italy
	TIPO S.p.A.	Milan, Italy
	HIPPOCRATES HOLDING S.p.A.	Milan, Italy
	Zignago Holding S.p.A.	Fossalta di Portogruaro, Italy
	Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy
Luca Marzotto	Dimora 01	Milan, Italy
	Forte Forte S.r.l.	Sarcedo, Italy
	Isotex Engineering S.r.l.	Trissino, Italy
	Multitecno S.r.l.	Fossalta di Portogruaro, Italy
	Santex Rimar Group S.r.l.	Trissino, Italy
	Smit S.r.l.	Trissino, Italy
	Solwa S.r.l.	Trissino, Italy
	Sperotto Rimar S.r.l.	Trissino, Italy
	Vetri Speciali S.p.A.	Trento, Italy
	Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy
Christina Rosenberg	Joef Tretter GmbH & Co. KG	Munich, Germany
	Villeroy & Boch AG	Mettlach, Germany
Robin J. Stalker	Commerzbank AG	Frankfurt, Germany
	Schaeffler AG	Herzogenaurach, Germany
	Schmitz Cargobull AG ²	Horstmar, Germany
Michel Perraudin (until May 2020)	ODLO Sports Holding AG (Switzerland) ²	Huenenberg, Switzerland
Fridolin Klumpp (until May 2020)	HUGO BOSS Ticino AG (Switzerland)	Coldrerio, Switzerland
Axel Salzmänn (until May 2020)	TeamViewer AG	Goeppingen, Germany

¹ The members not named have no seats on executive or supervisory boards at other companies.

² Member holds position of Chairman.

The members of the Company's Managing Board do not have any mandates in executive or supervisory bodies of other companies.

Disclosure

The Group annual report and accounts of HUGO BOSS AG are published in the electronic German Federal Gazette and on the HUGO BOSS website.

Metzingen, March 5, 2021

HUGO BOSS AG
The Managing Board

Yves Müller
Dr. Heiko Schäfer
Oliver Timm
Ingo Wilts

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ADDITIONAL INFORMATION

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of HUGO BOSS AG, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of HUGO BOSS AG, together with a description of the principal opportunities and risks associated with the expected development of HUGO BOSS AG.

Metzingen, March 5, 2021

HUGO BOSS AG
The Managing Board

Yves Müller
Dr. Heiko Schäfer
Oliver Timm
Ingo Wilts

The following copy of the auditor's report also includes a "Report on the assurance in accordance with Sec. 317 (3b) HGB on the electronic reproduction of the financial statements and the management report prepared for publication purposes" ("separate report on ESEF compliance"). The subject matter underlying the separate report on ESEF compliance (ESEF documents subject to assurance) is not attached. The ESEF documents that have been subject to assurance can be viewed in and obtained from the Bundesanzeiger [German Federal Gazette].

„INDEPENDENT AUDITOR'S REPORT

To HUGO BOSS AG

Report on the audit of the annual financial statements and of the management report

Opinions

We have audited the annual financial statements of HUGO BOSS AG, Metzingen, which comprise the balance sheet as of 31 December 2020, and the income statement for the fiscal year from 1 January to 31 December 2020 and notes to the financial statements, including the accounting policies presented therein. In addition, we have audited the management report of HUGO BOSS AG, which has been combined with the management report, for the fiscal year from 1 January to 31 December 2020. In accordance with the German legal requirements, we have not audited the content of the non-financial statement included in the section "Group non-financial statement" of the management report or the corporate governance pursuant to Sec. 289f HGB ["Handelsgesetzbuch": German Commercial Code], which was published as part of the management report on the Company's website and referred to in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of 31 December 2020 and of its financial performance for the fiscal year from 1 January to 31 December 2020 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the statement on corporate governance or the non-financial statement referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 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 annual financial statements and of the management report" section of our auditor's report. We are independent of the Company 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 Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January to 31 December 2020. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1) Impairment testing of shares in affiliates

Reasons why the matter was determined to be a key audit matter:

Shares in affiliates as of 31 December 2020 reported in the annual financial statements of HUGO BOSS AG account for a large part of total assets. For the purpose of impairment testing, the Company determines the fair values on an annual basis using a discounted cash flow method.

The results of the valuations particularly depend on estimates of the future cash flows by the executive directors as well as the discount rate used. Due to the materiality of the shares in affiliates as well as the fact that impairment testing involves a large degree of judgment, especially in light of the effects of the COVID-19 pandemic, we determined the impairment testing of shares in affiliates to be a key audit matter.

Auditor's response:

We examined the methodology and mathematical accuracy of the valuation model used. We verified the individual components used to determine the discount rate with the support of our internal valuation experts by analyzing the peer group, comparing market data with external evidence and examining the mathematical accuracy of the calculation.

We checked on a test basis that the planning assumptions used in the business plan of the equity investments are in line with the business plan of the Company passed by the Managing Board and approved by the Supervisory Board. In addition, we inspected the growth rates used to roll forward the budget by comparing internal and external data. We also analyzed the forecasts of individual equity investments with regard to the future development derived from findings in the past, in light of the effects of the COVID-19 pandemic, discussed this with the Company's executive directors and obtained evidence substantiating the individual assumptions of the forecasts.

Our audit procedures regarding the impairment testing of shares in affiliates did not lead to any reservations.

Reference to related disclosures:

The disclosures by the Company on the impairment of shares in affiliates can be found on page 10 of the notes to the financial statements.

2) Measurement of inventories

Reasons why the matter was determined to be a key audit matter:

HUGO BOSS is active in the high-end segment of the fashion and apparel industry and is confronted with continuously changing customer demand. A rapidly changing market leads to increased inventory risks and uncertainty in the measurement of inventories, particularly during the COVID-19 pandemic.

In particular, the calculation of the write-down rates using the Company's IT-supported write-down procedure as well as, where necessary, the calculation of additional manual adjustments which are not taken into account in this write-down procedure, require the executive directors of the Company to exercise judgment, particularly during the COVID-19 pandemic.

The measurement of inventories was a key audit matter due to the judgment exercised.

Auditor's response:

In our audit, we first examined the procedures established by the Company's executive directors for determining write-downs recognized for slow-moving goods and assessed the effectiveness of the controls implemented in this process.

We verified the suitability of the IT-supported write-down procedure for the assessment of inventory risks resulting from range, saleability, and net realizable value, also in light of current developments due to the COVID-19 pandemic. We assessed the system-based implementation of the write-down procedure in IT with the assistance of internal IT experts, mainly verifying the consistency of the parameters with those used in prior years. If there were any changes in the write-down procedure in the current year, we examined the reasons and their implementation. We further assessed the write-down rates used by the Company based on past experience and taking into account the effects of the COVID-19 pandemic regarding current sales planning through analytical comparisons with the write-downs applied for each country in prior years. We compared the computational logic of the model with the accounting policies used by the Company and arithmetically verified it on a test basis.

We discussed additional manual adjustments, which are not taken into account in this write-down procedure, with the Company's executive directors, particularly in light of the effects of the COVID-19 pandemic, verified their data basis and calculation as well as obtained supportive evidence from specialist departments and performed further substantive audit procedures.

Our audit did not lead to any reservations concerning the measurement of inventories of the Company.

Reference to related disclosures:

The disclosures by the Company on the measurement of inventories can be found on page 10 of the notes to the financial statements.

Other information

The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG [“Aktengesetz”: German Stock Corporation Act] on the German Corporate Governance Code, which is part of the declaration of corporate governance. In all other respects, the executive directors are responsible for the other information. The other information comprises the disclosures contained in chapter 3 of the annual report with the exception of the independent auditor's report, the non-financial statement included in the “Group non-financial statement” section of the group management report and the statement on corporate governance pursuant to Sec. 289f HGB, which was published on the Company's website as part of the group management report and referred to in the group management report. We received a version of this other information prior to issuing this independent auditor's report.

Our opinions on the annual financial statements and on the 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 annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the supervisory board for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company'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, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a 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 management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual 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 annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 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 annual financial statements and this 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 annual financial statements and of the 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the 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 of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 Company'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 annual financial statements and in the 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 Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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 related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual 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 in accordance with Sec. 317 (3b) HGB on the electronic reproduction of the annual financial statements and the management report prepared for publication purposes

Opinion

We have performed assurance work in accordance with Sec. 317 (3b) HGB to obtain reasonable assurance about whether the reproduction of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the attached electronic file HugoBoss_AG_EA+LB_ESEF-2020-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor to any other information contained in the abovementioned electronic file.

In our opinion, the reproduction of the annual financial statements and the management report contained in the abovementioned attached electronic file and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the abovementioned file beyond this reasonable assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the fiscal year from 1 January 2020 to 31 December 2020 contained in the "Report on the audit of the annual financial statements and of the management report" above.

Basis for the opinion

We conducted our assurance work on the reproduction of the financial statements and the management report contained in the abovementioned attached electronic file in accordance with Sec. 317 (3b) HGB and Exposure Draft of IDW Assurance Standard: Assurance in Accordance with Sec. 317 (3b) HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (ED IDW AsS 410) and the International Standard on Assurance Engagements 3000 (Revised)]. Our responsibilities under that standard are further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applied the standards for the quality assurance system set forth in IDW Quality Control Standard: "Anforderungen an die Qualitätssicherung in der Wirtschaftsprüferpraxis" [Requirements for Quality Control in the Practice of Public Auditors] (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic reproduction of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Sec. 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The executive directors of the Company are also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited annual financial statements and the audited management report as well as other documents to be published to the operator of the Bundesanzeiger [German Federal Gazette].

The supervisory board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of Sec. 328 (1) HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material non-compliance with the requirements of Sec. 328 (1) HGB, whether due to fraud or error, design and perform audit 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 electronic file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815, in the version valid as of the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited annual financial statements and to the audited management report.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual General Meeting on 27 May 2020. We were engaged by the chairman of the Supervisory Board on 27 July 2020. We have been the auditor of HUGO BOSS AG without interruption since fiscal year 2012.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or entities controlled by it the following services that are not disclosed in the annual financial statements or in the management report:

- agreed-upon procedures with regard to revenue generated in properties leased by third parties and
- review of the sustainability report of HUGO BOSS AG for 2019 and 2020.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mr. Peter Werling."

Stuttgart, March 9, 2021

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Werling
Wirtschaftsprüfer
(German Public Auditor)

Störzinger
Wirtschaftsprüfer
(German Public Auditor)

FORWARD-LOOKING STATEMENTS

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 or 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. HUGO BOSS does not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

FINANCIAL CALENDAR AND CONTACTS

FINANCIAL CALENDAR

March 11, 2021

Full Year Results 2020

May 5, 2021

First Quarter Results 2021

May 11, 2021

Annual Shareholders' Meeting

August 4, 2021

Second Quarter Results 2021 & First Half Year Report 2021

November 3, 2021

Third Quarter Results 2021

CONTACTS

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LEGAL NOTICE

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Concept and Design

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