CHAPTER 4 CONSOLIDATED FINANCIAL STATEMENTS

4

CONSOLIDATED INCOME STATEMENT

for the period from January 1 to December 31, 2024

CONSOLIDATED INCOME STATEMENT (IN EUR THOUSAND)

	Notes	2024	2023
Sales	(1)	**4,307,349**	**4,197,459**
Cost of sales	(1)	(1,647,508)	(1,616,606)
Gross profit		**2,659,841**	**2,580,852**
In % of sales		61.8	61.5
Selling and marketing expenses	(2)	(1,868,152)	(1,744,938)
Administration expenses	(3)	(430,868)	(425,577)
Operating result (EBIT)		**360,821**	**410,337**
Net interest income/expenses		**(54,978)**	**(44,861)**
Interest and similar income		1,253	978
Interest and similar expenses		(56,231)	(45,839)
Other financial items		**(4,341)**	**(8,587)**
Financial result	(4)	**(59,319)**	**(53,448)**
Earnings before taxes		**301,503**	**356,889**
Income taxes	(5)	(77,909)	(87,099)
Net income		**223,594**	**269,790**
Attributable to:			
Equity holders of the parent company		213,468	258,371
Non-controlling interests		10,126	11,419
Earnings per share (EUR)[1]	(6)	**3.09**	**3.74**
Dividend per share (EUR)[2]	(16)	**1.40**	**1.35**

1 Basic and diluted earnings per share.
2 2024: Dividend proposal.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to December 31, 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IN EUR THOUSAND)

	2024	2023
Net income	**223,594**	**269,790**
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(2,352)	(10,772)
Items that may be reclassified subsequently to profit or loss		
Currency differences	15,955	(5,492)
Gains/losses from cash flow hedges	0	(293)
Other comprehensive income, net of tax	**13,603**	**(16,557)**
Total comprehensive income	**237,197**	**253,233**
Attributable to:		
Equity holders of the parent company	225,951	242,533
Non-controlling interests	11,246	10,700
Total comprehensive income	**237,197**	**253,233**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as of December 31, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN EUR THOUSAND)

Assets	Notes	**2024**	2023
Property, plant, and equipment	(8)	667,127	603,533
Intangible assets	(8)	230,243	195,770
Right-of-use assets	(9)	877,209	722,101
Deferred tax assets	(5)	123,856	130,496
Non-current financial assets	(11), (22)	30,801	26,637
Other non-current assets	(11)	606	2,057
Non-current assets		**1,929,841**	**1,680,594**
Inventories	(12)	1,071,561	1,066,044
Trade receivables	(13)	361,906	375,620
Current tax receivables	(5)	23,452	23,148
Current financial assets	(11), (22)	49,341	54,132
Other current assets	(11)	135,698	126,867
Cash and cash equivalents	(14)	210,622	118,327
Assets held for sale		0	26,936
Current assets		**1,852,580**	**1,791,073**
Total		**3,782,421**	**3,471,667**

Equity and liabilities			
Subscribed capital	(15)	70,400	70,400
Own shares	(15)	(42,363)	(42,363)
Other capital reserve		6,677	4,107
Retained earnings		1,320,218	1,200,765
Accumulated other comprehensive income		72,039	59,753
Equity attributable to equity holders of the parent company		**1,426,972**	**1,292,663**
Non-controlling interests		23,139	18,114
Group equity		**1,450,111**	**1,310,777**
Non-current provisions	(17), (18), (19)	99,845	108,801
Non-current financial liabilities	(20), (22)	276,408	316,428
Non-current lease liabilities	(9)	730,961	624,234
Deferred tax liabilities	(5)	18,450	18,969
Other non-current liabilities	(21)	2,516	2,313
Non-current liabilities		**1,128,179**	**1,070,746**
Current provisions	(17)	68,430	92,448
Current financial liabilities	(20), (22)	20,410	23,721
Current lease liabilities	(9)	228,221	169,010
Income tax payables	(5)	7,740	7,214
Trade and other payables		642,740	571,822
Other current liabilities	(21)	236,590	206,569
Liabilities held for sale		0	19,360
Current liabilities		**1,204,131**	**1,090,144**
Total		**3,782,421**	**3,471,667**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from January 1 to December 31, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IN EUR THOUSAND)

				Retained earnings		Accumulated other comprehensive income		Group equity		
	Subscribed capital	Own shares	Other capital reserves	Legal reserves	Other reserves	Currency translation	Gains/losses from cash flow hedges	Total before non-controlling interests	Non-controlling interests	Group equity
Notes	(15)	(15)								
January 1, 2023	**70,400**	**(42,363)**	**1,582**	**6,641**	**1,015,501**	**64,527**	**293**	**1,116,581**	**18,852**	**1,135,433**
Net income					258,371			258,371	11,419	269,790
Other income					(10,772)	(4,773)	(293)	(15,838)	(719)	(16,557)
Comprehensive income					**247,599**	**(4,773)**	**(293)**	**242,533**	**10,700**	**253,233**
Dividend payment					(69,016)			(69,016)	(11,444)	(80,460)
Share-based payments			2,526					2,526		2,526
Changes in basis of consolidation					40			40	5	45
December 31, 2023	**70,400**	**(42,363)**	**4,107**	**6,641**	**1,194,123**	**59,754**	**0**	**1,292,663**	**18,114**	**1,310,777**
January 1, 2024	**70,400**	**(42,363)**	**4,107**	**6,641**	**1,194,123**	**59,754**	**0**	**1,292,663**	**18,114**	**1,310,777**
Net income					213,468			213,468	10,126	223,594
Other income					(2,352)	14,835		12,483	1,120	13,603
Comprehensive income					**211,117**	**14,835**		**225,951**	**11,246**	**237,197**
Dividend payment					(93,172)			(93,172)	(6,210)	(99,382)
Share-based payments			2,569					2,569		2,569
Changes in basis of consolidation					1,509	(2,549)		(1,040)	(11)	(1,051)
December 31, 2024	**70,400**	**(42,363)**	**6,677**	**6,641**	**1,313,577**	**72,039**	**0**	**1,426,972**	**23,139**	**1,450,111**

CONSOLIDATED STATEMENT OF CASH FLOWS

for the period from January 1 to December 31, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS (IN EUR THOUSAND)

	Notes	2024	2023
	(23)		
Net income		223,594	269,790
Depreciation/amortization	(8)	414,206	341,697
Gain/loss on the monetary positions under IAS 29		(3,812)	1,129
Unrealized net foreign exchange gain/loss		(5,779)	13,132
Other non-cash transactions		1,633	3,701
Income tax expense/income	(5)	77,909	87,099
Interest expenses/income	(4)	54,978	44,861
Change in inventories		(4,162)	(99,592)
Change in receivables and other assets		10,914	(123,472)
Change in trade payables and other liabilities		112,684	(50,964)
Result from disposal of non-current assets		12,072	5,223
Change in provisions for pensions	(19)	(334)	(9,770)
Change in other provisions		(34,881)	(18,429)
Income taxes paid		(73,509)	(70,762)
Cash flow from operating activities		**785,511**	**393,643**
Investments in property, plant, and equipment	(8)	(227,013)	(247,385)
Investments in intangible assets	(8)	(58,606)	(50,123)
Equity investments		(1,481)	0
Disposal of subsidiaries, net of cash disposed of		(1,142)	0
Impact from sales of property, plant, and equipment and intangible assets		(1,571)	(1,610)
Interest received		1,213	1,479
Cash flow from investing activities		**(288,601)**	**(297,638)**
Dividends paid to equity holders of the parent company	(16)	(93,172)	(69,016)
Dividends paid to non-controlling interests		(6,210)	(11,444)
Proceeds from current financial liabilities	(22)	3,451	2,000
Repayment of current financial liabilities	(22)	(90,085)	(60,554)
Proceeds from non-current financial liabilities	(22)	50,272	279,473
Repayment of lease liabilities		(216,123)	(221,577)
Interest paid		(52,862)	(41,327)
Cash flow from financing activities		**(404,728)**	**(122,445)**
Exchange rate-related changes in cash and cash equivalents		113	(2,636)
Change in cash and cash equivalents		**92,295**	**(29,076)**
Cash and cash equivalents at the beginning of the period		118,327	147,403
Cash and cash equivalents at the end of the period	(14)	**210,622**	**118,327**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL YEAR 2024

General information

HUGO BOSS AG is a publicly listed stock corporation with its registered offices in Holy-Allee 3, 72555 Metzingen, Germany. The Company is registered in the commercial register of the Stuttgart local court under HRB 360610.

The purpose of HUGO BOSS AG and its subsidiaries (together "HUGO BOSS" or "the Group") is the development, marketing, and distribution of apparel, shoes, and accessories in the premium segment of the global apparel industry and other lifestyle products.

The consolidated financial statements of HUGO BOSS AG as of December 31, 2024, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU), and the additional regulations pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code].

The consolidated financial statements and the combined management report of HUGO BOSS AG, Metzingen, were approved by the Managing Board for submission to the Supervisory Board by a decision on March 5, 2025.

Due to rounding and the presentation in EUR thousand, it is possible that the individual figures in the consolidated financial statements do not add up to the stated total.

Financial reporting

The first-time application of the following new standards and amendments to the IFRS accounting standards as issued by the IASB, which are effective for a fiscal year beginning on or after January 1, 2024, do not have any material impact on the amounts or the disclosures of the Group's financial statements and results of operations. This includes:

- Amendment to IAS 1: Classification of Liabilities as Current or Non-current
- Amendment to IAS 1: Non-current Liabilities with Covenants
- Amendment to IAS 7 and IFRS 7: Supplier Finance Arrangements
- Amendment to IFRS 16: Lease Liability in a Sale and Leaseback

The following new standards, interpretations, and amendments to existing standards and interpretations issued by the International Accounting Standards Board (IASB), partially endorsed by the EU, and that are effective for fiscal years beginning on or after January 1, 2025, have not been applied in preparing these consolidated financial statements. These amendments either do not have a material impact on the presentation of the Group's financial position and results of operations or are currently in the process of being reviewed for their application:

- Amendment to IAS 21: Lack of Exchangeability (IASB effective date: January 1, 2025)
- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments (IASB effective date: January 1, 2026)
- Annual Improvements to IFRS Accounting Standards – Volume 11 (IASB effective date: January 1, 2026)
- IFRS 18: Presentation and Disclosure in Financial Statements which replaces IAS 1 (IASB effective date: January 1, 2027)
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (IASB effective date: January 1, 2027)

Consolidation principles

The basis of consolidation comprises HUGO BOSS AG and all subsidiaries, including structured entities, over which HUGO BOSS AG can exercise direct or indirect control. HUGO BOSS AG is deemed to exercise control if, as the parent company, it has power over the subsidiary on account of voting or other rights, is exposed to variable returns from its involvement in the subsidiary, and is able to use its power over the subsidiary to affect the amount of these returns. The subsidiary is deconsolidated as soon as the parent company relinquishes control over it.

Subsidiaries with an immaterial impact on the Group's net assets, financial position, and results of operations are not included in the consolidated financial statements. The impact is considered immaterial if the aggregated sales, earnings, and total assets make up less than 1% of the corresponding Group figures. This is reassessed at each reporting date. Non-consolidated subsidiaries are measured at fair value or, if this cannot be determined reliably, at cost, and reported under other non-current financial assets.

Structured entities that are controlled by the parent company are also consolidated. These are entities that have been structured in such way that they are controlled by the parent company regardless of who holds the voting or comparable rights. This is the case, for example, if the exercise of voting rights is confined to administrative tasks and the material activities are governed by contracts.

Joint ventures are consolidated using the equity method. Joint control is the contractually agreed sharing of control of an arrangement. It exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity-settled transactions.

Basis of consolidation

During the reporting period from January 1 to December 31, 2024, the number of consolidated companies decreased by 4 to 61, compared to December 31, 2023.

In fiscal year 2024, HUGO BOSS merged HUGO BOSS International Markets AG into HUGO BOSS Ticino S.A. and HUGO BOSS Trade Mark Management Verwaltungs-GmbH into HUGO BOSS Nationale Beteiligungsgesellschaft mbH. In addition, HUGO BOSS Dienstleistung GmbH, previously inactive, was renamed to Eightyards GmbH and deconsolidated due to immateriality. The company is now dedicated to the recycling of the Group's surplus materials and will commence business operations in the first quarter of 2025.

In the third quarter of 2024, HUGO BOSS completed the sale of its subsidiary HUGO BOSS Rus LLC. Accordingly, the Company derecognized the related assets and liabilities held for sale under the EMEA segment and deconsolidated HUGO BOSS Rus LLC as of August 1, 2024. The loss on the sale of investment is recognized under administration expenses in the consolidated income statement.

HUGO BOSS AG increased its shares and ownership in YOURDATA HB DIGITAL CAMPUS, Unipessoal Lda. based in Porto, Portugal to 45% in fiscal year 2024. HUGO BOSS AG has a contractual right to acquire the remaining shares of the company over a period up until July 2028 at a price based on the achievement of relevant KPIs. As of December 31, 2024, the fair value of this call option is assessed to be nil, with no related financial liabilities. Since fiscal year 2023, YOURDATA HB DIGITAL CAMPUS, Unipessoal Lda. was included in the consolidated financial statements, as HUGO BOSS AG has the decisive voting rights in the company.

Business combinations

When a company obtains control of one or more businesses, this constitutes a business combination within the meaning of IFRS 3. All business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition-date fair value and the amount of any non-controlling interest in the acquiree. The identifiable assets acquired and liabilities assumed (including contingent liabilities) in a business combination are measured at their acquisition-date fair values. Non-controlling interests are measured at their proportionate share in the fair value of the identifiable assets and liabilities. Acquisition-related costs are recognized in profit or loss as incurred.

Goodwill

Goodwill resulting from a business combination is the excess between the consideration transferred and the fair value of the non-controlling interest in the assets acquired and the liabilities assumed. If the consideration is lower than the fair value of the net assets of the acquiree, the difference is reassessed and then recognized in profit or loss.

After initial recognition, goodwill is carried at cost in the functional currency of the foreign acquiree less any accumulated impairment losses. Any goodwill recognized is tested for impairment annually and whenever there is an indication that the assets might be impaired.

Intercompany transactions

The effects of intercompany transactions are eliminated. Receivables and liabilities between the consolidated companies are offset against each other. Intercompany gains and losses pertaining to intangible assets, property, plant, and equipment, and inventories are eliminated. Intercompany income is offset against the corresponding intercompany expenses. Deferred taxes are recognized on temporary differences arising on consolidation in accordance with IAS 12.

Determination of the functional currency

The Group's reporting currency, the euro, is the functional currency of the parent company, HUGO BOSS AG. The functional currency of the subsidiaries included in the consolidated financial statements is typically the corresponding local currency. For subsidiaries that conduct a significant portion of their sales and sourcing activities and their financing in a currency other than the corresponding local currency, the functional currency is the currency of the primary business environment. Accordingly, the euro is the functional currency of HUGO BOSS Textile Industry Ltd., Turkey, as the company conducts most of its business in euros.

Foreign currency transactions and balances

In the separate financial statements, transactions in foreign currency are translated at the exchange rates valid at the dates of the transactions. Monetary items (cash and cash equivalents, receivables, and payables) denominated in foreign currencies are translated into the functional currency at closing rates. The resulting exchange rate gains and losses are recognized through profit and loss in other financial items.

Non-monetary items denominated in foreign currencies that are measured at fair value are translated at the rate prevailing at the time the fair value was determined. Non-monetary items measured at historical acquisition cost are translated at the rate of the transaction date.

Hyperinflation

Turkey is classified as a hyperinflationary economy and therefore IAS 29 "Financial Reporting in Hyperinflationary Economies" applies to the Group's sales subsidiary in Turkey. Accordingly, the financial statements of HUGO BOSS Magazacilik Ltd. Sti., Izmir, Turkey, which has the Turkish lira as its functional currency, have been restated for the changes in general purchasing power retrospectively since January 1, 2022. The financial statements are based on a historical cost approach. All prior-year amounts have been translated into the Group currency (euro) at the closing rate as of December 31, 2021. Pursuant to IAS 21 "The Effects of Changes in Foreign Exchange Rates", comparative amounts of the previous reporting period have not been restated.

Additionally, in order to reflect the changes in general purchasing power at the balance sheet date, the carrying amounts of non-monetary assets and liabilities, shareholders' equity, and comprehensive income at subsidiaries in hyperinflationary economies are restated in terms of a measuring unit applicable at the balance sheet date. These are indexed using a general price index in accordance with IAS 29. However, no restatement is required for non-monetary assets and liabilities, as well as for monetary items, carried at amounts current at the end of the balance sheet date, such as net realizable value or fair value, as they represent money held, to be received, or to be paid. All items in the statement of profit and loss have to be expressed in terms of the measuring unit applicable at the balance sheet date.

Non-monetary assets that have been restated following IAS 29 are still subject to an impairment assessment in accordance with relevant IFRS standards.

For translation into the Group currency (euro), all amounts were translated at the closing rate as of December 31, 2024. The application of IAS 29 resulted in a gain on the net monetary position of EUR 3,812 thousand (2023: loss of EUR 1,129 thousand) in the Group's financial position and result of operations for fiscal year 2024.

The table below details the specific inputs used to apply IAS 29 for fiscal year 2024:

Input parameters	**Turkey**
Date of IAS 29 initial application	January 1, 2022
Consumer Price Index	Tüketici fiyat endeks rakamları
Index at December 31, 2024	2,684.55
Index at December 31, 2023	1,859.38
Adjustment factor	1.4438

Furthermore, IAS 29 is not applicable for HUGO BOSS Textile Industry Ltd. in Turkey, comprising the Group's production facility in Izmir, as its functional currency is the euro.

Translation of the separate financial statements

The financial statements of the foreign Group companies whose functional currency is not the euro are translated into the Group reporting currency, the euro. Items are translated using the modified closing rate in accordance with IAS 21, under which assets, including goodwill, and liabilities are translated at closing rates, and income statement items are translated at the average monthly exchange rates for the reporting period. Differences from currency translation of income statements at average rates and statements of financial position at closing rates are reported without effect on profit or loss in other comprehensive income. The currency difference resulting from the translation of equity at historical rates is likewise posted to other comprehensive income. Currency differences recognized in other comprehensive income are reclassified to the income statement if the corresponding Group company is sold.

The most important exchange rates applied in the consolidated financial statements developed in relation to the euro as follows:

	Currency	Average rate		Closing rate	
	1 EUR =	2024	2023	2024	2023
Canada	CAD	1.4919	1.4662	1.4948	1.4642
China	CNY	7.6307	7.7934	7.5833	7.8509
Mexico	MXN	21.2140	18.7799	21.5504	18.7231
Switzerland	CHF	0.9337	0.9445	0.9412	0.9260
Turkey	TRY	36.5735	31.7068	36.7362	32.5739
UAE	AED	3.8495	4.0075	3.8016	4.0603
United Kingdom	GBP	0.8287	0.8620	0.8292	0.8691
U.S.	USD	1.0482	1.0917	1.0389	1.1050

Accounting policies

The financial statements of HUGO BOSS AG and its German and foreign subsidiaries are prepared pursuant to uniform accounting policies in accordance with IFRS 10.

Recognition of income and expenses

Income is recognized to the extent that it is probable that the economic benefits will flow to the Group and the income can be reliably measured. Income is measured at the fair value of the consideration received. Income is reported after deductions including discounts and other price deductions and net of VAT. The specific recognition criteria described below must also be met before income is recognized.

Sale of merchandise and goods

Income is recognized in accordance with IFRS 15. HUGO BOSS recognizes income from the sale of goods when the control of the goods is transferred to the buyer. In the wholesale channel, this is the case as soon as delivery to the wholesale partner has been executed and all obligations affecting the acceptance of the goods by the wholesale partner have been settled. In the Group's brick-and-mortar retail business, the control passes to the customer upon payment for the goods. Sales are recognized when transactions with customers are completed. Sales via the Group's own online channel are recognized upon delivery of the goods to the customer. The date of delivery is deemed to be the date on which the control of merchandise and goods sold passes to the customer. The payment terms applied correspond to the payment terms customary in the industry per country.

Customers have the option to exchange goods for similar or other products or to return the goods for credits under certain conditions and in accordance with the contractual agreements. Amounts for expected returns are deferred from sales based on historical experience of return rates and periods through a liability for an obligation of return in accounts payable. The asset for the right of return of goods by the customer is recognized in the amount of respective inventories, less handling costs and potential impairment.

Shop fit contributions to retailers are recognized in the income statement as sales deductions.

License and other income

License and other income are recognized in the period in which they are generated in accordance with the terms of the underlying agreements.

Interest income and expense

Interest is recognized pro rata temporis, taking into account the effective yield on the assets and, if appropriate, on the liabilities.

Functional costs

Operating expenses are essentially allocated to the individual functional areas based on the respective cost centers. Expenses incurred in connection with cross-functional activities or projects are spread among the functional costs concerned using an adequate allocation principle.

Research and development costs

Research costs are recognized as expenses as they incur. Product development costs are likewise expensed as incurred if they do not satisfy the criteria for recognition as internally generated intangible assets. Production-related development costs are generally included in the calculation of the cost of unfinished and finished goods. These essentially comprise the cost of technical product development in the third phase of the collection creation process.

Income taxes

The tax rates and tax laws used to calculate income tax are those that are enacted or substantively enacted on the reporting date in the countries where the Group operates and generates taxable income.

Receivables and liabilities for current income taxes are recognized to the extent the amount already paid exceeds the amount due, or to the extent not yet paid in respect of current and prior periods.

In accordance with IAS 12, deferred tax assets and deferred tax liabilities are recognized for temporary differences between the tax bases of the separate entities and the carrying amounts in the consolidated financial statements in accordance with IFRS and for certain consolidation adjustments. The Company does not calculate deferred taxes on the initial recognition of goodwill as it is not permissible.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated financial statements and in other management reporting. Among other things, the increased costs from CO_2 reduction and circularity efforts are offset with improved efficiency, aligning external and internal developments, as well as utilizing target costing. These measures ensure that both financial and non-financial objectives are met.

Deferred tax assets also include tax credits that result from the expected utilization of existing unused tax losses in subsequent years and the realization of which can be assumed with sufficient probability. Deferred tax assets and deferred tax liabilities are presented on a net basis to the extent that the deferred tax assets and deferred tax liabilities relate to the same taxable entity including an enforceable right to offset corresponding taxes. Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply when the temporary differences reverse.

Income taxes are recorded in the income statement with the exception of those relating to items recognized directly in equity.

Property, plant, and equipment

Property, plant, and equipment that are used in business operations for longer than one year are measured at cost less accumulated depreciation. The cost of conversion includes all costs directly allocable to the production process as well as an appropriate portion of production-related overheads. The underlying useful lives correspond to the expected useful lives within the Group. Property, plant, and equipment are generally depreciated using the straight-line method. In line with IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance," investment grants received are offset against the acquisition or production costs of the corresponding asset.

Buildings and leasehold improvements on a third-party land are depreciated over the term of the underlying lease agreements or the lower useful lives.

The useful lives and depreciation methods for property, plant, and equipment and intangible assets are reviewed periodically to ensure that the depreciation method and period are consistent with the expected pattern of economic benefits from the respective assets.

Intangible assets

Intangible assets are recognized if it is probable that a future economic benefit from the use of the asset will flow to the Company and the cost of the asset can be reliably measured. Acquired intangible assets are measured at acquisition cost, and internally generated intangible assets are measured at conversion cost.

If the capitalization requirements of IAS 38 "Intangible Assets" are met cumulatively, expenses incurred during the development phase for internally generated intangible assets are capitalized at the time they arise. In subsequent periods, internally generated intangible assets and acquired intangible assets are measured at acquisition or conversion cost less accumulated amortization and impairment losses.

Intangible assets with a finite useful life are systematically amortized using the straight-line method over their useful life. Intangible assets with an infinite useful life are tested for impairment once a year. If the carrying amount of the asset is no longer recoverable, an impairment loss is recognized.

Intangible assets include software, licenses, trademark, and reacquired rights.

Impairment of non-financial assets

At every reporting date, non-financial assets (property, plant, and equipment and right-of-use assets from leases, including intangible assets and goodwill) are reviewed for indications of impairment ("triggering events"). In the event of such indication, the recoverable amount of the asset is estimated. Irrespective of whether there is any indication of impairment, intangible assets with indefinite useful lives and goodwill acquired in a business combination are tested for impairment annually. The recoverable amount is the higher of the fair value of the asset less costs of disposal and value in use. Value in use is the present value of the expected cash flows. Expected cash flows are discounted using the after-tax weighted average cost of capital that reflects the risks specific to the asset. In determining fair value less costs of disposal, external appraisals are taken into account, if available. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the smallest identifiable group of assets that generates largely independent cash inflows to which the asset belongs (cash generating unit, CGU) is determined.

If the carrying amount of the asset or CGU exceeds the corresponding recoverable amount, an impairment loss is immediately recognized through profit or loss. If a CGU is impaired, the carrying amount of any goodwill allocated to the unit is reduced first. Any remaining impairment loss reduces the other non-current assets of the CGU pro rata.

If, following an impairment loss recognized in prior periods, an asset or CGU has a higher recoverable amount, the impairment loss is reversed, but only up to a maximum of the recoverable amount. The reversal is limited to the amortized carrying amount that would have been determined as if no impairment loss had been recognized in the past. The impairment loss is reversed through profit or loss. Reversals of impairment losses recognized on goodwill are not permitted.

Inventories

Raw materials and supplies as well as merchandise are generally measured at moving average cost. Work in progress and finished goods are measured at cost. The cost of conversion of work in progress and finished goods includes direct material, direct labor, proportionate material and production overheads, and production-related amortization and depreciation insofar as this is a consequence of production. Also included are general administrative expenses, product development expenses, 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 expensed as incurred to the extent that the criteria for recognition in the carrying amount of an asset are not met.

Inventories are measured at the lower of cost and estimated selling price in the ordinary course of the business less the estimated cost to make the sale.

Leases

In accordance with IFRS 16, a leasing relationship exists if the lessor has contractually transferred the right to use an identified asset for a defined period in return for consideration by the lessee.

Under IFRS 16, the lessee recognizes a lease liability in the amount of the present value of the future lease payments and a corresponding right-of-use asset in the statement of financial position. The lease payments comprise the total of all fixed lease payments less incentive payments for the conclusion of the contract, variable lease payments linked to an index or (interest) rate, and amounts expected to be paid under residual value guarantees. Lease extension options are to be included if their exercise is reasonably certain. Contractually agreed payments for compensation in the event of early termination of the lease by the lessee must also be recognized if it cannot be assumed with reasonable certainty that the lease will be continued. The lease payments are discounted at the interest rate implicit in the lease agreement. If this interest rate cannot be readily determined, an incremental borrowing rate is used, which is adjusted for the country-specific risk and the lease term.

The right-of-use asset to be recognized in parallel is generally capitalized at the value of the lease liability. Lease payments already made and directly attributable costs must also be included. Payments received from the lessor in connection with the lease are to be deducted. Restoration obligations arising from leases must also be taken into account when measuring the right-of-use asset. A provision must be recognized for the obligation. The right-of-use asset is amortized on a straight-line basis over the term of the lease.

The depreciation of the capitalized right-of-use asset is recognized in the income statement in the respective functional areas and the interest expense from the compounding of the recognized lease liability is recognized in the financial result.

Financial instruments

A financial instrument is a contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities, to the extent that they are currently relevant to HUGO BOSS, are classified into the following categories:

FVTPL (Fair value through profit or loss)	Financial assets and liabilities valued at fair value through profit or loss.
AC (Amortized cost)	Financial assets and liabilities valued at amortized cost through the effective-interest method.
FVTOCI (Fair value through other comprehensive income)	Financial assets valued at fair value through other comprehensive income.

Financial assets and financial liabilities are classified into the above categories upon initial recognition, except that no financial liabilities are classified under FVTOCI.

Financial assets

There are three classification categories for financial assets: debt instruments, equity instruments, and derivatives. For debt instruments, they are initially classified under IFRS 9 using a two-stage test, whereby the respective cash flow conditions and the business model for management of financial assets are examined. This test takes place at the financial asset level.

Financial assets are initially recognized at fair value, plus or minus, in the case of a financial asset not at fair value through profit and loss (FVTPL), directly attributable transaction costs relating to the acquisition. All purchases and disposals of financial assets are recognized at their value at the settlement date, the day when the Group is obliged to purchase or sell the asset. The fair values recognized in the statement of financial position are the market prices of the corresponding financial assets. If these are not available, fair value is determined using generally accepted valuation models by reference to current market parameters. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, or discounted cash flow analysis and other valuation models.

Cash and cash equivalents recognized in the statement of financial position comprise cash on hand, bank balances, and other short-term deposits with an original term of less than three months. They are measured at amortized cost.

HUGO BOSS calculates and records a loss allowance according to the expected credit loss model under IFRS 9 for all financial instruments that are not classified as FVTPL, and except for trade receivables. The expected credit loss (ECL) is allocated using three stages:

Stage 1: Expected credit losses within the next twelve months.
It includes all contracts with no significant increase in credit risk since their initial recognition. The portion of the lifetime expected credit losses that represents expected credit losses resulting from default events on a financial instrument that are possible within the next twelve months after the reporting date is recognized.

Stage 2: Expected credit losses over the lifetime – not credit-impaired.
If a financial asset has a significant increase in credit risk since its initial recognition but is not yet credit-impaired, it is moved to stage 2 and measured at the lifetime expected credit loss resulting from all possible default events over the expected life of a financial instrument.

Stage 3: Expected credit losses over the lifetime – credit-impaired.
If a financial asset is defined as credit-impaired or in default, it is transferred to stage 3 and measured at lifetime expected credit loss.

Trade receivables and other loans and receivables are subsequently measured at amortized cost (less any loss allowances) using the effective-interest rate method. Expected credit losses under the simplified approach are taken into account. Accordingly, a loss allowance over the lifetime is calculated on trade receivables classified as not credit-impaired, based on external benchmarking information, which considers forward-looking and macroeconomic factors, and internal empirical data. Additionally, there are certain guarantees in place to reduce potential credit risks. If there are further doubts about their recoverability, the trade receivables are recognized at the lower present value of the estimated future cash flows.

For credit risk management purpose, HUGO BOSS determines whether the credit risk on a financial instrument has increased significantly by considering reasonable and supportable information available to regularly compare the risk of a default occurring at the reporting date with the risk of a default occurring at initial recognition of the financial instrument. In its evaluation of whether the credit risk of a financial asset has changed, the Group utilizes all reasonable and reliable information that is available without excessive cost or expenses.

In case where a debtor is facing a financial difficulty or a legal case, HUGO BOSS recognizes an individual bad debt allowance on such trade receivables classified as credit-impaired, which is moved to stage 3. When an individual bad debt allowance is recognized, the Group continues to conduct recovery measures to collect the receivables due. Nevertheless, a financial instrument may also be treated as being in default, if internal or external information indicates that full collection of the outstanding payment is viewed as unlikely. Individual impairment rates between 1% and 100% are used in this case. A financial asset is then written off entirely and derecognized when there is no reasonable expectation of recovery. All derecognitions have to be booked net and, at the same time, the corresponding amount of allowance needs to be adjusted.

Financial assets at fair value through profit or loss (FVTPL) include financial assets with cash flows other than those of principle and interest on the principal amount outstanding, except for equity instruments that do not have to be accounted for at FVTPL but also at FVTOCI. Furthermore, financial assets that are held in a business model, including "hold to collect" or "hold to collect and sell," can be presented at FVTPL. In addition, derivatives including embedded derivatives separated from a host contract, which are not classified as hedging instruments in hedge accounting according to IFRS 9, are classified as FVTPL. Gains or losses on these financial assets are recognized in profit and loss.

Financial assets at amortized cost (AC) are non-derivative financial assets with contractual cash flows that consist solely of payments of principal and interest on the principal amount outstanding, which are held with the aim of collecting the contractual cash flows, such as trade receivables or cash and cash equivalents (the business model "hold to collect"). After initial recognition, financial assets at amortized cost are subsequently carried at amortized cost using the effective-interest method less any loss allowances. Gains and losses on financial assets are recognized in the income statement.

Financial liabilities

Financial liabilities primarily include trade payables, liabilities to banks, lease liabilities, derivative financial liabilities, and other liabilities. They are measured at fair value on initial recognition. Directly attributable transaction costs are taken into account where appropriate.

Financial liabilities at amortized cost (AC) are subsequently measured at amortized cost using the effective interest method. If HUGO BOSS enters into reverse-factoring agreements in which trade payables with a supplier are transferred to a financial intermediary, so changes in the presentation of the original trade payables may occur. That would be the case if these liabilities differed in nature and function from other trade payables. As a result, these liabilities would be presented separately.

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading. Derivatives (including embedded derivatives separated from the host contract) that are not used as hedging instruments in hedge accounting are classified as held for trading. Gains or losses on liabilities held for trading, and on financial liabilities for which the FVTPL option was elected, are recognized in profit or loss.

Derivative financial instruments and hedge accounting

At HUGO BOSS, derivative financial instruments are solely used for hedging financial risks that arise from its operating or financing activities or liquidity management. This mainly includes interest rate risks and currency risks.

Derivative financial instruments are measured at fair value upon initial recognition and at each subsequent reporting date. Derivatives are recognized as assets if their fair value is positive and as liabilities if their fair value is negative.

If the requirements for hedge accounting as set out in IFRS 9 are met, HUGO BOSS designates and documents the hedge relationship from the date a derivative contract is entered into as a cash flow hedge. Cash flow hedges are utilized to hedge the variability of cash flows to be received or paid from expected transactions or a highly probable forecasted transaction. The documentation of the hedging relationship includes the objective and strategy of risk management, the type of hedging relationship, the nature of the risk being hedged, the identification of the eligible hedging instrument and the eligible hedged item, as well as an assessment of the effectiveness requirements comprising the risk mitigating economic relationship, the absence of deteriorating effects from credit risk, and the appropriate hedge ratio.

Hedging transactions are regularly assessed to determine whether the effectiveness requirements are met while they are designated. If derivative financial instruments do not, or no longer, qualify for hedge accounting because the qualifying criteria for hedge accounting are not, or are no longer, met, the derivative financial instruments are classified as held for trading and are measured at fair value through profit or loss.

Provisions

Provisions are recognized if a past event has led to a current legal or constructive obligation to third parties that is expected to lead to a future outflow of resources that can be estimated reliably. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions with a term of more than one year are discounted using a risk-free interest rate. Where the effect of time value of money is material, the amount of the provision equals the present value of the expenditures expected to be required to settle the obligation.

Provisions for deconstruction obligations

Provisions for deconstruction obligations in connection with the Group's own retail stores are recognized as liabilities at the present value of the best estimate of the amount required to settle the obligation. Corresponding assets are capitalized at the equivalent amount and included in the measurement of the corresponding right-of-use asset depreciated over the term of the lease agreement.

Provisions for pensions

The measurement of pension provisions relates to the Group's obligation to provide benefit-based and contribution-based plans. IAS 19 mandates the use of the projected unit credit method for the provision of benefit-based plans, which takes into account future adjustments to salaries and pensions. The year-end present value, determined using the projected unit credit method, was compared to the fair value of plan assets in the employer's pension liability insurance to the extent that offsetting is permissible (asset ceiling). Actuarial gains and losses are immediately posted in full to other comprehensive income. Actuarial gains and losses are not reclassified from other comprehensive income to consolidated net income in subsequent years. The same applies to all effects of the asset ceiling. Net interest determined by multiplying the net pension liability by the discount rate underlying the gross pension obligation (DBO) is reported in the financial result. The difference between the actual interest return on plan assets and the anticipated return on plan assets obtained using the discount rate is posted separately to other comprehensive income. The service cost is reported under the relevant functional costs. The contributions from contribution-based pension schemes are recognized as expenses in the income statement on maturity.

Share-based compensation programs

Share-based compensation programs are accounted for in accordance with IFRS 2.

Equity-settled share-based payments, forming part of the Restricted Stock Units Program for eligible senior management are measured at the fair value of the equity instruments at the grant date. The fair value at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. The impact of a revision of the original estimates, if any, is recognized through profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves. The resulting expense is recorded within personnel expenses and the corresponding adjustment to the other capital reserves.

Cash-settled share-based payments, forming part of the Long-Term Incentive program (LTI) for members of the Managing Board and eligible senior and middle management, are measured using an option price model of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognized through profit and loss of the respective fiscal year. The resulting expense is recorded as personnel expenses in the affected functional costs and the liability recognized as a provision for personnel expenses.

The share-based program associated with the CEO Investment Opportunity is measured at the fair value of the equity instruments at the grant date.

Contingent liabilities and contingent assets

Contingent liabilities are not recognized. They are disclosed in the notes to the consolidated financial statements, unless an outflow of resources embodying economic benefits is very unlikely. Contingent assets are likewise not recognized. They are disclosed in the notes to the consolidated financial statements if an inflow of economic benefits is probable.

Estimation uncertainties and judgments

The preparation of the Group's consolidated financial statements requires Management to make judgments, estimates, and assumptions that affect the reported amounts of income, expenses, assets, and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. These estimates and judgments are made to obtain a fair presentation of the Group's net assets, financial position, and results of operations. In addition, the main judgments and estimates used are specified in the respective notes to the consolidated financial statements.

HUGO BOSS is subject to a variety of external risks, mainly in connection with macroeconomic, political, and social developments, as well as environmental and health aspects. Against the backdrop of current risks, such as inflation, global supply chain disruptions, and geopolitical risks, Management monitors the current development closely. In light of the high level of geopolitical and macroeconomic uncertainty, there is a particularly close dialog between the Managing Board, Business Planning and Analysis, the management of the central divisions, and the Group's subsidiaries. Corporate planning is regularly reviewed and updated throughout the year.

Additionally, HUGO BOSS applies the following estimates and assumptions:

- Inventories are measured taking into account the risk provisions appropriate to the current business environment. HUGO BOSS applies a global merchandise logic catering to customer demand across all brands, regions, and channels, aiming for an aligned global launch of the seasons. This merchandise model reflects the way the Group assesses recoverability of inventories, incorporating a seasonal approach for an improved devaluation factor. The carrying amount of inventories is reflected in the statement of financial position, with inventory write downs reflected in the income statement.

- Recoverability of trade receivables is assessed by valuing the trade receivables. A loss allowance is calculated based on external benchmarking information and internal empirical data, with the accounting estimates and parameters refined in fiscal year 2024. The probabilities of default are based on past, current, and future conditions. All subsidiaries of HUGO BOSS prepare an analysis of the aging structure of their trade receivables and follow uniform rules, for example, with regard to credit assessment or handling of doubtful receivables.

Notes to the Consolidated Income Statement

1 | Sales and cost of sales

Sales

(in EUR thousand)

	2024	2023
Brick-and-mortar retail	2,241,324	2,261,757
Brick-and-mortar wholesale	1,111,007	1,033,413
Digital	845,953	797,912
Licenses	109,065	104,375
Total	**4,307,349**	**4,197,459**

Further information on sales by region can be found in Note 24 Segment reporting.

Cost of sales

(in EUR thousand)

	2024	2023
Total	**1,647,508**	**1,616,606**
Cost of purchase	1,492,833	1,465,536
Thereof cost of materials	1,477,555	1,391,805
Cost of conversion	154,675	151,070

Cost of materials, as part of the cost of sales, include inbound freight and duty costs of EUR 244,004 thousand (2023: EUR 258,144 thousand).

2 | Selling and marketing expenses

(in EUR thousand)

	2024	2023
Expenses for own retail business and sales organization	1,375,883	1,250,829
Thereof brick-and-mortar retail expenses	988,711	870,179
Marketing expenses	309,145	327,724
Thereof expenses	317,562	333,550
Thereof income from re-invoicing of marketing expense	(8,417)	(5,825)
Logistic expenses	183,123	166,385
Total	**1,868,152**	**1,744,938**
Thereof sundry taxes	4,677	4,333

Expenses for the Company's own retail business and the sales organization mainly comprise personnel expenses for wholesale and retail sales as well as amortization of the right-of-use assets in accordance with IFRS 16. In addition, this item includes sales-related commissions, outbound freight and duty charges, credit card fees, and impairment losses on assets amounting to EUR 46,804 thousand (2023: reversal of impairment losses of EUR 3,757 thousand). This item also includes losses from derecognition and impairment losses on trade receivables in the amount of EUR 7,306 thousand (2023: EUR 4,985 thousand).

Logistic expenses mainly include personnel expenses for warehouse logistics, expenses for a full-service agreement with an external provider, and right-of-use depreciation.

3 | Administration expenses

(in EUR thousand)

	2024	2023
Administrative expenses	**340,899**	**336,298**
Research and development expenses	**89,968**	**89,279**
Thereof personnel expenses	67,222	63,022
Thereof depreciation and amortization	3,187	3,235
Thereof other operating expenses	19,559	23,022
Total	**430,868**	**425,577**
Thereof sundry taxes	4,867	3,664

Administration expenses mainly comprise personnel expenses of the respective departments, maintenance costs, IT operating expenses, legal and consulting fees, as well as depreciation and amortization of non-current assets.

Research and development expenses primarily relate to the collection development.

Administration expenses include other income of EUR 24,325 thousand (2023: EUR 18,915 thousand). This includes reversal of provisions amounting to EUR 1,818 thousand (2023: EUR 6,848 thousand). Furthermore, government grants of EUR 405 thousand for 2024 were received and recognized in profit or loss (2023: EUR 191 thousand).

4 | Financial result

(in EUR thousand)

	2024	2023
Interest and similar income	1,253	978
Interest and similar expenses	(56,231)	(45,839)
Net interest income/expenses	**(54,978)**	**(44,861)**
Exchange rate gains/losses from receivables and liabilities	(3,192)	(3,572)
Gains/losses from hedging transactions	(2,875)	(3,061)
Other financial income/expenses	1,726	(1,954)
Other financial items	**(4,341)**	**(8,587)**
Financial result	**(59,319)**	**(53,448)**

Interest income includes income from bank deposits amounting to EUR 1,127 thousand (2023: EUR 896 thousand) and other interest income of EUR 126 thousand (2023: EUR 82 thousand).

Interest expenses include expenses from financial liabilities in the amount of EUR 17,755 thousand (2023: EUR 13,594 thousand) and other interest expenses in the amount of EUR 38,475 thousand (2023: EUR 32,245 thousand). These items mainly comprise interest expenses from lease payments of EUR 35,157 thousand (2023: EUR 29,861 thousand), valuated at incremental borrowing rate. In addition to interest on loans, this also includes the net interest amount for pension provisions, interest on non-financial liabilities (such as tax liabilities from tax audits), and interest expenses from the valuation at present value of other non-current provisions in the amount of EUR 3,318 thousand (2023: EUR 2,385 thousand).

Exchange rate gains and losses from receivables and liabilities comprise exchange rate gains of EUR 57,260 thousand (2023: EUR 80,847 thousand) as well as exchange rate losses of EUR 60,451 thousand (2023: EUR 84,419 thousand). The result from hedging transactions contains the effects from the fair value measurement and derecognition of foreign exchange forwards.

5 | Income taxes

(in EUR thousand)

	2024	2023
Current taxes	67,777	60,225
Deferred taxes	10,132	26,874
Total	**77,909**	**87,099**

Income taxes include corporate income tax plus the solidarity surcharge and trade tax of the German Group companies together with the comparable income taxes of foreign Group companies. Furthermore, the current income taxes include all top-up taxes based on the Global Minimum Tax legislation.

At HUGO BOSS AG, the domestic income tax rate amounts to 29.8% (2023: 29.5%). The tax rates abroad range between 0% and 34%.

Current income taxes for fiscal year 2024 include non-current expenses of EUR 2,972 thousand (2023: EUR 3,141 thousand), non-current benefits of EUR 4,711 thousand (2023: EUR 8,807 thousand), and effects from deductible withholding taxes of EUR 1,661 thousand (2023: EUR 1,016 thousand).

The following table presents a reconciliation of the expected income tax expense that would theoretically be incurred if the current domestic income tax rate of 29.8% (2023: 29.5%) were applied at Group level to the current income tax expense reported by the Group. The domestic income tax rate applied takes into account a corporate income tax rate (including solidarity surcharge) of 15.8% (2023: 15.8%) and a trade tax rate of 14.0% (2023: 13.7%). Due to the increase in the trade tax rate in Metzingen (Germany), the overall Group tax rate has also risen compared to the previous year.

(in EUR thousand)

	2024	2023
Earnings before taxes	**301,503**	**356,889**
Anticipated income tax	89,814	105,431
Tax effect of permanent items	775	219
Tax rate-related deviation	(8,987)	(14,634)
Thereof effects of changes in tax rates	259	(176)
Thereof adjustment of tax amount to diverging local tax rate	(9,246)	(14,458)
Tax refund/tax arrears	(78)	(6,682)
Deferred tax effects from prior years	(2,857)	3,707
Valuation allowance on deferred tax assets	(819)	(1,887)
Tax effects from distributable profit of subsidiaries	0	0
Other deviations	61	945
Income tax expenditure reported	**77,909**	**87,099**
Income tax burden	26%	24%

The tax effect of permanent items relates to a reduction in the income tax burden for tax-free income of EUR 5,060 thousand (2023: EUR 3,270 thousand), offset by tax effects of non-deductible business expenses of EUR 7,917 thousand (2023: EUR 3,489 thousand). Tax rate-related deviations are caused by the global distribution of profits and diverging local tax rates in the different countries. In fiscal year 2024, revaluations were recognized for deferred tax assets expected to be realized in the foreseeable future, resulting in a tax benefit of EUR 819 thousand (2023: EUR 1,887 thousand).

Other comprehensive income includes deferred tax income of EUR 28 thousand (2023: EUR 1,155 thousand income). As in the prior year, deferred tax income in fiscal year 2024 is based on the recognition of actuarial gains and losses from pension provisions in equity.

Deferred tax assets and liabilities are presented on a net basis if they pertain to the same taxable entity and the same taxation authority. Deferred taxes in the consolidated statement of financial position are related to the following items:

(in EUR thousand)

	2024		2023	
	Deferred tax assets	**Deferred tax liabilities**	Deferred tax assets	Deferred tax liabilities
Provisions and other liabilities	31,645	(1,934)	30,430	(4,336)
Unused tax losses	9,752	0	20,945	0
Inventory measurement	55,402	(2,837)	60,201	(3,266)
Recognition and measurement of non-current assets	35,774	(51,264)	32,353	(46,559)
Receivables measurement	9,899	(46)	4,393	(114)
Financial liabilities and financial assets	17,781	(797)	14,825	(756)
Retained earnings of subsidiaries	0	(1,115)	0	(1,115)
Other differences in recognition and measurement	5,613	(2,467)	8,023	(3,497)
Net amount	**165,866**	**(60,460)**	**171,170**	**(59,643)**
Netting	(42,010)	42,010	(40,674)	40,674
Total	**123,856**	**(18,450)**	**130,496**	**(18,969)**

Of the deferred tax assets, EUR 64,242 thousand (2023: EUR 57,607 thousand) are non-current; at the same time, EUR 49,680 thousand (2023: EUR 49,106 thousand) of the deferred tax liabilities are non-current.

Deferred taxes on IFRS 16 balance sheet items are reported on a net basis. The deferred tax asset on lease liabilities is EUR 209,275 thousand (2023: EUR 169,873 thousand) and the deferred tax liability on right-of-use assets is EUR 189,148 thousand (2023: EUR 152,439 thousand), resulting in a net deferred tax asset of EUR 20,127 thousand (2023: EUR 17,434 thousand), which is reported within financial liabilities and financial assets in the table above.

Distributable profits at foreign subsidiaries are to be paid out in the coming years, partly to Germany. The tax expense attributable to the distribution to Germany of EUR 865 thousand (2023: EUR 865 thousand) was recognized as a deferred tax liability. In addition, deferred taxes were recognized for distributable profits from subsidiaries paid out to other subsidiaries to the extent withholding tax is payable on future dividends. For these withholding tax charges, a deferred tax liability of EUR 250 thousand (2023: EUR 250 thousand) was recognized.

Deferred tax liabilities due to differences between the respective net assets and taxable carrying amount of shares in subsidiaries amounting to EUR 534,537 thousand (2023: EUR 658,365 thousand) were not recognized, as the profits are currently intended to be permanently reinvested. If the profits were to be distributed in Germany, 5% would be subject to taxation in Germany or possibly trigger withholding tax in other countries. Distributions therefore generally result in additional tax expense.

Deferred tax assets on losses carried forward and deductible temporary differences are recognized to the extent taxable temporary differences exist or there are sufficient taxable profits in respect of the same tax authority and taxable entity in subsequent years. The recoverability assessment is based on detailed planning of operational results for all units of the Group, which is prepared annually as part of the Group-wide budget planning process and approved by the Supervisory Board. As of the reporting date, deferred tax assets amounting to EUR 9,137 thousand (2023: EUR 23,333 thousand) were accounted for at Group companies with losses in the reporting period or a prior period.

Unused income tax losses pertain to domestic and foreign Group companies and are broken down as follows:

(in EUR thousand)

	2024	2023
Expiry within		
1 year	9	175
2 years	256	9
3 years	5,387	274
4 years	6,192	5,756
5 years	365	13,933
After 5 years	3,856	4,503
Unlimited carryforward	74,537	108,911
Total	**90,602**	**133,561**

As in prior years, a corresponding deferred tax asset of EUR 9,752 thousand was recognized on unused tax losses as of December 31, 2024 (2023: EUR 20,945 thousand). In fiscal year 2024, no deferred taxes were recognized for losses carried forward of EUR 49,704 thousand (2023: EUR 49,468 thousand).

The expiration date of these losses is classified as follows:

(in EUR thousand)

	2024	2023
Expiration date		
2025	9	9
2026	9	9
2027	1,372	9
2028	1,233	8
2029	365	13
After 5 years	3,856	2,770
Unlimited carryforward	42,860	46,650
Total	**49,704**	**49,468**

Judgments that deferred tax assets are recognized on unused tax losses were made to the extent it is probable taxable profits will be available in the future against which the unused tax losses can be utilized. The probability of the future usability is assessed taking into account various factors, such as future taxable results in the planning periods, past results, and measures already taken to increase profitability, as well as available tax planning strategies. HUGO BOSS applies a forecast period of four years for this purpose. Actual figures may differ from the estimates.

The income tax receivables relate mainly to tax advance payments and reimbursement claims. These are based on reasonable estimates to the extent reimbursement by the financial administration office is judged to be largely probable on the basis of relevant case law. This assessment also takes into account the estimates of local external experts.

In 2023, an external tax audit has been initiated at HUGO BOSS AG for the 2016–2020 assessment periods. Based on the information available to date, the Company has identified tax risks and recognized corresponding provisions.

HUGO BOSS has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

In December 2023, the government of Germany, where HUGO BOSS AG, the parent company, is incorporated, enacted the Pillar Two income taxes legislation effective from January 1, 2024. Under the legislation, the parent company will be required to pay, in Germany, top-up tax on profits of its subsidiaries that are taxed at an effective tax rate of less than 15%.

HUGO BOSS has performed an assessment to determine the jurisdictions affected by the impact of the Global Minimum Tax. The first step was to identify whether the CbCR Safe Harbour Rules are applicable. For jurisdictions not qualifying for these rules, the jurisdictional effective tax rate was calculated using a simplified approach. Based on this assessment, a top-up tax of EUR 1,196 thousand was determined for the United Arab Emirates. In addition, the simplified Pillar Two calculation resulted in a Qualified Domestic Minimum Top-up Tax of EUR 86 thousand for Turkey. Consequently, the Group's current tax expense related to the Global Minimum Tax amounts to EUR 1,282 thousand.

HUGO BOSS AG continues to monitor Pillar Two legislative developments, to evaluate the potential impact on its future financial performance.

6 | Earnings per share

There were no shares outstanding that could have diluted earnings per share as of December 31, 2024, or December 31, 2023.

(in EUR thousand)

	2024	2023
Net income attributable to equity holders of the parent company	213,468	258,371
Average number of shares outstanding[1]	69,016,167	69,016,167
Earnings per share (EPS) in EUR[2]	3.09	3.74

1 Excluding own shares.
2 Basic and diluted earnings per share.

7 | Additional disclosures to the consolidated income statement

Personnel expenses

(in EUR thousand)

	2024	2023
Cost of sales	124,983	118,758
Selling and marketing expenses	591,351	548,001
Administration expenses	263,008	251,388
Total	**979,342**	**918,146**

(in EUR thousand)

	2024	2023
Wages and salaries	831,761	789,186
Social security	143,358	129,743
Expenses and income for retirement and other employee benefits	4,222	(783)
Total	**979,342**	**918,146**

Employees

The average headcount for the year was as follows:

	2024	2023
Industrial employees	6,136	6,249
Commercial and administrative employees	15,043	14,493
Total	**21,179**	**20,742**

Ordinary depreciation

(in EUR thousand)

	2024	2023
Cost of sales	6,499	6,282
Selling and marketing expenses	318,901	293,743
Administration expenses	42,001	45,429
Total	**367,402**	**345,454**

Impairments/write-ups

(in EUR thousand)

	2024	2023
Brick-and-mortar retail	(43,013)	(4,996)
Intangible assets incl. goodwill	(0)	0
Right-of-use assets	(3,791)	8,753
Total	**(46,804)**	**3,757**

*Impairment losses are shown as negative (–), while reversals of impairment losses are shown as positive (+).

Notes to the Consolidated Statement of Financial Position

8 | Intangible assets and property, plant, and equipment

(in EUR thousand)

2024	Gross value Jan. 1	Currency differences	Additions	Disposals	Transfers	Gross value Dec. 31	Accumulated amortization, depreciation and impairment Jan. 1	Currency differences	Depreciation	Impairment	Write-up	Disposals	Transfers	Accumulated amortization, depreciation and impairment Dec. 31	Net value Dec. 31
Software, licenses, and other rights	362,241	712	58,606	(3,288)	38	418,309	236,215	613	25,058	0	0	(3,288)	0	258,597	159,712
Brand rights	14,992	0	0	0	0	14,992	0	0	0	0	0	0	0	0	14,992
Goodwill	64,766	792	0	0	0	65,558	10,014	5	0	0	0	0	0	10,019	55,539
Intangible assets	**441,999**	**1,504**	**58,606**	**(3,288)**	**38**	**498,859**	**246,229**	**618**	**25,058**	**0**	**0**	**(3,288)**	**0**	**268,616**	**230,243**
Lands and buildings	315,235	(2,838)	3,166	(37)	1,944	317,470	127,927	(2,229)	10,630	0	0	(35)	0	136,293	181,177
Technical equipment and machinery	129,461	316	4,760	(722)	5,639	139,454	91,124	41	7,638	0	0	(697)	0	98,106	41,347
Other equipment, operating and office equipment	1,057,471	15,449	156,970	(81,602)	13,083	1,161,371	739,018	9,878	105,041	44,503	0	(80,626)	(4)	817,810	343,561
Construction in progress	59,434	36	62,435	(145)	(20,719)	101,041	0	0	0	0	0	0	0	0	101,041
Property, plant, and equipment	**1,561,601**	**12,963**	**227,331**	**(82,506)**	**(53)**	**1,719,336**	**958,068**	**7,690**	**123,309**	**44,503**	**0**	**(81,358)**	**(4)**	**1,052,209**	**667,127**
Total	**2,003,600**	**14,467**	**285,937**	**(85,794)**	**(14)**	**2,218,195**	**1,204,297**	**8,308**	**148,367**	**44,503**	**0**	**(84,646)**	**(4)**	**1,320,825**	**897,369**
2023															
Software, licenses, and other rights	315,556	(976)	50,123	(2,467)	5	362,241	210,503	(860)	29,014	0	0	(2,442)	0	236,215	126,026
Brand rights	14,992	0	0	0	0	14,992	0	0	0	0	0	0	0	0	14,992
Goodwill	66,667	(1,901)	0	0	0	64,766	10,093	(79)	0	0	0	0	0	10,014	54,752
Intangible assets	**397,215**	**(2,877)**	**50,123**	**(2,467)**	**5**	**441,999**	**220,596**	**(939)**	**29,014**	**0**	**0**	**(2,442)**	**0**	**246,229**	**195,770**
Lands and buildings	299,479	2,463	5,891	(1,866)	9,268	315,235	113,825	1,768	10,596	0	0	(1,866)	3,604	127,927	187,308
Technical equipment and machinery	124,739	366	4,623	(391)	124	129,461	83,721	341	7,431	0	0	(363)	(6)	91,124	38,337
Other equipment, operating and office equipment	974,500	(14,595)	186,936	(90,742)	1,372	1,057,471	757,116	(12,448)	88,624	12,242	(7,246)	(90,064)	(9,206)	739,018	318,453
Construction in progress	27,125	(416)	50,760	(320)	(17,715)	59,434	0	0	0	0	0	0	0	0	59,434
Property, plant, and equipment	**1,425,843**	**(12,182)**	**248,210**	**(93,319)**	**(6,951)**	**1,561,601**	**954,661**	**(10,339)**	**106,651**	**12,242**	**(7,246)**	**(92,293)**	**(5,608)**	**958,068**	**603,533**
Total	**1,823,058**	**(15,059)**	**298,333**	**(95,786)**	**(6,946)**	**2,003,600**	**1,175,257**	**(11,278)**	**135,665**	**12,242**	**(7,246)**	**(94,735)**	**(5,608)**	**1,204,297**	**799,302**

Software, licenses, and other rights

The item "Software, licenses, and other rights" mainly contains software and software licenses as well as intangible assets identified in the course of purchase price allocations. The amortization for these items is recognized in administrative expenses.

The intangible assets mainly relate to software for the Group-wide ERP system consisting of industry solutions such as SAP AFS and SAP Retail and necessary software solutions for the operational business. The additions of EUR 58,606 thousand (2023: EUR 50,123 thousand) essentially arose from investments in the conversion of the Group-wide ERP system to SAP S/4HANA and software for the further expansion of online business. In addition, the useful life of ERP software programs was extended by up to five years due to longer life cycles, with no significant impact in fiscal year 2024.

Brand rights

The reported brand rights amounting to EUR 14,992 thousand (2023: EUR 14,992 thousand), which are primarily attributable to the brand rights acquired for the use of the brand names BOSS, HUGO and HUGO BOSS in the United States and Italy, are classified as assets with infinite useful lives. The infinite useful life stems from the estimate of an indefinite use of the registered brand name.

Property, plant, and equipment

Land charges in connection with land and buildings amount to EUR 66,614 thousand (2023: EUR 27,766 thousand).

Impairment losses of EUR 44,503 thousand (2023: EUR 12,242 thousand) and write-ups of EUR 0 thousand (2023: EUR 7,246 thousand) were recognized under property, plant, and equipment, which mainly relate to equipment for individual own retail stores.

In terms of property, plant, and equipment, buildings are generally amortized over a useful life of 30 years, technical facilities and machines over a useful life of 5 to 19 years, and other facilities and operating and office equipment over 2 to 15 years.

Purchase obligations

There are purchase obligations for investments amounting to EUR 19,771 thousand (2023: EUR 33,497 thousand). Of this amount, EUR 17,858 thousand (2023: EUR 32,831 thousand) is attributable to property, plant, and equipment and EUR 1,913 thousand to intangible assets (2023: EUR 666 thousand). The obligations as of December 31, 2024 are due for settlement within one year.

9 | Leases

HUGO BOSS has entered into a substantial number of leases for the rental of retail stores, as well as office and warehouse space. The lease agreements usually have a term between 1 and 30 years, with some of the agreements including purchase and renewal options. The Group exercises judgments to the effect that, in addition to the basic rental period, extension options are included when the extension has already been finally negotiated with the landlord and the contract has been duly signed by both parties. Reasonable certainty is therefore only given once the contract has been signed. For leases of low-value assets and for short-term lease liabilities, the option of immediate expense recognition was exercised. Similarly, leases with variable rents for which no minimum rent is contractually fixed are expensed immediately. Accordingly, there are no right-of-use assets and lease liabilities recognized for these types of leases.

The implications of the Company's leases on the balance sheet, the income statement, and the consolidated statement of cash flows as of December 31, 2024, are presented below.

Leases in the balance sheet

Additions, depreciation, and changes in the right-of-use assets of lease agreements are divided between the assets underlying the leases as of December 31, 2024, as follows:

(in EUR thousand)

	Stores	Warehouse	Offices and others	**Total**
Carrying amount as of January 1, 2024	**621,407**	**35,954**	**64,740**	**722,101**
Changes in the basis of consolidation	0	0	0	0
Additions	267,364	41,395	50,617	359,376
Depreciation	(188,317)	(12,702)	(18,010)	(219,029)
Impairment	(3,791)	0	0	(3,791)
Write-up	0	0	0	0
Disposal	(329)	(17)	(93)	(439)
Transfers	10	0	0	10
FX differences	16,334	945	1,702	18,981
Carrying amount as of December 31, 2024	**712,678**	**65,575**	**98,956**	**877,209**
Carrying amount as of January 1, 2023	**591,667**	**39,645**	**76,886**	**708,198**
Changes in the basis of consolidation	0	0	0	0
Additions	226,245	7,603	5,582	239,430
Depreciation	(181,957)	(10,896)	(16,935)	(209,788)
Impairment	(1,452)	0	0	(1,452)
Write-up	10,205	0	0	10,205
Disposal	(2,859)	(57)	(132)	(3,048)
Transfers	(15,352)	0	0	(15,352)
FX differences	(5,090)	(341)	(661)	(6,092)
Carrying amount as of December 31, 2023	**621,407**	**35,954**	**64,740**	**722,101**

Maturity analysis of lease liabilities

The following table shows the breakdown of lease liabilities according to their maturities:

(in EUR thousand)

	2024	2023
Due within one year	258,440	195,053
Due between one and five years	585,043	499,731
Due after five years	230,601	193,270
Total (undiscounted)	**1,074,083**	**888,055**
Interests	(114,902)	(94,810)
Total	**959,181**	**793,245**

Leases in the income statement

(in EUR thousand)

	2024	2023
IFRS 16 relevant lease expenses	**(251,414)**	**(227,576)**
Depreciation right-of-use assets	(219,035)	(209,789)
Impairment/write-ups of right-of-use assets	(3,791)	8,753
Net income from disposal of right-of-use assets	5,745	6,486
Interest expenses for lease liabilities	(35,157)	(29,861)
Income/expenses from foreign exchange differences on lease liabilities	824	(3,165)
Non-IFRS 16 relevant lease expenses	**(208,992)**	**(292,454)**
Expenses from variable lease payments	(190,540)	(192,213)
Expenses for short-term leases	(13,644)	(13,356)
Expenses for leases of low-value assets	(4,834)	(5,488)
Income from subleases	26	42

The total lease cash outflow, encompassing the repayment of lease liabilities, interest expenses, payments for short-term leases, payments for lease of low-value assets, and variable lease payments, amounted to EUR 460,272 thousand in 2024 (2023: EUR 462,453 thousand). Thereof an amount of EUR 216,123 thousand relates to the repayment of lease liabilities (2023: EUR 221,577 thousand).

As of the reporting date, accured rent payments EUR 1,097 thousand (2023: EUR 1,000 thousand).

Material future non-recognized lease payments with maturities

The following future lease payments are not included in the valuation of lease liabilities as a result of IFRS 16:

(in EUR thousand)

	Due 2025	Due 2026–2029	Due after 2029	Total
Variable lease payments	187,211	806,719	670,816	1,664,746
Payments from uncertain termination options	2,648	27,067	11,807	41,522
Payments from uncertain extension options	9,756	186,151	193,777	389,684
Total lease payments	**199,615**	**1,019,937**	**876,400**	**2,095,952**

In addition, payments from short-term leases, leases for software, and for low-value assets are expected, although these are immaterial from the perspective of HUGO BOSS.

The determination of future off-balance sheet lease payments is based on management assumptions regarding the term of the leases and the amount of the lease payment. In determining future lease payments, HUGO BOSS assumes the remaining term of the original lease plus the one-time exercise of renewal options, which are not yet sufficiently certain based on current knowledge. The future variable lease payments are derived on the basis of the sales planned for directly operated stores (DOS) and outlets bottom-up for 2025 and projected using a comparable store sales growth rate (LFL). Future payments from uncertain renewal options take into account all contracts with renewal options existing as of December 31, 2024, and are based on the assumption of constant future rental payments.

10 | Impairment testing

An impairment test must be performed for all assets within the scope of IAS 36 if there are triggering events for impairment at the reporting date. For intangible assets with indefinite useful lives and goodwill, an annual impairment test is performed irrespective of the existence of such indications.

Ordinary depreciated property, plant, and equipment and amortized right-of-use assets at the level of the Group's own retail stores

At HUGO BOSS, the Group's own retail stores (directly-operated stores, DOS) have been identified as CGUs, i.e., as the smallest group of assets that can generate independent cash inflows.

The depreciated assets of the DOS, including the right of use assets from leasing contracts, are subjected to impairment testing, if there are indicators or changes in the planning assumptions resulting in a carrying amount exceeding the recoverable amount of the assets. After preparing the annual budget planning, HUGO BOSS carries out a triggering-event test at the respective DOS level. In the event of a shortfall in defined sales and profitability ratios compared with the latest budget, the non-current assets of the respective DOS are subjected to impairment testing.

The recoverable amount of the DOS is determined by calculating the value in use on the basis of discounted cash flow calculations. The planned cash flows for the DOS from the budget planning adopted by the Managing Board and approved by the Supervisory Board of HUGO BOSS AG were used to determine the value in use as of the reporting date. Furthermore, the gross profit margin of the upstream units as well as the corporate assets at the level of the subsidiary and at the level of the DOS are taken into account. The forecast period is determined on the basis of the individual remaining term of the lease as the leading asset. Following the first planning year derived from the approved budget planning, country- and CGU-specific revenue and cost developments are used as a basis for the remaining useful life. The growth rates used are based on the expected nominal retail growth in each respective market for the corresponding planning year. For all DOS, growth rates range from low single-digit to high single-digit percentages. At the end of the remaining useful life, it is assumed that the respective DOS will be wound up with a sale of the operating assets at the carrying amount. In determining the value in use of the DOS, the cash flows were discounted at a weighted average cost of capital after tax between 8.7% and 26.6% (2023: between 9.2% and 35.5%). A maturity-equivalent risk-free interest rate of 2.5% (2023: 2.5%) and a market risk premium of 6.5% (2023: 6.5%) were applied. The calculated pre-tax interest rates are between 12.2% and 31.8% (2023: 12.6% and 48.9%). If an impairment loss is recognized, it is allocated proportionately to the non-current assets of the CGU. However, no asset may be written down below its respective fair value. For this purpose, the fair values of the right-of-use assets are determined separately. Information from actual lease extensions or new leases for comparable own retail stores is used to derive the market rent and thus the fair value. If no internal data is available for comparable properties, the market rent is derived using estimates from external real estate specialists for properties in comparable locations. If the conditions at which the lease was concluded correspond to the current market conditions derived from actual lease agreements or the estimates of external real estate specialists, it is assumed that the right-of-use asset is recoverable. If the fair value exceeds the calculated value in use of the corresponding CGU, the impairment loss resulting from the calculation of the value in use of the CGU is allocated to the other non-current assets of the CGU.

Impairment tests carried out in the current fiscal year resulted in gross impairment losses on non-current assets of EUR 48,294 thousand (2023: EUR 13,694 thousand), which were recognized in profit or loss under selling and marketing expenses. Of this amount, EUR 44,503 thousand related to property, plant, and equipment and EUR 3,791 thousand to right-of-use assets. The impairment losses are attributable to all regions.

As part of an impairment analysis, an additional triggering-event test is used to determine whether there are indications that stores that had been impaired in the past were able to improve their earnings situation to such an extent that a reversal was necessary. Reversal of impairment losses amounting to EUR 1,490 thousand (2023: EUR 17,451 thousand) were recognized in selling and marketing expenses for the fiscal year 2024.

Overall, this related to net impairment losses of EUR 46,804 thousand in fiscal year 2024 (2023: net reversal of impairment losses of EUR 3,757 thousand).

Goodwill and intangible assets with infinite useful life

The impairment assessment is based on detailed earnings, balance sheet, and investment plans for the next fiscal year for all Group units, which have been adopted by the Management as part of the Company-wide budget planning process, taking into account the current business situation and approved by the Supervisory Board. Years 1–4 from the approved medium-term planning of the respective subsidiary are used for the valuation model, possibly adjusted for future expansion investments such as new store openings. In year 5 and for the terminal value, the sales and cost trends are extrapolated using country-specific growth rates based on year 4. The nominal GDP growth for the respective country from Oxford Economics is used for the extrapolation. The planning of capital expenditure and current net operating assets is based on budget planning data and updated on assumptions and estimates made by management. The cost of capital after taxes is determined using a WACC model for HUGO BOSS, which is used to discount all cash flow forecasts in local currency, includes both standard market and country-specific risk premiums (country risk premium) and a premium for currency risk (inflation risk premium). The cost of capital after taxes used as of December 31, 2024 is based on a risk-free interest rate of 2.5% (2023: 2.5%) and a market risk premium of 6.5% (2023: 6.5%).

The following table shows the carrying amounts and the main assumptions used to determine the value in use or fair value less costs of disposal for the goodwill and intangible assets with indefinite useful lives allocated to the respective groups of CGUs. Goodwill arising on the acquisition of mono-brand stores from former franchise partners in previous fiscal years is allocated to the respective sales units (group of CGUs). Production units are regarded as corporate assets. Corporate assets are included in the impairment test of the sales units. Intangible assets with indefinite useful lives are aggregated at country level. The impairment test for trademark rights for the use of brand names in the U.S. market and Italy is performed at country level.

(in EUR thousand)

	Carrying amount		Assumptions	
	Goodwill	Intangible assets with indefinite useful life	Weighted pre-tax WACC	Long-term growth rate
2024				
Sales unit France	1,759	0	11.8%	2.0%
Sales unit Italy	399	1,377	12.9%	2.0%
Sales unit United Kingdom	3,217	0	11.3%	2.0%
Sales unit Dubai	11,672	0	11.0%	2.0%
Sales unit Mainland China	9,235	0	12.7%	2.0%
Sales unit Macau (China)	6,924	0	11.1%	2.0%
Sales unit South Korea	6,163	0	11.7%	2.0%
Sales unit Thailand	1,782	0	11.7%	1.8%
Sales unit U.S. & Canada	3,243	13,615	11.5%	2.2%
Other sales & corporate units	11,145			
Total	**55,540**	**14,992**	**11.0%–12.9%**	**1.8%–2.2%**

(in EUR thousand)

	Carrying amount		Assumptions	
	Goodwill	Intangible assets with indefinite useful life	Weighted pre-tax WACC	Long-term growth rate
2023				
Sales unit France	1,759	0	11.5%	2.0%
Sales unit Italy	399	1,377	13.8%	2.0%
Sales unit United Kingdom	3,205	0	11.5%	2.0%
Sales unit Dubai	11,263	0	11.2%	2.0%
Sales unit Mainland China	8,925	0	12.8%	2.3%
Sales unit Macau (China)	6,452	0	12.7%	1.9%
Sales unit South Korea	6,586	0	11.5%	2.0%
Sales unit Thailand	1,674	0	12.2%	1.9%
Sales unit U.S. & Canada	3,204	13,615	11.9%	2.0%
Other sales & corporate units	11,284			
Total	**54,752**	**14,992**	**11.2%–13.8%**	**1.9%–2.3%**

The recoverable amount of each group of CGUs is determined by value in use using cash flow projections based on the medium-term financial plans approved by the Managing Board and the Supervisory Board. Restructuring measures to which the Group has not committed to and investments not related to current operations that increase the profitability of the tested group of CGUs are not taken into account. Following the detailed planning phase, country-specific sales growth rates are used, which are based on nominal retail growth.

No impairment loss for goodwill was recognized in fiscal year 2024 as well as in the prior period.

For trademarks with indefinite useful lives, in addition to determining the value in use at the level of the respective CGU, the recoverable amount is determined in a second step on the basis of the fair value less costs of disposal at stage 3 of the measurement hierarchy under IFRS 13. This is based on a sales forecast for the respective market adopted by management as part of the budget process and approved by the Supervisory Board. In addition, country-specific sales growth rates are used. Following the five-year detailed planning period, the planned sales are extrapolated using a growth rate corresponding to the long-term nominal retail growth of the respective markets.

In fiscal years 2024 and 2023, no impairment loss was incurred for the trademark rights with indefinite useful lives.

Key assumptions used to calculate the value in use and fair value less costs of disposal

The following key assumptions, estimation uncertainties, and judgments by Management underlie the calculation of the value in use and fair value less costs of disposal for the aforementioned assets:

- EBIT/net income
- Sustainable nominal retail growth
- Market rent levels
- Discount rates
- Expected useful life of DOS

Estimation of growth rates – Growth rates are generally derived from published industry-related market research based on country-specific nominal retail growth. These growth rates were implemented in the calculation of the value in use, particularly, in the detailed planning phase from 2026 onwards, and in the perpetual annuity.

Estimation of market rent values – Both internal and external lease data for comparable properties are used to derive the fair value of the rights-of-use.

Discount rates – The discount rates reflect current market assessments of the risks specific to each CGU. This takes into account the interest effect and the risks specific to the assets.

Useful life of DOS – The forecast period is based on the average remaining terms of the lease agreements, which are determined and reviewed on an annual basis.

Climate-related impacts – Sustainability is a vital part of "CLAIM 5," which is a cause essential to HUGO BOSS' corporate responsibility and ongoing business activities. In line with the Group's commitment to support creating a planet free of waste and pollution, the Group remains focused on five key pillars that actively address big industry challenges: increasing circularity, driving digitization and data analytics, leveraging nature-positive materials, fighting microplastics, and pushing towards zero emissions. For additional information on climate-related measures, please refer to the Climate Change section in the Combined Non-Financial Statement.

The efforts to reduce climate-related impacts may lead to increased production and sourcing costs. However, anticipated efficiency gains along the value chain are expected to more than offset these additional costs. Throughout financial planning and product development, HUGO BOSS aligns target costing with external macroeconomic developments as well as internal ambitions and sustainability targets. HUGO BOSS also has control mechanisms in place to track target achievements, and as a result, corrective actions for improvement are taken.

Sensitivity to changes in assumptions

As of December 31, 2024, scenarios for critical measurement parameters such as the discount rate used and the growth rates underlying forecast cash flows were determined to verify the values in use. With regard to the growth rates, Management considered an acceleration (adjustment of +5%) as well as a deceleration (adjustment of −5%) of the Group's sales performance in fiscal year 2025 to be possible. An acceleration/increase in growth rates of 5% would result in a reversal of impairment losses for property, plant, and equipment and right-of-use assets in the amount of EUR 5,867 thousand. A slowdown/decrease in growth rates of 5% would result in additional impairments of EUR 5,973 thousand.

With regard to the market rent level, Management assumes that an adjustment of the market conditions both downward and upward by 5% in each case is conceivable. In the event of a reduction in the average market rent level by 5%, an additional impairment loss on right-of-use amounting to EUR 3,642 thousand would be recognized. In the event of a 5% increase in the market rent level, a reversal of impairment losses on right-of-use assets of EUR 379 thousand would be recognized.

In order to review the determined values in use of goodwill, Management considers a deceleration of the sales performance in 2025 as well as an average relative increase of the discount rate by 10% each to be possible. Furthermore, for the groups of CGUs to which goodwill is allocated, a slowdown of 15% in the relative sales growth to extrapolate the cash flow forecasts following the detailed planning period is considered possible.

If the discount rate was to increase by 10%, the values in use of all goodwill would exceed the respective carrying amounts, which are not completely impaired, as was already the case in the previous year.

If the sales development in 2025 were to decrease by 10%, the values in use of all goodwill would exceed the respective carrying amounts.

If the growth rate of sales were to be reduced by 15% in order to extrapolate the cash flow forecasts following the detailed planning period, the value in use of all goodwill would exceed the carrying amount, as was already the case in the previous year.

11 | Financial and other assets

(in EUR thousand)

	2024			2023		
		Thereof current	**Thereof non-current**		Thereof current	Thereof non-current
Financial assets	80,142	49,341	30,801	80,769	54,132	26,637
Thereof equity investments	5,911	0	5,911	4,430	0	4,430
Tax refund claims and prepayments	23,379	23,379	0	33,293	33,293	0
Other assets	112,924	112,319	606	95,632	93,575	2,057
Total	**216,446**	**185,039**	**31,407**	**209,693**	**180,999**	**28,694**

Financial assets include positive market values of currency hedges amounting to EUR 1,892 thousand (2023: EUR 177 thousand) as well as rent deposits for the Group's own retail stores of EUR 19,541 thousand (2023: EUR 15,649 thousand). Financial assets also include receivables from credit card companies amounting to EUR 40,621 thousand (2023: EUR 46,871 thousand).

The tax refund claims and tax prepayments are mostly VAT receivables.

Other assets mainly include prepayments for service agreements in the amount of EUR 58,056 thousand (2023: EUR 37,087 thousand), reimbursement claims from returns in the amount of EUR 26,347 thousand (2023: EUR 26,385 thousand), and receivables from supplier arrangements in the amount of EUR 2,051 thousand (2023: EUR 1,296 thousand).

In fiscal year 2024, HUGO BOSS continued its long-term strategic partnership with HeiQ AeoniQ LLC, a fully owned subsidiary of Swiss innovator HeiQ Plc, with an equity investment of EUR 4,430 thousand made in fiscal year 2022. Additionally, HUGO BOSS invested EUR 1,376 thousand in Collateral Good Ventures Fashion I, a climate-first venture capital fund aimed at accelerating sustainability in the fashion industry, following a commitment made in 2023.

12 | Inventories

(in EUR thousand)

	2024	2023
Finished goods and merchandise	996,439	993,776
Raw materials and supplies	65,047	62,896
Work in progress	10,075	9,372
Total	**1,071,561**	**1,066,044**

The carrying amount of inventories recorded at net realizable value is EUR 220,173 thousand (2023: EUR 191,624 thousand). The impairment on inventories resulted in a net expense of EUR 13,517 thousand (2023: impairment reversals of EUR 35,970 thousand), which is included in the cost of sales.

13 | Trade receivables

(in EUR thousand)

	2024	2023
Trade receivables, gross	**384,791**	**393,215**
Accumulated allowance	(22,885)	(17,595)
Trade receivables, net	**361,906**	**375,620**

As of December 31, 2024, the aging analysis of trade receivables is as follows:

(in EUR thousand)

	2024			2023		
	Trade receivables, gross	Accumulated allowance	Trade receivables, net	Trade receivables, gross	Accumulated allowance	Trade receivables, net[1]
Total	**384,791**	**(22,885)**	**361,906**	**393,215**	**(17,595)**	**375,620**
Thereof: not overdue	**318,128**	**(2,534)**	**315,593**	**313,605**	**(44)**	**313,560**
Thereof: overdue	**56,235**	**(10,609)**	**46,626**	**69,305**	**(8,516)**	**60,788**
1 to 90 days	28,121	(2,681)	25,440	51,311	(40)	51,271
91 to 180 days	12,305	(1,761)	10,544	8,667	(3,053)	5,615
>180 days	15,809	(6,167)	9,642	9,326	(5,423)	3,902
Thereof: impaired	**10,429**	**(9,742)**	**686**	**10,306**	**(9,035)**	**1,271**

1 The prior-year figures have been split to align with the current year's presentation for better comparability.

Trade receivables are non-interest-bearing. The movement of allowances for doubtful accounts has developed as follows:

(in EUR thousand)

	2024	2023
Allowances for doubtful accounts as of January 1	**17,595**	**16,228**
Additions	9,796	9,388
Use	(1,144)	(2,480)
Release	(3,695)	(5,174)
Currency differences	334	(367)
Allowances for doubtful accounts as of December 31	**22,885**	**17,595**

The maximum credit risk from trade receivables corresponding to their gross value is EUR 384,791 thousand (2023: EUR 393,215 thousand) as of the reporting date.

Expected credit losses on trade receivables were recognized in accordance with IFRS 9. In fiscal year 2024, this amounted to EUR 22,885 thousand (2023: EUR 17,595 thousand), of which EUR 9,796 thousand (2023: EUR 9,388 thousand) were added during the course of the year. As of December 31, 2024, receivables written off in the amount of EUR 7,286 thousand (2023: EUR 2,802 thousand) were still subject to recovery measures.

Any expenses and income from allowances on trade receivables are reported under selling and marketing expenses.

In the event of a deterioration of the financial position of wholesale customers and concession partners, the amounts actually derecognized can exceed the bad debt allowances already recognized, which can have an adverse impact on the results of operations.

Pursuant to the general terms and conditions for sales, ownership of the goods supplied is transferred to wholesale partners upon complete payment of all receivables. No collateral has been provided in the Group for individual receivables. Receivables from wholesale customers in respect of whose assets insolvency proceedings have been initiated are evaluated on a case-to-case basis and impaired to the expected receivable recovery amount.

14 | Cash and cash equivalents

(in EUR thousand)	2024	2023
Balances with banks and other cash items	200,553	102,594
Cheques	2	2,744
Cash on hand	10,067	12,989
Total	**210,622**	**118,327**

15 | Equity

Equity is made up of subscribed capital, own shares, capital reserve, other capital reserves, retained earnings, and accumulated other comprehensive income. Retained earnings contain profits that were generated in the past by entities included in the consolidated financial statements and effects from the revaluation of pension provisions. Accumulated other comprehensive income contains the differences arising from translation outside profit and loss of the foreign currencies used for the financial statements of foreign subsidiaries as well as the effects of the measurement outside profit and loss of cash flow hedges after tax.

Subscribed capital

The fully paid-in share capital of HUGO BOSS AG remains unchanged at EUR 70,400 thousand as of December 31, 2024 and consists of 70,400,000 no-par value registered ordinary shares. The arithmetical value per share is EUR 1.00.

Authorized capital

The Managing Board of HUGO BOSS AG may, with the consent of the Supervisory Board, increase the share capital by up to EUR 17,600 thousand on or before May 10, 2026 by issuing up to 17,600,000 new registered shares on a cash and/or non-cash basis once or repeatedly (authorized capital 2021). The shareholders are generally entitled to a subscription right. However, the Managing Board is authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in full or in part in the cases specified in Article 4 paragraph 4 of the Articles of Association.

Conditional capital

By resolution of the Annual General Meeting of May 11, 2021, the Managing Board was authorized until May 10, 2026, with the consent of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants, profit participation rights, and/or participating bonds (or combinations of these instruments) with or without maturity restrictions in a total nominal amount of up to EUR 750,000 thousand, once or several times, also simultaneously in different tranches.

In this context, the share capital was conditionally increased by up to EUR 17,600 thousand by issuing up to 17,600,000 new registered no-par value shares (conditional capital 2021). The conditional capital increase will only be carried out to the extent that the holders or creditors make use of conversion/option rights from the bonds or fulfil conversion/option obligations or shares are tendered and no other forms of fulfillment are used for servicing. The Managing Board did not make use of the authorization in fiscal year 2024.

Capital management

In order to increase its enterprise value, the Group focuses on maximizing free cash flow over the long term. By consistently generating positive free cash flow, the Group is confident of being able to safeguard the liquidity of HUGO BOSS at all times and facilitate long-term growth. Increasing sales and operating profit (EBIT) is key for improving free cash flow over the long term. In addition, a strict management of trade net working capital and a value-oriented capital expenditure approach support the development of free cash flow. In order to maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders, repay capital to shareholders, or issue new shares. In doing so, HUGO BOSS is pursuing a profit-based dividend policy aimed at allowing shareholders to participate appropriately in the Group's earnings development. The Company's target payout ratio, as laid out in "CLAIM 5," is projected to be in a range of between 30% and 50% of net income attributable to shareholders. In line with the Company's vision of being the leading premium tech-driven fashion platform worldwide, it is also considering strategic investments in the medium-term. In the event of excess liquidity, HUGO BOSS also considers share buybacks as viable alternatives to return cash to its shareholders. The balance sheet structure is analyzed at least once a year to determine its efficiency and ability to support future growth and to simultaneously provide sufficient safety in the event that the Company's business performance falls short of expectations.

HUGO BOSS has a revolving syndicated loan of EUR 600,000 thousand at its disposal, providing additional financial flexibility for the successful execution of its strategic initiatives. The proceeds of the facility can be used for general corporate purposes. Concluded in November 2021, it has a term of three years, including two options for extending the term by one year each and an option to increase the credit volume by up to EUR 300,000 thousand. With both extension options having been successfully exercised, the term was extended through 2026. The syndicated loan contains a standard covenant requiring the maintenance of financial leverage, defined as the ratio of net financial liabilities (including lease liabilities in accordance with IFRS 16) to EBITDA. As of December 31, 2024, financial leverage totaled 1.3, thus well below the maximum permissible level (December 31, 2023: 1.3). The syndicated loan is based on variable interest rates with applicable credit margins, depending on the external credit rating and the fulfillment of defined ESG criteria. At the end of fiscal year 2024, the utilization of the revolving credit facility totaled EUR 11,390 thousand of which EUR 11,390 thousand was used to issue bank guarantees (December 31, 2023: utilization of EUR 92,393 thousand of which EUR 9,263 thousand was used to issue bank guarantees).

(in EUR thousand)

	2024	2023
Liabilities due to banks incl. lease liabilities	1,248,210	1,124,122
Cash and cash equivalents	(210,622)	(118,327)
Net financial liabilities	**1,037,588**	**1,005,795**
Operating profit before depreciation and amortization (EBITDA)	**775,027**	**752,034**
Total leverage	**1.34**	**1.34**

Own shares

The number of own shares amounts to 1,383,833 (2023: 1,383,833). The overall percentage amounts to 2.0% of the subscribed capital (2023: 2.0%).

At the Annual General Meeting 2020, HUGO BOSS was granted a renewed authorization to buy back the Company's own shares up to a proportion of 10% of the outstanding share capital on or before May 26, 2025. The Company did not make use of this authorization as of December 31, 2024.

16 | Dividend

Despite the decline in earnings in fiscal year 2024, the Managing Board and the Supervisory Board intend to propose to the Annual General Meeting on May 15, 2025, a dividend of EUR 1.40 per share for fiscal year 2024, reflecting an increase of 4% compared to the prior-year level (2023: EUR 1.35). This decision underscores the Company's robust financial position as well as the management's confidence in its long-term growth opportunities and its continued ability to generate a significantly positive free cash flow in the future. The proposal is equivalent to a payout ratio of 45% of the Group's net income attributable to shareholders in fiscal year 2024 (2023: 36%), in line with the Company's mid-term target payout ratio of between 30% and 50%. Assuming that shareholders approve the proposal, the dividend will be paid out on May 20, 2025. Based on the number of shares outstanding at the end of the year, the amount distributed will total EUR 96,623 thousand (2023: EUR 93,172 thousand).

In 2024, a dividend of EUR 93,172 thousand was paid out for the shares outstanding for fiscal year 2023 (in 2023 for 2022: EUR 69,016 thousand). This corresponds to EUR 1.35 per share for 2023 (2022: EUR 1.00 per share).

17 | Provisions

(in EUR thousand)

	2024	2023
Provisions for pensions	34,994	33,142
Other non-current provisions	64,851	75,659
Non-current provisions	**99,845**	**108,801**
Current provisions	**68,430**	**92,448**
Total	**168,275**	**201,249**

Other provisions of EUR 133,281 thousand (2023: EUR 168,107 thousand) comprise current provisions of EUR 68,430 thousand (2023: EUR 92,448 thousand) and other non-current provisions of EUR 64,851 thousand (2023: EUR 75,659 thousand). These mainly include non-current provisions for personnel expenses in connection with the long-term incentive program (LTI), and further explanations regarding LTI are provided in Note 18 Share-based payment. The risk-free interest rates used to discount other non-current provisions range between 0.3% and 5.5% (2023: between 0.1% and 5.3%) depending on the term and currency in question. In fiscal year 2024, other provisions developed as follows:

(in EUR thousand)

	Balance on Jan. 1, 2024	Changes in currency and the consolidated group	Compounding	Addition	Use	Release	Balance on Dec. 31, 2024
Provisions for personnel expenses	110,877	395	385	51,098	(73,838)	(5,319)	83,598
Provisions for deconstruction obligations	27,126	732	114	4,944	(1,346)	(1,895)	29,675
Costs of litigation, pending legal disputes	8,383	287	0	3,702	(4,907)	(34)	7,432
Provisions for restructuring	808	94	0	600	(301)	(115)	1,085
Other provisions	20,913	(123)	0	3,713	(10,167)	(2,845)	11,491
Total	**168,107**	**1,385**	**499**	**64,058**	**(90,560)**	**(10,209)**	**133,281**

Provisions for personnel expenses

The provisions for personnel expenses mainly concern the provisions for short- and medium-term profit sharing and bonuses, severance payment claims, phased retirement arrangements, and overtime.

It is expected that EUR 34,949 thousand (2023: EUR 47,683 thousand) of the personnel provisions will be paid out after more than twelve months.

Provisions for deconstruction obligations

Non-current provisions for deconstruction obligations relate to the Group's own retail stores, warehouses, and office space used by the Group companies. They are recognized on the basis of the expected settlement amounts and the rental period agreed upon. Estimates are made in terms of the cost as well as the actual timing of the utilization.

Provisions for costs of litigation and pending legal disputes

The provisions for costs of litigation and pending legal disputes include various, individually immaterial ongoing litigations as well as litigation costs for the protection of brand rights. These provisions are classified as current.

Miscellaneous other provisions

Based on reasonable estimates, provisions are recognized for the potential ramifications of legal issues. Such an assessment also takes into account the estimation of local, external experts such as lawyers and tax advisors. Any deviations between the original estimates and the actual outcome can impact the Group's net assets, financial position, and results of operations in the given period.

18 | Share-based payment

Equity-settled share-based payment

As part of the Restricted Stock Units Plan (RSUP) introduced by HUGO BOSS in fiscal year 2022, eligible senior management was granted options to purchase ordinary shares of HUGO BOSS. Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the options. The options carry neither rights to dividends nor voting rights.

Options were recognized at a price equal to the quoted market price of the HUGO BOSS shares on the grant date. The vesting period is three years. Options are forfeited if the employee leaves the Group before the options vest.

The number of share options outstanding as of December 31, 2024 is 159,890 (2023: 159,890). The aggregate amount of the estimated fair values of the options granted totals EUR 7,567 thousand (2023: EUR 7,567 thousand). The following inputs for the binomial model were made on July 1, 2022:

Share price at grant date (July 1, 2022)	EUR 50.36
Expected volatility	40%
Expected life	3 years
Risk free rate	0.81%
Expected dividend yields	2%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the past four years. The expected life used in the model is based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations. In the event of changes in the group of eligible senior management, the fair values are reviewed.

The Group recognized total personnel expenses of EUR 2,569 thousand in fiscal year 2024 (2023: EUR 2,526 thousand) related to equity-settled share-based payment transactions.

Cash-settled share-based payment

A large part of the long-term provisions for personnel expenses consists of the Long-Term Incentive Program (LTI), as implemented at the beginning of fiscal year 2016. The LTI serves as a long-term share-based compensation component for the Managing Board and eligible senior and middle management staff of HUGO BOSS. As of December 31, 2024, there are four tranches in the LTI:

- 2021–2024 LTI tranche (issued on January 1, 2021)
- 2022–2025 LTI tranche (issued on January 1, 2022)
- 2023–2026 LTI tranche (issued on January 1, 2023)
- 2024–2027 LTI tranche (issued on January 1, 2024)

Each plan has a total duration of four years, which is split into a performance term of three years and a qualifying period of one year. The plan participant receives an individual number of virtual shares, the so-called "performance shares" (initial grant) at the beginning of the performance term, calculated as follows:

= Individual LTI budget in euro/average HUGO BOSS share price for the last three months prior to the date of granting the initial grant.

The number of virtual shares issued as of December 31, 2024, and the remaining terms of each plan are as follows:

LTI tranche	Number of virtual shares (initial Grant)	Remaining terms
2021–2024	378,618	0 years
2022–2025	212,436	1 year
2023–2026	252,009	2 years
2024–2027	239,916	3 years

The final entitlement of the participants in the plan depends on the following components:

(1) Individual number of performance shares (initial grant)

(2) Target achievement of predefined targets components: relative total shareholder return (RTSR); return on capital employed (ROCE); degree of employee satisfaction; score in the annual Corporate Sustainability Assessment (CSA)/Dow Jones Sustainability Index (DJSI)

(3) Average HUGO BOSS share price over the last three months of the qualifying period

A detailed explanation of the individual target components can be found in the Compensation Report as part of this Annual Report.

The final entitlement is paid out in cash no later than six weeks after the resolution has been passed by the management of HUGO BOSS regarding the confirmation of the annual financial statement for the corresponding fiscal years 2024, 2025, 2026, and 2027, respectively. Accordingly, the LTI tranche 2021–2024 will be paid out in fiscal year 2025.

The LTI is to be classified as a share-based cash-settled compensation and is therefore accounted for pursuant to the standards of IFRS 2. The expected entitlement of a plan participant is the basis for the calculation of a long-term personnel provision recognized on a pro-rata basis over the term of the respective plans and re-evaluated on each reporting date. The amount of the entitlement and the provision are evaluated using a Monte Carlo simulation, considering the following components:

(1) Expected degree of attainment of individual target components listed above

(2) Fair value per share option/performance shares (expected HUGO BOSS share price at the end of the period)

The fair value of the performance shares is calculated by an external expert using an option pricing model.

The fair values for the four plans as of December 31, 2024, as compared to the previous year, are as follows:

LTI tranche	Fair values per share option 2024	Fair values per share option 2023
2021–2024	EUR 61.40	EUR 59.34
2022–2025	EUR 60.89	EUR 91.16
2023–2026	EUR 49.89	EUR 73.86
2024–2027	EUR 38.73	n/a

The fair value measurement for the respective plans is based on the following parameters:

	2024	2023
HUGO BOSS share price at reporting date in EUR	44.78	67.46
Expected dividend return in %	2.00	2.00
Expected volatility in %	31.97	37.02
Risk free interest rate in % (LTI tranche 2021–2024)	n/a	3.04
Risk free interest rate in % (LTI tranche 2022–2025)	2.18	2.42
Risk free interest rate in % (LTI tranche 2023–2026)	1.98	2.09
Risk free interest rate in % (LTI tranche 2024–2027)	1.95	n/a

As of December 31, 2024, four tranches totaling EUR 41,588 thousand (2023: EUR 47,552 thousand) were recognized as provisions. Therefore, a total income for cash-settled share-based payment pursuant to IFRS 2 of EUR 5,964 thousand (2023: expense of EUR 18,686 thousand) was recognized in personnel expenses in fiscal year 2024.

CEO Investment Opportunity

Prior to Daniel Grieder assuming his duties, the CEO Investment Opportunity was agreed between Daniel Grieder and the Marzotto family, aimed at providing an additional incentive for a substantial and sustainable increase in the share price of HUGO BOSS. As such, the CEO Investment Opportunity represents a third-party agreement between Daniel Grieder and the Marzotto family and is thus explicitly not part of the compensation system in accordance with Sec. 87a AktG. Therefore, it is also not to be included in the maximum compensation of Daniel Grieder.

No conflicts of interest existing

The Supervisory Board discussed the CEO Investment Opportunity at a plenary meeting on June 16, 2020 and noted it with approval. In the opinion of the Supervisory Board, there are no conflicts of interest, particularly in regard to any other shareholder of HUGO BOSS, arising from the CEO Investment Opportunity as it is directly tied to the long-term share price performance of HUGO BOSS. Ultimately, all shareholders in HUGO BOSS benefit from a sustainable increase in the share price.

Sustainable increase in share price required

The CEO Investment Opportunity was implemented by setting up an investment vehicle titled ZPG HOLDING S.àr.l. ("ZPG"). ZPG bought 625,000 HUGO BOSS shares in mid-2021 for an average share price of EUR 46.40 and will hold these shares until the occurrence of a so-called liquidity event. In this context, Daniel Grieder invested a total amount of EUR 1.5 million in ordinary shares in ZPG, with the rest of the investment provided by PFC S.r.l. and Zignago Holding S.P.A., each controlled by the Marzotto family, and a third-party bank financing. PFC S.r.l. and Zignago Holding S.P.A. hold the remainder of ordinary shares and certain preference shares, with limited economic rights ranking senior to the ordinary shares. Liquidity events are the exercise of a call option by ZPG, the exercise of a put option by Daniel Grieder, or ZPG selling the HUGO BOSS shares to a third party.

The call option may be exercised by ZPG either in the event that Daniel Grieder leaves HUGO BOSS or in a period of 120 days following the ordinary expiration of his employment contract with HUGO BOSS. If the call option is exercised based on a reason for which Daniel Grieder is responsible (e.g., termination by Daniel Grieder not based on good cause), he will receive the lower of either the fair market value of his ZPG shares or the amount of his initial investment. If the call option is exercised without Daniel Grieder having given cause for it (e.g., termination by HUGO BOSS not based on good cause), he will receive the fair market value of his ZPG shares.

The put option may be exercised by Daniel Grieder once the average HUGO BOSS share price during a period of 120 days exceeds specific thresholds. The minimum share price required for exercising the put option is EUR 75.10, representing an increase of 62% compared to the average purchase price of HUGO BOSS shares (EUR 46.40) and a 68% increase compared to the share price of HUGO BOSS as of December 31, 2024. The consideration, both in the event of exercising the put option or in case ZPG sells its HUGO BOSS shares to a third party, is the fair market value of the ZPG shares held by Daniel Grieder.

The fair market value of the ZPG shares held by Daniel Grieder is linked to the difference between the average purchase price of HUGO BOSS shares (EUR 46.40) and the average share price of HUGO BOSS shares during the 120 days prior to the liquidity event. If the average share price of HUGO BOSS during the 120 days prior to the liquidity event ranges between EUR 46.40 and EUR 75.00, Daniel Grieder will receive back the contributed amount of EUR 1.5 million. If the average share price during the 120 days prior to the liquidity event is less than EUR 46.40, the amount will be correspondingly lower depending on the average share price. By contrast, if the average share price during the 120 days prior to the liquidity event is EUR 75.10 or higher, the fair market value of the ZPG shares held by Daniel Grieder increases depending on the share price performance of HUGO BOSS. For example, an average share price of EUR 75.10 would result in a fair market value of EUR 7.1 million, an average share price of EUR 100.00 in a fair market value of EUR 14.8 million, and an average share price of EUR 126.00 in a fair market value of EUR 23.6 million.

Liquidity event not occurred as of December 31, 2024

Against the backdrop of the challenging and volatile trading environment for consumer discretionary stocks in 2024, the share price of HUGO BOSS fluctuated between EUR 32.07 and EUR 66.62 throughout the fiscal year. As of December 31, 2024 the share price of HUGO BOSS was EUR 44.78 and thus well below the minimum threshold of EUR 75.10 required to exercise the put option. Consequently, as of the end of fiscal year 2024, there were no conditions in place that could have caused a potential liquidity event. Also, since the CEO investment opportunity was established, the average share price of HUGO BOSS has never reached the minimum threshold of EUR 75.10 over a consecutive 120-day period, thereby preventing the exercise of the put option.

As of the grant date, the fair value was closely aligned with the nominal value of the co-investment shares acquired by the CEO, along with no changes to the vesting conditions in fiscal year 2024, it is concluded not to result in any expenses according to the accounting implications under IFRS 2.

19 | Provisions for pensions and similar obligations

Provisions for pensions are recognized for obligations from future and current post-employment benefits to eligible current and former employees. The benefits agreed under the pension plans depend for the most part on the length of service of the eligible employee. In general, company pension plans are classified into two types of plans: defined contribution plans and defined benefit plans. At HUGO BOSS, most of the plans are defined benefit plans. In the past year, the main defined benefit plans were granted in Germany and Switzerland. The characteristics of these plans are described in the following.

Defined benefit plans

Germany

Since fiscal year 2014, there have only been direct pension obligations in Germany. A distinction is also made between general and individually agreed benefits. Under the general benefits granted, each employee who joined the Company prior to July 1, 2012, is entitled to benefits from Company pension plans. Employees who first receive benefits under the plan upon reaching the age of 50 or who have temporary employment agreements are excluded. Benefits comprise a post-employment benefit in the form of an old-age pension, an early-retirement benefit, a disability benefit, or a surviving dependents' benefit in the form of a dependent child benefit.

Individually agreed benefits are only granted to active and former members of the Managing Board. Benefits can take the form of a post-employment benefit as an old-age pension or disability annuity and take the form of a surviving dependents' benefit as a surviving spouse or dependent child benefit. All active members of the Managing Board have received pension commitments that are regulated in individual contracts and the amounts of which are measured as a percentage of the contractually agreed pensionable income depending on their duration of membership of the Managing Board. The basis for determining the pensionable income is defined as the base salary under the employment contract. For Managing Board members this takes the form of a defined benefit. The Group pays an annual pension contribution into a reinsurance contract for the life of the Managing Board member. This corresponds to 40% of the pensionable compensation, which is calculated on the basis of the basic salary in accordance with the employment contract. This form of pension commitment will also be used for future appointments to the Managing Board.

In addition, HUGO BOSS offers the Managing Board and senior management the opportunity to acquire additional pension benefits through salary conversions ("deferred compensation agreements"). This additional pension can be granted in the form of retirement benefits, optionally in the form of occupational disability benefits and/or surviving dependents' benefits and/or in the form of a lump-sum payment in the event of death. The pension benefits are paid as a monthly pension, whereby surviving dependents' benefits can also be granted as a lump sum.

In Germany, the Company pension plan for individually agreed benefits and deferred compensation agreements is funded by plan assets for which there is an employer's pension liability insurance, which is a qualifying insurance policy within the meaning of IAS 19.8 in conjunction with IAS 19.113 et seq. The assets concerned can be classified as non-marketable assets. Employer's pension liability insurance has not been taken out for general benefits granted.

Switzerland
In Switzerland, employee pension plans must be allocated to a pension fund that is separate from the employer. BVG ["Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge": The Swiss Federal Act on Occupational Retirement, Survivors' and Disability Pension Plans] imposes minimum benefits. HUGO BOSS uses a collective foundation to provide for its employees against the economic consequences of old age, disability, and death. Under this model, the foundation assets are the plan assets. The board of trustees of the collective foundation is responsible for the investment policy; at present the majority of plan assets are invested in fixed-interest securities such as sovereign bonds. The supreme governing body of the collective foundation comprises an equal number of employer and employee representatives. The plans are financed by employer and employee contributions, which are defined as a percentage of the insured wage. The old-age pension is calculated as the retirement assets accumulated upon reaching a pensionable age multiplied by the conversion rates specified in the fund regulations. Employees can opt to receive their pension benefits as a lump-sum payment from the retirement assets. The benefit payments under the Swiss plans encompass old-age pensions, disability benefits, and surviving dependents' benefits. The collective foundation can change its financing system (contributions and future benefits) at any time. In addition, the collective foundation can terminate the affiliation agreement with HUGO BOSS; in such an event, the latter would have to join another welfare fund. Depending on the conditions of the affiliation agreement and the current partial liquidation rules, a deficit and the risks of increasing life expectancy (current pensions) can be transferred.

The pension obligations breakdown is as follows:

(in EUR thousand)

	Present value of the defined benefit obligation		Fair value of plan assets		Net defined benefit liability	
	2024	2023	**2024**	2023	**2024**	2023
Germany	75,951	92,589	71,661	87,960	4,289	4,629
Switzerland	66,864	58,860	55,746	47,382	11,119	11,478
Others[1]	19,586	17,035	0	0	19,586	17,035
Total	**162,401**	**168,484**	**127,407**	**135,342**	**34,994**	**33,142**

1 Additional defined benefit plans are in place in Austria, France, Italy, Mexico, and Turkey.

The amount of the pension obligations was determined using actuarial methods in accordance with IAS 19 "Employee Benefits."

The fair value of plan assets includes only assets held through reinsurance policies in Germany and assets held exclusively by insurance companies in Switzerland.

In fiscal year 2024, the funding status of benefit obligations pursuant to IAS 19 was as follows:

(in EUR thousand)

	2024	2023
Change in present value of benefit obligation		
Present value of benefit obligation on January 1	168,484	157,244
Currency differences	(2,525)	(1,167)
Service cost	6,798	8,077
Interest expense	6,832	5,603
Payments from settlements	(12)	(5,796)
Remeasurement of the carrying amount		
Actuarial gains/losses due to changes in financial assumptions	428	7,369
Actuarial gains/losses due to changes in demographic assumptions	(395)	5,392
Actuarial gains/losses due to experience adjustments	5,214	4,294
Benefits paid	(26,117)	(11,760)
Contribution by participants of the plan	3,490	3,223
Past service cost	0	(2,140)
Other changes in benefit obligation	204	(1,855)
Present value of benefit obligation as of December 31	**162,401**	**168,484**
Changes in plan assets		
Fair value of plan assets on January 1	135,342	129,506
Currency differences	(839)	2,906
Expected return on plan assets	3,925	3,992
Expected return on plan assets (without interest income)	3,252	4,026
Payments from settlements	0	0
Benefits paid	(22,096)	(10,298)
Contribution by the employer	4,333	4,025
Contribution by participants of the plan	3,490	3,223
Other changes in benefit obligation	0	(2,038)
Fair value of plan assets as of December 31	**127,407**	**135,342**
Funding status of the benefits funded by plan assets	**34,994**	**33,142**

As of December 31, 2024, EUR 74,058 thousand (2023: EUR 90,693 thousand) of the present value of the defined benefit obligation is financed through employer's pension liability insurance and EUR 66,864 thousand (2023: EUR 58,860 thousand) through foundation assets; while the remaining EUR 21,479 thousand (2023: EUR 18,931 thousand) was unfunded.

Actuarial assumptions underlying the calculation of the present value of the pension obligations as of December 31, 2024

Discretion is exercised to the extent that the expense from benefit-based plans is determined based on actuarial calculations. This involves making assumptions about discount rates, future wage and salary increases, mortality rates, and future pension increases. The discount rates used are based on the market yields of high-quality, fixed-interest corporate bonds.

The following premises were defined:

Actuarial assumptions	**2024**	2023
Discount rate		
Germany	3.55%	3.75%
Switzerland	1.10%	1.40%
Future pension increases		
Germany	2.00%	2.50%
Switzerland	0.00%	0.00%
Future salary increases		
Germany	3.00%	3.00%
Switzerland	3.00%	3.00%

Pension benefits in Germany are determined on the basis of biometric principles in accordance with the 2018 G mortality tables of Prof. Dr. Klaus Heubeck. The BVG 2020 mortality tables are used to measure the obligations of Swiss companies.

Sensitivity analysis of key actuarial assumptions

HUGO BOSS is exposed to special risks in connection with the aforementioned defined benefit plans. The funding status of pension obligations is influenced by both changes in the present value of the defined benefit obligations and changes in the fair value of plan assets. These are determined using actuarial methods that make assumptions concerning discount rates, future pension increases, future wage and salary increases, and mortality rates. Future deviations between actual conditions and the underlying assumptions can lead to an increase or a decrease in the present value of the defined benefit obligations or the fair value of plan assets.

In addition, future amendments to the accounting standards governing the accounting treatment of pension obligations can affect the pertinent items of net assets, financial position, and results of operations.

A change in the key actuarial parameters according to the scenarios presented below has the effects presented in the table below on the present value of the pension obligations as of December 31, 2024.

When conducting the sensitivity analysis, each parameter was altered ceteris paribus and not in combination with changes in other assumptions, thus excluding interdependencies between parameters. In addition, only ranges of values deemed to be reasonably plausible up to the date of preparing the next set of consolidated financial statements were selected.

(in EUR thousand)

Change in present value of the pension obligations	**2024**	2023
Discount rate December 31		
Increase of 75 basis points	(13,674)	(14,166)
Decline of 75 basis points	16,441	16,990
Future pension increases December 31		
Increase of 25 basis points	3,608	3,872
Decline of 25 basis points	(1,951)	(2,452)
Future salary increases December 31		
Increase of 50 basis points	1,540	1,275
Decline of 50 basis points	(1,440)	(1,174)
Life expectancy December 31		
Increase of 10 percent	(3,450)	(4,077)
Decline of 10 percent	3,404	4,018

Breakdown of the pension expenses in the period

The pension expenses of the period are composed of the following items:

(in EUR thousand)

	2024	2023
Current service costs	6,798	8,077
Past service costs	0	(2,140)
Net interest costs	2,907	1,611
Recognized pension expenses in the comprehensive statement of income	**9,705**	**7,548**
Expense from plan assets (without interest effects)	(3,252)	(4,026)
Recognized actuarial (gains)/losses	5,247	17,055
Recognized remeasurement of the carrying amount in the comprehensive statement of income	**1,995**	**13,029**

The net interest expense is calculated by multiplying the net pension obligation by the discount rate underlying the measurement of the defined benefit obligation (DBO).

In case of deferred compensation commitments, current service cost is only incurred in the year of deferral. An increase in the service rendered does not increase the benefits granted.

For fiscal year 2024, the Group expects employer contributions to plan assets of EUR 4,886 thousand (2023: EUR 5,540 thousand).

Duration

The duration of the benefit-based plans on December 31, 2024, is 14 years for Germany (2023: 14 years) and 18 years for Switzerland (2023: 17 years).

Defined contribution plans

Employer contributions to contribution-based plans totaled EUR 35,855 thousand in fiscal year 2024 (2023: EUR 32,793 thousand) and are reported under personnel expenses. The main contribution-based plan of HUGO BOSS is in Germany. The contribution-based plans receive the contributions to statutory pension insurance and the employer's contribution to employer-funded direct insurance in Germany.

20 | Financial liabilities

All interest-bearing and non-interest-bearing financial obligations as of the respective reporting date are reported under financial liabilities. They are broken down as follows:

(in EUR thousand)

	2024	**With remaining term up to 1 year**	2023	With remaining term up to 1 year
Financial liabilities due to banks	289,029	12,621	330,877	14,449
Lease liabilities	959,181	228,221	793,245	169,010
Other financial liabilities	7,789	7,789	9,272	9,272
Thereof non IFRS 16 relevant rental contracts for own retail business	6,420	6,420	8,802	8,802
Total	**1,255,999**	**248,631**	**1,133,394**	**192,732**

Other financial liabilities include negative market values from derivative financial instruments amounting to EUR 1,369 thousand (2023: EUR 727 thousand).

The following tables show the terms and conditions of financial liabilities:

	2024		2023	
Remaining term	**Weighted average interest rate**	**Carrying amount in EUR thous.**	Weighted average interest rate	Carrying amount in EUR thous.
Liabilities due to banks				
Up to 1 year	1.72%	12,621	4.11%	14,449
1 to 5 years	5.02%	253,522	4.07%	316,428
More than 5 years	2.98%	22,886	0.00%	0
Other financial liabilities				
Up to 1 year	0.00%	7,789	0.00%	9,272
1 to 5 years	0.00%	0	0.00%	0
More than 5 years	0.00%	0	0.00%	0

HUGO BOSS has a revolving syndicated loan of EUR 600,000 thousand at its disposal, providing additional financial flexibility for the successful execution of its strategic initiatives. The proceeds of the facility can be used for general corporate purposes. Concluded in November 2021, it has a term of three years, including two options for extending the term by one year each and an option to increase the credit volume by up to EUR 300,000 thousand. With both extension options having been successfully exercised, the term was extended through 2026.

At the end of fiscal year 2024, the utilization of the revolving credit facility totaled EUR 11,390 thousand, of which EUR 11,390 thousand was used to issue bank guarantees (December 31, 2023: utilization of EUR 92,393 thousand, of which EUR 9,263 thousand was used to issue bank guarantees).

In fiscal year 2023, a Schuldschein loan was recognized at a settlement amount of EUR 175,000 thousand. It is divided into four tranches with different maturities and with floating-rate or fixed-rate coupons:

- two tranches totaled EUR 87,500 thousand maturing in October 2026, and
- two tranches totaled EUR 87,500 thousand maturing in October 2028.

The funds were used for general corporate purposes. Directly attributable transaction costs of EUR 451 thousand were incurred in connection with the issuance of the Schuldschein loan. These were deducted from the fair value on initial recognition and are expensed over subsequent periods.

In fiscal year 2024, HUGO BOSS secured real estate financing in the amount of EUR 43,000 thousand for the expansion of its headquarters in Metzingen, Germany, with a maturity period of ten years.

The following table shows the contractually agreed undiscounted cash flows for non-derivative financial liabilities and for derivative financial instruments with a negative fair value:

(in EUR thousand)

2024		**Expected cash flows**			
Non-derivative financial liabilities	**Carrying amount**	**Total cash flows**	**<1 year**	**1–5 years**	**>5 years**
Financial liabilities due to banks	289,029	296,453	30,663	241,164	24,625
Lease liabilities	959,181	1,074,083	258,440	585,043	230,601
Other financial liabilities	6,420	6,420	6,420	0	0
Derivative financial liabilities					
Undesignated derivatives	1,369	173,324	173,324	0	0
Total	**1,255,999**	**1,550,280**	**468,847**	**826,207**	**255,226**
2023					
Non-derivative financial liabilities					
Financial liabilities due to banks	330,877	301,210	8,299	292,911	0
Lease liabilities	793,245	888,055	195,053	499,731	193,270
Other financial liabilities	8,545	8,545	8,545	0	0
Derivative financial liabilities					
Undesignated derivatives[1]	727	253,826	253,826	0	0
Total	**1,133,394**	**1,451,636**	**465,724**	**792,642**	**193,270**

1 Prior year figures for expected cash flows restated as nominal values.

21 | Other liabilities

(in EUR thousand)

	2024			2023		
	Total	**Current**	**Non-current**	Total	Current	Non-current
Other liabilities	239,105	236,590	2,516	208,881	206,569	2,313
Thereof indirect taxes	75,222	75,222	0	65,237	65,237	0
Thereof social security, accrued vacation, wages and salaries	64,519	64,519	0	56,114	56,114	0
Thereof right of return	53,316	53,316	0	47,305	47,305	0

The obligations arising from rights of return are calculated on the basis of historical return rates.

22 | Additional disclosures on financial instruments

Carrying amounts and fair values by category of financial instruments

(in EUR thousand)

		2024		2023	
Assets	**IFRS 9 category**	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Cash and cash equivalents	AC	210,622	210,622	118,327	118,327
Trade receivables	AC	361,906	361,906	375,620	375,620
Financial assets		80,142	80,142	80,768	80,768
Thereof:					
Equity investments	FVTPL	5,911	5,911	4,430	4,430
Undesignated derivatives	FVTPL	1,892	1,892	177	177
Other financial assets	AC	72,339	72,339	76,161	76,161
Liabilities					
Financial liabilities due to banks	AC	289,029	292,012	330,877	342,440
Trade and other payables	AC	642,740	642,740	571,822	571,822
Thereof reverse factoring	AC	148,491	148,491	106,986	106,986
Lease liabilities	n.a.	959,181	959,181	793,245	793,245
Other financial liabilities		7,789	7,789	9,272	9,272
Thereof:					
Undesignated derivatives	FVTPL	1,369	1,369	727	727
Other financial liabilities	AC	6,420	6,420	8,545	8,545

HUGO BOSS has implemented supplier financing programs to support its suppliers. Under the programs, outstanding trade payables can be settled with the supplier before maturity via the use of a credit institution. In this context, the credit institution pays the invoice amount less a discount to the supplier earlier, whereas HUGO BOSS pays the full invoice amount when due to the credit institution. As the original liability owed to the supplier remains the same on the basis of an unchanged acknowledgement of debt, the nature of the trade payables is assessed to remain unaffected. HUGO BOSS has included the amounts from the supplier financing programs in working capital. The range of payment due dates between 60 and 100 days, in line with the industry standards, remained unaffected on trade payables subject to, or not subject to, the supplier financing programs. There were no significant non-cash changes in the carrying amount of trade payables subject to the supplier financing programs.

The total reverse factoring credit limit as of the reporting date amounts to EUR 268,007 thousand (2023: EUR 251,097 thousand). The utilized volume amounts to EUR 148,491 thousand (2023: EUR 106,986 thousand). The payments received by suppliers from credit institutions correspond to the carrying amount of trade payables under the supplier financing programs.

The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, trade receivables, other financial assets, trade payables, and other current financial liabilities are close to their carrying amounts, mainly due to the short-term maturities of these instruments.

The fair value of loans from banks and other financial liabilities, obligations under finance leases, and other non-current financial liabilities is calculated by discounting future cash flows using rates currently available for debt on similar terms, credit risk, and remaining maturities.

As of December 31, 2024, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The credit risk of the counterparty did not lead to any significant effects.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1: Quoted (unadjusted) prices on active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value and are not based on observable market data.

As of December 31, 2024, all financial instruments measured at fair value in the category FVTPL were assigned to Level 2. In fiscal year 2024, there were no transfers between Level 1 and Level 2 or from Level 3. The financial instruments measured at fair value comprised of forward exchange contracts. The assets amounted to EUR 1,892 thousand (2023: EUR 177 thousand) and liabilities amounted to EUR 1,369 thousand (2023: EUR 727 thousand). The fair value of financial instruments carried at amortized cost in the statement of financial position was also determined using a Level 2 method. The fair value of the assets and liabilities allocated to Level 2 are measured using input parameters from active markets. During fiscal year 2024, no circumstances occurred that would have caused the application of non-recurring fair value measurements.

Net result by measurement category

(in EUR thousand)

	Interest income and expenses	Changes in fair value	Currency translation	Bad debt losses	Disposal of financial instruments	2024	2023
Derivatives (FVTPL)	0	1,205	0	0	(4,080)	(2,875)	(2,964)
Financial Assets Measured at Amortized Cost (AC)	1,253	0	(2,516)	(7,306)	0	(8,570)	(5,542)
Financial Liabilities Measured at Amortized Cost (AC)	(17,755)	0	(1,500)	0	0	(19,255)	(12,466)

Interest on financial instruments is reported in the interest result in Note 4 Financial result.

The bad debt allowances recognized on trade receivables allocable to the AC category are reported under selling and marketing expenses.

Exchange gains and losses from the translation of foreign currency receivables and liabilities, as well as fair value changes and effects of disposals of exchange rate hedges, are reported in other financial items.

Changes in liabilities from financial activity

(in EUR thousand)

	Gross value Jan. 1	Cash flows	Changes in portfolio	Change in the maturity	Currency translation effects	Gross value Dec. 31
2024						
Liabilities arising from financing activities						
Short-term financial liabilities due to banks	14,449	(88,336)	0	86,029	479	12,621
Long-term financial liabilities due to banks	316,428	50,550	0	(86,029)	(4,542)	276,408
Lease liabilities	793,245	(216,123)	363,782	0	18,278	959,181
Total	**1,124,123**	**(253,909)**	**363,782**	**0**	**14,215**	**1,248,210**
2023						
Liabilities arising from financing activities						
Short-term financial liabilities due to banks	21,347	(57,409)	0	50,567	(57)	14,449
Long-term financial liabilities due to banks	88,532	279,473	0	(50,567)	(1,010)	316,428
Lease liabilities	804,218	(221,577)	222,231	0	(11,627)	793,245
Total	**914,097**	**487**	**222,231**	**0**	**(12,693)**	**1,124,123**

Offsetting of financial instruments

(in EUR thousand)

	Gross amounts recognized assets	Gross amounts offset liabilities	Net asset amounts disclosed in statement of fin. pos.	Liabilities not offset in the statement of fin. pos.	Cash deposits received not offset in the statement of fin. pos.	Net amounts
2024						
Trade receivables	386,055	(24,149)	361,906	0	0	361,906
Other financial assets	80,142	0	80,142	(122)	0	80,020
Thereof derivates	1,892	0	1,892	(122)	0	1,770
Total	**466,197**	**(24,149)**	**442,048**	**(122)**	**0**	**441,926**
2023						
Trade receivables	396,103	(20,484)	375,620	0	0	375,620
Other financial assets	80,769	0	80,769	(40)	0	80,728
Thereof derivates	177	0	177	(40)	0	137
Total	**476,872**	**(20,484)**	**456,388**	**(40)**	**0**	**456,348**

(in EUR thousand)

	Gross amounts recognized liabilities	Gross amounts offset assets	Net liabilities amounts disclosed in statement of fin. pos.	Assets not offset in the statement of fin. pos.	Cash deposits received not offset in the statement of fin. pos.	Net amounts
2024						
Trade payables	667,600	(24,860)	642,740	0	0	642,740
Other financial liabilities	7,789	0	7,789	(122)	0	7,667
Thereof derivates	1,369	0	1,369	(122)	0	1,247
Total	**675,389**	**(24,860)**	**650,529**	**(122)**	**0**	**650,407**
2023						
Trade payables	606,119	(34,297)	571,822	0	0	571,822
Other financial liabilities	9,272	0	9,272	(40)	0	9,232
Thereof derivates	727	0	727	(40)	0	686
Total	**615,391**	**(34,297)**	**581,094**	**(40)**	**0**	**581,054**

The liabilities of EUR 24,149 thousand (2023: EUR 20,484 thousand) offset against trade receivables as of the reporting date are outstanding credit notes to customers. The assets offset against trade payables are receivables in the form of outstanding credit notes from suppliers. These amounted to EUR 24,860 thousand (2023: EUR 34,297 thousand).

Master agreements for financial instrument contracts are in place between HUGO BOSS and its counterparties governing the offsetting of derivatives. These prescribe that derivative assets and derivative liabilities with the same counterparty can be combined into a single offsetting receivable or liability.

Hedging policy and financial derivatives

The following table shows the nominal amounts and the fair value of derivative financial instruments:

(in EUR thousand)

	2024		2023	
	Nominal values	**Fair values**	Nominal values	Fair values
Assets				
Currency hedging contracts	343,783	1,892	104,235	177
Liabilities				
Currency hedging contracts	173,324	(1,369)	253,826	(727)
Interest hedging contracts	0	0	0	0
Total	**517,106**	**523**	**358,061**	**(550)**

The nominal values are the principal amounts being hedged. The fair values of derivative financial instruments are recognized as other financial assets or other financial liabilities. They do not necessarily correspond to the amounts that will be generated in the future under normal market conditions.

Of the reported fair value from derivative financial instruments, a gain of EUR 1,073 thousand (2023: loss of EUR 550 thousand) stems from financial assets and liabilities that were classified as held for trading.

Of the amount recognized in other comprehensive income, net losses from the fair value measurement of currency hedges of EUR 0 thousand (2023: EUR 1,443 thousand) were reclassified to operating income in fiscal year 2024.

Currency risk hedges

To hedge against currency risks, HUGO BOSS occasionally enters into hedging transactions to mitigate risks.

The Group operates its own production facilities in Izmir, Turkey (HUGO BOSS Textile Industry Ltd.), among other locations. The functional currency of this subsidiary is the euro. However, certain local payments (including wages, salaries, social security contributions, and transport costs) are made in Turkish lira (TRY). This results in a transaction risk, both from the local and the Group perspective, due to the fluctuating exchange rate between the euro and the Turkish lira.

The hedging strategy aims to limit transaction risks from future cash flows. These are hedged using forward exchange contracts and are then linked with an effective hedging relationship as cash flow hedges as per IFRS 9 (hedge accounting). HUGO BOSS has implemented a rolling hedging strategy for cash flow hedges in which the target hedge ratio of up to 50% of the underlying exposure is built up over time. This rolling hedging allows HUGO BOSS to participate in market opportunities and, at the same time, can smooth the hedged rate. In addition, the ability to react to changes in forecast exposures is improved.

The maturities of the derivative financial instruments generally correspond with those of the hedged item, therefore the risk of the hedging instrument corresponds with the hedged risk. As a result, HUGO BOSS prospectively assumes an economic relationship between the hedged item and the hedging instrument. This is reviewed on a regular basis, but not less often than every reporting date. In addition, only the cross-currency basis spread (CCBS) contained in the hedging instrument was evaluated on the reporting date, and classified as immaterial. As this results in the underlying risk of the currency forward contract being identical to the hedged risk (the exchange rate risk between EUR and TRY), HUGO BOSS sets a hedging ratio of 1:1 for the hedging relationship indicated above.

In principle, differences between planned and actual due dates for cash flows can cause some partial inefficiency. Furthermore, inefficiency may occur in the calculation of the difference in values between the hedging transaction and the hedged item, since the currency basis or the forward points are not excluded when designating the hedging instruments.

Based on historical experience, HUGO BOSS anticipates all hedged items currently designated as cash flow hedges to accrue as of the reporting date.

As of December 31, 2024, there are no open forward exchange contracts for hedging future cash flows in TRY, nor any hedging instruments that the Company has designated in hedging relationships having an impact on the balance sheet.

On the other hand, as of December 31, 2024, there are open forward exchange contracts to hedge currency risks for economical purpose as already noted above.

For additional information and a detailed description of other financial risks, please refer to the Risk and Opportunities Report in the Combined Management Report.

Other notes

23 | Notes to the statement of cash flows

The statement of cash flows shows the change in cash and cash equivalents over the reporting period using cash transactions. In accordance with IAS 7, the sources and applications of cash flows are categorized according to whether they relate to operating, investing, or financing activities. The cash inflows and outflows from operating activities are calculated indirectly on the basis of the Group's net income for the period. By contrast, cash flows from investing and financing activities are directly derived from the cash inflows and outflows. The changes in the items of the statement of financial position presented in the statement of cash flows cannot be derived directly from the statement of financial position on account of exchange rate translations.

A more detailed description of cash flows reported in the consolidated statement of cash flows is available in Note 14 Cash and cash equivalents.

Non-cash expenses and income concern, in particular, unrealized exchange rate gains and losses, fair value changes of derivative financial instruments recognized in profit or loss, and non-cash changes in financial liabilities.

24 | Segment reporting

The Managing Board of HUGO BOSS AG manages the Company by geographic areas. The Group companies are responsible for the distribution of all HUGO BOSS products that are not sold as licensed products by third parties in their respective sales markets. The Managing Directors of the subsidiaries report to the regional directors in charge, who in turn report to the Managing Board of HUGO BOSS AG. This organizational structure enables the direct implementation of Group objectives while taking into account specific market conditions.

Accordingly, the operating segments are organized into the three regions: Europe including Middle East and Africa (EMEA), Americas, and Asia/Pacific, in addition to the license division. The distribution companies of HUGO BOSS are assigned to the corresponding region, while the global licenses business of HUGO BOSS with third parties is allocated to the license division.

The Managing Board of HUGO BOSS AG is the chief operating decision maker of HUGO BOSS.

Management of the regional business segments is aligned to the value-added contribution at group level.

The most important performance indicator used by the Managing Board to make decisions on resources to be allocated to segments is the EBIT. The segment result is thus defined as the EBIT of sales units plus the gross margin of sourcing units and intra-group royalties.

Group financing (including interest income and expenses) and income taxes are managed on a group-wide basis and are not allocated to operating segments.

Management of the operating figures inventories and trade receivables is assigned to the sales markets. These items are regularly reported to the Managing Board. Consequently, segment assets only contain trade receivables and inventories.

Liabilities are not part of internal management reporting. The segment liabilities are therefore not disclosed.

The accounting rules applied in the segment information are in line with the accounting rules of HUGO BOSS as described in the accounting policies.

The Managing Board regularly reviews certain effects recognized in the statement of comprehensive income, including, in particular, amortization, depreciation, and impairment losses.

Capital expenditure from property, plant, and equipment, intangible assets, as well as right-of-use assets are also regularly reported to the Managing Board as part of internal reporting, making it a component of segment reporting.

All expenses and assets that cannot be directly allocated to the sales markets or the license segment are reported in the reconciliations below under corporate units/consolidation. All group-wide central functions are pooled in the corporate units. The remaining expenses of the sourcing, production, and R&D units make up an operating cost center. No operating income is allocated to the corporate units.

(in EUR thousand)

	EMEA	Americas	Asia/Pacific	Licenses	Total operating segments
2024					
Sales	**2,624,984**	**1,020,251**	**553,091**	**109,023**	**4,307,349**
Segment profit	**592,834**	**99,749**	**74,411**	**95,349**	**862,343**
In % of sales	22.6	9.8	13.5	87.5	20.0
Segment assets	515,578	396,056	254,054	27,513	1,193,201
Capital expenditure	53,547	45,814	33,032	20	132,414
Impairments	(29,732)	(12,654)	(4,418)	0	(46,804)
Thereof property, plant, and equipment	(28,307)	(11,818)	(4,378)	0	(44,503)
Thereof intangible assets	0	0	0	0	0
Thereof rights-of-use assets	(2,915)	(836)	(41)	0	(3,791)
Thereof write-up	1,490	0	0	0	1,490
Depreciation/amortization	(156,059)	(74,483)	(73,905)	(16)	(304,462)

(in EUR thousand)

	EMEA	Americas	Asia/Pacific	Licenses	Total operating segments
2023					
Sales	**2,562,016**	**954,624**	**576,443**	**104,375**	**4,197,459**
Segment profit	**585,845**	**156,666**	**123,992**	**88,277**	**954,779**
In % of sales	22.9	16.4	21.5	84.6	22.7
Segment assets	534,360	417,085	277,150	29,931	1,258,525
Capital expenditure	79,275	53,771	37,647	9	170,702
Impairments	1,401	1,138	1,219	0	3,757
Thereof property, plant, and equipment	(10,781)	(909)	(552)	0	(12,242)
Thereof intangible assets	0	0	0	0	0
Thereof rights-of-use assets	(1,452)	0	0	0	(1,452)
Thereof write-up	13,633	2,047	1,771	0	17,451
Depreciation/amortization	(147,640)	(63,491)	(68,702)	(8)	(279,842)

Reconciliation

The reconciliation of segment figures to group figures is presented below.

Sales

(in EUR thousand)

	2024	2023
Sales – operating segments	**4,307,349**	**4,197,459**
Corporate units (incl. Consolidation)	0	0
Total	**4,307,349**	**4,197,459**

Operating income

(in EUR thousand)

	2024	2023
Segment profit (EBIT) – operating segments	**862,343**	**954,779**
Corporate units (incl. Consolidation)	(501,522)	(544,442)
EBIT HUGO BOSS	**360,821**	**410,337**
Net interest income/expenses	(54,978)	(44,861)
Other financial items	(4,341)	(8,587)
Earnings before taxes HUGO BOSS	**301,503**	**356,889**

Segment assets

(in EUR thousand)

	2024	2023
Segment assets – operating segments	**1,193,201**	**1,258,525**
Corporate units (incl. Consolidation)	240,266	183,138
Current tax receivables	23,452	23,148
Current financial assets	49,341	54,132
Other current assets	135,698	126,867
Cash and cash equivalents	210,622	118,327
Non-current assets held for sale	0	26,936
Current assets HUGO BOSS	**1,852,580**	**1,791,073**
Non-current assets	1,929,841	1,680,594
Total assets HUGO BOSS	**3,782,421**	**3,471,667**

Capital expenditure

(in EUR thousand)

	2024	2023
Capital expenditure – operating segments	**132,414**	**170,702**
Corporate units (incl. Consolidation)	153,204	126,805
Total	**285,619**	**297,507**

Impairments/write-ups[1]

(in EUR thousand)

	2024	2023
Impairments/write-ups – operating segments	**(46,804)**	**3,757**
Corporate units (incl. Consolidation)	0	0
Total	**(46,804)**	**3,757**

1 Impairment losses are shown as negative (-), while reversals of impairment losses are shown as positive (+).

Depreciation/amortization

(in EUR thousand)

	2024	2023
Depreciation/amortization – operating segments	**304,462**	**279,842**
Corporate units (incl. Consolidation)	62,939	65,612
Total	**367,402**	**345,454**

Geographic information

(in EUR thousand)

	Third party sales		Non-current assets[1]	
	2024	2023	**2024**	2023
Germany	576,930	555,227	624,808	506,517
Other EMEA markets	2,157,191	2,111,234	581,276	575,485
U.S.	653,566	608,513	313,604	235,217
Other North and Latin American markets	366,685	346,111	55,578	41,125
China	237,506	277,856	66,253	64,544
Other Asian markets	315,471	298,517	139,576	105,002
Total	**4,307,349**	**4,197,459**	**1,781,095**	**1,527,891**

1 Non-current assets are allocated to the country in which the company's registered office is located, irrespective of the segment structure.

25 | Related-party disclosures

In the reporting period from January 1 to December 31, 2024, the following transactions requiring disclosure were conducted with related-parties:

Related-parties

Related-parties comprise members of the Managing Board and the Supervisory Board.

Compensation of the Managing Board

The total compensation of the Managing Board amounts to EUR 17,768 thousand (2023: EUR 15,715 thousand). Expenses for short-term benefits totaled EUR 12,995 thousand (2023: EUR 7,666 thousand). A service cost of EUR 1,263 thousand (2023: EUR 1,120 thousand) was incurred for company pension plans in 2024. For share-based compensation, the expense amounted to EUR 3,511 thousand (2023: EUR 6,929 thousand).

The total compensation of the members of the Managing Board pursuant to Sec. 314 (1) no. 6 a) of the German Commercial Code (HGB) amounted to EUR 10,177 thousand in fiscal year 2024 (2023: EUR 10,471 thousand). Of this amount, EUR 3,382 thousand related to basic compensation including fringe benefits (2023: EUR 2,969 thousand). Special compensation was not granted in 2024 (2023: EUR 100 thousand). An amount of EUR 1,738 thousand (2023: EUR 2,940 thousand) is attributable to the "Short Term Incentive" (STI) as agreed for fiscal year 2024. An amount of EUR 5,058 thousand is attributable to the "Long Term Incentive" (LTI) 2024–2027, resulting from 79,348 subscription rights granted in 2024.

In addition, no loans were granted to members of the Managing Board in fiscal year 2024, nor were any contingent liabilities entered into in favor of these persons. Members of the Managing Board can purchase BOSS or HUGO products at reduced prices as part of their fringe benefits in kind granted as part of their salary and for their personal needs.

Former members of the Managing Board and their surviving dependents received total remuneration of EUR 2,271 thousand in 2024 (2023: EUR 1,710 thousand). This includes compensation attributable to the "Long Term Incentive" (LTI) and the "Short Term Incentive" (STI) amounting to EUR 1,728 thousand (2023: EUR 1,223 thousand).

Pension obligations for former members of the Managing Board of and their surviving dependents amount to EUR 39,955 thousand (2023: EUR 40,510 thousand). The corresponding plan assets in the form of reinsurance amount to EUR 37,559 thousand (2023: EUR 37,776 thousand).

Compensation of the Supervisory Board

The Supervisory Board received compensation for its activities in 2023 amounting to EUR 1,790 thousand. For fiscal year 2024, the total compensation amounts to EUR 1,790 thousand.

Other related-party disclosures

Members of the Managing Board and Supervisory Board together held around 1.5% (2023: around 1.5%) of the shares issued by HUGO BOSS AG at the end of fiscal year 2024.

26 | Subsequent events

Between the end of fiscal year 2024 and the preparation of these consolidated financial statements on March 5, 2025, there were no material macroeconomic, sociopolitical, industry-related, or Company-specific changes that the Management expects to have a significant impact on the Group's earnings, net assets, or financial position.

27 | Corporate Governance Code

In December 2024, 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 (**cgs.hugoboss.com**).

28 | Group auditor fees

(in EUR thousand)

2024	Deloitte network	Deloitte GmbH Wirtschaftsprüfungsgesellschaft
Audit services	2,639	681
Other assurance services	170	97
Tax advisory services	114	0
Other services	38	0
Total	**2,961**	**778**

2023	Deloitte network	Deloitte GmbH Wirtschaftsprüfungsgesellschaft
Audit services	2,663	616
Other assurance services	130	74
Tax advisory services	15	0
Other services	59	0
Total	**2,867**	**690**

In fiscal year 2024, the audit services provided by the Group auditor mainly included the statutory audit of the annual and consolidated financial statements. Additionally, other assurance services included the audit to obtain limited assurance on the Combined Non-Financial Statement. The tax advisory services related to tax filing in subsidiaries abroad.

Managing Board

Member of the Managing Board	Responsibility
Daniel Grieder (Brissago, Switzerland/Metzingen, Germany) Chairman of the Managing Board, Member of the Managing Board since June 1, 2021	Global Marketing & Brand Communication, Creative Direction, Business Unit BOSS Menswear, Business Unit BOSS Womenswear, Business Unit HUGO, Business Unit Footwear, Accessories, Bodywear & Hosiery (incl. Global Licenses), Human Resources, Corporate Communications & Public Affairs, Group Strategy & Corporate Development (incl. Global Corporate Responsibility), and Digital Platform: Brand & Product
Yves Müller (Hamburg/Metzingen, Germany) Member of the Managing Board since December 1, 2017	Group Finance & Tax, Business Planning & Analysis, Investor Relations & M&A, Operations Excellence Projects, Global Sourcing & Production, Technical Product Development, Global Logistics, IT (incl. Information Security), Legal, Compliance & Data Protection, Internal Audit, Construction & Procurement, and Digital Platform: Finance & Operations
Oliver Timm (Meerbusch/Metzingen, Germany) Member of the Managing Board since January 1, 2021	Global Sales Development, Global Retail & Wholesale, Customer Relationship Management (CRM), Data & Analytics, Global Merchandise Management, Global Travel Retail, Global Retail Management, Global E-Commerce & Metaverse, and Digital Platform: Omnichannel & Sales

Supervisory Board

Shareholder representatives	Employee representatives
Hermann Waldemer (Blitzingen, Switzerland) Management Consultant, Chairman of the Supervisory Board (from May 2020), Member since 2015	**Sinan Piskin** (Metzingen, Germany) Administrative Employee/Chairman of the Works Council, HUGO BOSS AG, Metzingen, Germany, Deputy Chairman of the Supervisory Board, Member since 2008
Iris Epple-Righi (Munich, Germany) Management Consultant, Member since 2020	**Andreas Flach** (Weil der Stadt, Germany) Trade Union Secretary of the German Metalworkers' Union IG Metall Frankfurt, Germany, Member since May 2023
Gaetano Marzotto (Milan Italy) Chairman of the Supervisory Board Gruppo Santa Margherita S.p.A., Fossalta di Portogruaro, Italy, Member since 2010	**Katharina Herzog** (Reutlingen, Germany) Senior Vice President Group Finance & Tax HUGO BOSS AG, Metzingen, Germany, Member since 2020
Luca Marzotto (Venice, Italy) Chief Executive Officer Zignago Holding S.p.A., Fossalta di Portogruaro, Italy, Member since 2010	**Daniela Liburdi** (Sindelfingen, Germany) Administrative Employee HUGO BOSS AG, Metzingen, Germany, Member since May 2023
Christina Rosenberg (Munich, Germany) Management Consultant innotail, Munich, Germany, Member since 2020	**Tanja Silvana Nitschke** (Inzigkofen, Germany) Coordinator of the "Tarifpolitische Bildungsoffensive" of IG Metall Baden-Württemberg, Reutlingen, Germany, Member since 2015
Robin J. Stalker (Oberreichenbach, Germany) Chartered Accountant, Member since 2020	**Bernd Simbeck** (Metzingen, Germany) Administrative Employee HUGO BOSS AG, Metzingen, Germany, Member since 2021 (previously already from 2010 until 2015)

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

The members of the Supervisory Board of HUGO BOSS are also members of a supervisory board at the following companies[1]:

Iris Epple-Righi	Bambuser AB	Stockholm, Sweden
	Global-e Online Ltd.	Petah-Tikva, Israel
	Sennheiser electronic SE & Co. KG	Wedemark, Germany
Andreas Flach	Rolls Royce Power Systems AG	Friedrichshafen, Germany
	Rolls Royce Solutions GmbH	Friedrichshafen, Germany
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
	Golmar Italia S.p.A.	Turin, Italy
	Golmar Holding S.p.A.	Turin, Italy
	Zignago Holding S.p.A.	Fossalta di Portogruaro, Italy
	Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy
Luca Marzotto	Florence S.r.l.	Milano, Italy
	Forte Forte S.r.l.	Sarcedo, Italy
	Isotex Engineering S.r.l.	Trissino, Italy
	ITACA EQUITY Holding S.p.A.	Milano, Italy
	Multitecno S.r.l.	Fossalta di Portogruaro, Italy
	Santa Margherita S.p.A.	Fossalta di Portogruaro, Italy
	Santex Rimar Group S.r.l.	Trissino, Italy
	Serliana S.r.l.	Milano, Italy
	Smit S.r.l.	Trissino, Italy
	Sperotto Rimar S.r.l.	Trissino, Italy
	Techwald Next S.p.A.	Trissino, Italy
	Vetri Speciali S.p.A.	Trento, Italy
	Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy
Christina Rosenberg	Josef Tretter GmbH & Co. KG	Munich, Germany
	Villeroy & Boch AG	Mettlach, Germany
Robin J. Stalker	Schaeffler AG	Herzogenaurach, Germany
	Schmitz Cargobull AG[2]	Horstmar, Germany

1 Members not mentioned have no supervisory board mandates in other companies.
2 Member holds position of Chairman or Vice Chairman.

Members of the Managing Board

Daniel Grieder is a non-executive member of the board of directors of Rieter Holding AG (Winterthur, Switzerland). No other member of the Managing Board of HUGO BOSS AG holds a mandate on supervisory boards or comparable supervisory bodies of companies not belonging to HUGO BOSS during the reporting period. In the reporting period, members of the Managing Board held mandates on supervisory boards or comparable other supervisory bodies of Group companies for the purpose of Group management and monitoring.

Publication

The annual and consolidated financial statements of HUGO BOSS AG are published in the German Register of Companies and on the website of HUGO BOSS.

Metzingen, March 5, 2025

HUGO BOSS AG
The Managing Board

Daniel Grieder
Yves Müller
Oliver Timm

Shareholdings of HUGO BOSS AG

Unless stated otherwise, the interest in capital amounts to 100% and the following companies are fully consolidated.

(in EUR thousand)

Company[1]	Registered office	Equity 2024
HUGO BOSS International B.V.	Amsterdam, Netherlands	624,647
HUGO BOSS Holding Netherlands B.V.	Amsterdam, Netherlands	614,980
HUGO BOSS Internationale Beteiligungs-GmbH[2,5,9]	Metzingen, Germany	524,800
HUGO BOSS USA, Inc.	New York, NY, USA	247,903[4]
HUGO BOSS Cleveland Inc.	New York, NY, USA	
HUGO BOSS Fashion Inc.	New York, NY, USA	
HUGO BOSS Florida, Inc.	New York, NY, USA	
HUGO BOSS Licensing Inc.	New York, NY, USA	
HUGO BOSS Retail Inc.	New York, NY, USA	
HUGO BOSS China Retail Co. Ltd.	Shanghai, China	190,258
HUGO BOSS UK Limited	London, United Kingdom	75,774
HUGO BOSS Lotus Hong Kong Ltd.	Hong Kong, China	62,266
HUGO BOSS Hong Kong Ltd.	Hong Kong, China	58,569
HUGO BOSS Canada, Inc.	Toronto, Canada	46,080
HUGO BOSS Benelux B.V. y CIA S.C	Madrid, Spain	45,401
HUGO BOSS AL FUTTAIM UAE TRADING L.L.C.[6]	Dubai, U.A.E.	43,042
HUGO BOSS Textile Industry Ltd.[2]	Izmir, Turkey	39,856
HUGO BOSS Ticino S.A.	Coldrerio, Switzerland	39,046
HUGO BOSS Mexico S.A. de C.V.[2]	Mexico-City, Mexico	36,350
HUGO BOSS France SAS	Paris, France	36,031
HUGO BOSS Benelux B.V.	Amsterdam, Netherlands	34,431
HUGO BOSS Middle East FZ-LLC	Dubai, U.A.E.	30,779
HUGO BOSS do Brasil Ltda.	São Paulo, Brazil	28,059
HUGO BOSS Magazacilik Ltd. Sti.	Izmir, Turkey	14,420
HUGO BOSS Holdings Pty. Ltd.	Preston, Australia	12,363
HUGO BOSS (Schweiz) AG	Zug, Switzerland	11,248
HUGO BOSS Shoes & Accessories Italia S.p.A.	Morrovalle, Italy	11,021
HUGO BOSS Portugal & Companhia	Lisbon, Portugal	10,714
HUGO BOSS Scandinavia AB	Stockholm, Sweden	8,640
HUGO BOSS Italia S.p.A.	Milan, Italy	7,786
HUGO BOSS Australia Pty. Ltd.	Preston, Australia	7,559
HUGO BOSS Hellas LLC	Athens, Greece	6,715
HUGO BOSS (Macau) Co. Ltd.	Macau, China	6,563
Lotus (Shenzhen) Commerce Ltd. Shenzhen, China	Shenzhen, China	6,314
HUGO BOSS Nordic ApS	Copenhagen, Denmark	5,714
HUGO BOSS Guangdong Trading Co. Ltd.	Guangzhou, China	5,267
HUGO BOSS Belgium BVBA[2]	Diegem, Belgium	5,143

(in EUR thousand)

Company[1]	Registered office	Equity 2024
HUGO BOSS Vermögensverwaltungs GmbH & Co. KG[2,9]	Metzingen, Germany	4,606
HUGO BOSS Ireland Limited	Dublin, Ireland	4,530
HUGO BOSS Stiftung gGmbH[2]	Metzingen, Germany	4,393
HUGO BOSS Thailand Ltd.	Bangkok, Thailand	4,162
HUGO BOSS Korea Ltd.	Seoul, South Korea	3,011
HUGO BOSS Finland OY	Helsinki, Finland	2,176
HUGO BOSS South East Asia PTE.LTD.	Singapore	1,943
Salam Stores HUGO BOSS WLL[7]	Doha, Qatar	1,856
HUGO BOSS Shoes & Accessories Poland Sp. z o.o.	Radom, Poland	1,614
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co.Objekt Dieselstraße KG[2,9]	Metzingen, Germany	1,578
HUGO BOSS Malaysia SDN. BHD.	Kuala Lumpur, Malaysia	1,156
HUGO BOSS Holding Sourcing S.A.	Coldrerio, Switzerland	1,135
YOURDATA HB DIGITAL CAMPUS, Unipessoal, Lda.[2,10]	Porto, Portugal	857
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Metzingen KG[2,3,8,9]	Grünwald, Germany	453
HUGO BOSS Estonia OÜ	Tallinn, Estonia	249
Eightyards GmbH[2,11]	Metzingen, Germany	(55)
HUGO BOSS Beteiligungsgesellschaft mbH[2,5,9]	Metzingen, Germany	(85)
HUGO BOSS Latvia SIA.	Riga, Latvia	(243)
GRAMOLERA Grundstücks-Vermietungsgesellschaft Objekt Ticino mbH[9]	Metzingen, Germany	(499)
GRETANA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt D 19 KG[2]	Grünwald, Germany	(566)
HUGO BOSS New Zealand Ltd.	Auckland, New Zealand	(2,076)
HUGO BOSS Belgium Retail BVBA	Diegem, Belgium	(3,027)
HUGO BOSS Japan K.K.	Tokyo, Japan	(11,608)
HUGO BOSS Benelux Retail B.V.	Amsterdam, Netherlands	(12,507)

1 The figures correspond to the financial statements after possible profit transfer, for subsidiaries according to internally-consolidated IFRS financial statements.
2 Directly affiliated to HUGO BOSS AG.
3 Investments with an equity share of 94%.
4 Subgroup financial statement include the following companies: HUGO BOSS Cleveland Inc., HUGO BOSS Fashion Inc., HUGO BOSS Florida, Inc., HUGO BOSS Licensing Inc., HUGO BOSS Retail Inc, and HUGO BOSS USA, Inc.
5 Companies with a profit transfer agreement with HUGO BOSS AG.
6 Investments with an equity share of 49%, consolidation of IFRS 10.7: Other contractual agreements.
7 Investments with an equity share of 70%.
8 Investments with a 94% share in capital and 15% of voting rights, consolidation of IFRS 10.7: Other contractual agreements.
9 Subsidiaries that exercise the exemption of Sec. 264 (3) and 264b HGB ["Handelsgesetzbuch": German Commercial Code].
10 Investments with an equity share of 42%, consolidation of IFRS 10.7: Other contractual agreements.
11 Investment that is not consolidated; previously: HUGO BOSS Dienstleistungs GmbH.

CHAPTER 5 ADDITIONAL INFORMATION

ADDITIONAL DISCLOSURES ON THE COMBINED NON-FINANCIAL STATEMENT

The information disclosed in this chapter is part of the Company's combined non-financial statement as part of the combined management report. The combined non-financial statement was subject to a voluntary review with limited assurance according to ISAE 3000 (Revised).

Material ESG-related impacts, risks, and opportunities

The following tables provide information on our Company's material impacts, risks, and opportunities resulting from our double materiality assessment (DMA). In line with EFRAG guidance, the assessment was conducted on a gross basis, thus excluding the influence of implemented mitigation measures.

MATERIAL IMPACTS

Topical ESRS	Sub-topic/sub-sub-topic	Material impact	Value chain stage
E1 – Climate change	Climate change	HUGO BOSS, like the broader textile industry, has a climate impact, primarily from greenhouse gas emissions linked to fossil fuel use in its upstream value chain, including during raw material cultivation and extraction as well as the processing and manufacturing of textiles and apparel products. Additional emissions arise in the Company's own business as well as in the value chain, as for example transportation, particularly air freight, adds to emissions, while also washing, drying, and disposing textiles impacts the environment by contributing to global warming.	Upstream, own operations (own production only), downstream
E1 – Climate change	Energy	Energy consumption, especially from fossil fuels, is a significant source of emissions in the textile industry, particularly during raw material extraction and wet processing. The majority of the Company's CO_2 emissions originates from its upstream value chain, while energy use in its global retail operations and administration further contributes to emissions. The energy used in washing and drying during the products' use-phase also exacerbates the environmental footprint.	Upstream, own operations, downstream
E2 – Pollution	Pollution of water	Textile production impacts water quality, particularly through dyeing and finishing processes. Untreated wastewater and chemicals used in raw material extraction, such as pesticides and fertilizers, further contaminate water bodies, especially in regions with poor agricultural practices, affecting both the environment and people.	Upstream
E2 – Pollution	Pollution of soil	Textile production degrades soil through overgrazing, poor farming practices, and the excessive use of chemicals. Improper disposal of textile waste can contaminate soil and groundwater, impacting both the environment and public health in surrounding communities.	Upstream, downstream
E2 – Pollution	Substances of concern, substances of very high concern	Textile production relies on various harmful chemicals, including fertilizers in cotton farming and pollutants from fabric processing. Improper discharge of these chemicals affects local ecosystems and, through water and soil contamination, harms human health in affected regions.	Upstream
E2 – Pollution	Microplastics	Synthetic textiles contribute to the release of microplastics, primarily during washing and wearing. These microplastics pollute oceans and other ecosystems, indirectly impacting both marine life and human health by entering the food chain.	Downstream

Topical ESRS	Sub-topic/sub-sub-topic	Material impact	Value chain stage
E3 – Water and marine resources	Water withdrawals	Water consumption in fiber production, particularly for cotton, significantly impacts water availability and exacerbates water scarcity in regions where cotton farming is prevalent. Textile manufacturing processes, such as dyeing and washing, also require substantial amounts of water, impacting both the environment and people.	Upstream
E4 – Biodiversity and ecosystems	Biodiversity and ecosystems	The textile industry drives biodiversity loss through the excessive use of toxic herbicides and pesticides, habitat destruction for raw material farming, and deforestation for virgin materials. Overproduction leads to waste, much of which ends up in landfills or is burned, harming both ecosystems and communities relying on these environments.	Upstream, downstream
E5 – Circular economy	Resources inflows, including resource use, and resources outflows	Toxic chemicals in textile waste impede recycling, necessitating the continuous extraction of new raw materials. This extraction harms the environment through deforestation, excessive water use, and pollution, negatively affecting ecosystems and human health.	Upstream
E5 – Circular economy	Waste	Inefficient textile recycling leads to significant waste, often ending up in landfills or incinerated, contributing to environmental degradation. The lack of packaging reuse or recycling systems exacerbates the issue. This waste contributes to environmental degradation while also affecting people by reducing local air and soil quality, particularly in surrounding communities.	Downstream
S1 – Own workforce	Working conditions – Working time	Employees in wholesale and retail sectors, including sales staff as well as employees in own production, logistics, and administration, may work long hours, which can impact health, work-life balance, and productivity. In advanced economies, extended hours may be linked to career growth opportunities, while in emerging markets and developing economies, they are often driven by comparatively lower wage levels.	Own operations
S1 – Own workforce	Working conditions – Adequate wages	Ensuring adequate wages for all employees at HUGO BOSS fosters financial security, job satisfaction, and loyalty across our workforce. Fair compensation helps attract and retain talent, improving productivity and overall performance. This commitment not only enhances employee well-being but also strengthens our business resilience and long-term success.	Own operations
S1 – Own workforce	Working conditions – Freedom of association, the existence of works councils, and the information, consultation, and participation rights of workers	In certain regions where textiles are produced, workers' rights may be disregarded, making it challenging for workers to negotiate better conditions. Some HUGO BOSS employees work in regions who may face difficulties in organizing and advocating for rights.	Own operations (own production only)
S1 – Own workforce	Working conditions – Work-life balance	In the fashion industry, both white-collar and blue-collar employees may face increased workloads and extended hours during peak seasons, often necessitating overtime. This can lead to stress and fatigue, adversely affecting overall well-being and work-life balance.	Own operations
S1 – Own workforce	Equal treatment and opportunities for all – Gender equality and equal pay for work of equal value	Despite progress in workforce representation, women continue to be underrepresented in senior leadership roles across many industries, contributing to ongoing disparities in career progression and pay equity. These systemic challenges limit opportunities for women, particularly in higher-level roles, slowing progress toward achieving gender parity and equal pay across the workforce.	Own operations
S1 – Own workforce	Equal treatment and opportunities for all – Training and skills development	Insufficient training can hinder employee development, skills, and productivity, while increasing the risk of errors and workplace accidents, particularly in roles that demand specialized safety skills, such as textile production.	Own operations
S1 – Own workforce	Equal treatment and opportunities for all – Employment and inclusion of persons with disabilities	A lack of accessibility infrastructure at workplaces hinders employees with disabilities, limiting their ability to perform tasks independently and impeding the creation of an inclusive work environment.	Own operations

Topical ESRS	Sub-topic/sub-sub-topic	Material impact	Value chain stage
S1 – Own workforce	Equal treatment and opportunities for all – Measures against violence and harassment in the workplace	Neglecting to address violence and harassment in the workplace creates an environment where underrepresented groups feel vulnerable, undermining efforts to cultivate diversity, inclusivity, and a welcoming work culture.	Own operations
S1 – Own workforce	Equal treatment and opportunities for all – Diversity	A lack of diversity can result in employee disengagement, as individuals may feel undervalued or excluded due to factors such as nationality, gender, religion, or disability, thereby reducing morale and team cohesion.	Own operations
S2 – Workers in the value chain	Working conditions – Secure employment	Intense competition in textile production, particularly in developing economies, heightens job insecurity for lower-tier workers, many of whom are women without social security. The reliance on subcontractors further diminishes accountability for worker rights.	Upstream
S2 – Workers in the value chain	Working conditions – Working time	Workers in fiber production, particularly in natural fibers, often endure long working hours under challenging conditions. Similar risks extend to yarn and fabric production within the textile supply chain.	Upstream
S2 – Workers in the value chain	Working conditions – Adequate wages	High competition among suppliers, combined with limited employee representation, can result in low wages. The increase in informal labor without legal protections, coupled with unpaid overtime, heightens the risk of wage theft and labor rights violations across the supply chain.	Upstream
S2 – Workers in the value chain	Working conditions – Freedom of association, including the existence of work councils	Textile industry workers often face challenges in expressing concerns or negotiating for better wages and working conditions due to restricted freedom of association and the absence of work councils. This challenge is particularly pronounced among suppliers and subcontractors in developing countries, restricting workers' ability to advocate for improved conditions.	Upstream
S2 – Workers in the value chain	Working conditions – Collective bargaining	In many regions, textile supply chain workersface barriers to collective bargaining, limiting their ability to negotiate fair wages and improved working conditions. This is especially prevalent in countries with weak labor protections, where restrictions on unionization and collective agreements often result to exploitation and reduced workplace rights.	Upstream
S2 – Workers in the value chain	Working conditions – Health and safety	Workers across the textile supply chain face health and safety risks, including exposure to pesticides in cotton farming and toxic chemicals in dyeing processes. These hazards jeopardize the safety and well-being of workers.	Upstream
S2 – Workers in the value chain	Equal treatment and opportunities for all – Gender equality and equal pay for work of equal value	Gender inequality persists in the textile supply chain, with women often earning a lower pay than their male counterparts for the same work. In addition, women are frequently underrepresented in leadership positions, and gender-based discrimination can limit career advancement and access to equal opportunities. This disparity hinders efforts to achieve workplace equity and equal pay for equal value.	Upstream
S2 – Workers in the value chain	Other work-related rights – Child labor	Child labor remains a concern in the global textile industry, particularly in the production of natural fibers and yarn. Children often work in hazardous conditions for long hours, depriving them of education and childhood development opportunities.	Upstream
S2 – Workers in the value chain	Other work-related rights – Forced labor	Forced labor is prevalent in the textile supply chain, from raw materials to manufacturing. Vulnerable groups, including migrant workers, women, and children, are often subjected to exploitation, especially in regions with weak labor protections.	Upstream
G1 – Business conduct	Corporate culture	A lack of a defined corporate culture can lead to workplace conflicts and unclear expectations. Companies that fail to comply with laws and regulations due to insufficient awareness or training risk negatively impacting employees and communities.	Own operations
G1 – Business conduct	Protection of whistleblowers	Insufficient whistleblower protection across the value chain undermines the ability to expose unethical practices, fostering distrust and limiting a company's capacity to address and resolve issues effectively.	Upstream, own operations, downstream
G1 – Business conduct	Animal welfare	Without adequate transparency and control, the use of animal-derived materials such as leather, wool, and down in apparel products risks unethical treatment of animals within the supply chain, impacting animal welfare.	Upstream, own operations (own production only)

MATERIAL RISKS AND OPPORTUNITIES

Topical ESRS	Sub-topic/sub-sub-topic	Material risk and/or opportunity
E1 – Climate change	Climate change mitigation	Insufficient climate change mitigation strategies and failure to transition to a low-carbon economy may result in regulatory challenges, reputational damage, and financial losses.
E1 – Climate change	Climate change adaptation	Inability to adapt to the physical and operational impacts of climate change can disrupt operations, supply chains, and infrastructure, increasing vulnerability to extreme weather events and long-term risks.
S2 – Workers in the value chain	Working conditions – Working time	Failure of vendors and supply chain partners to monitor and enforce compliance with working time regulations for value chain workers could lead to legal penalties, worker exploitation, and reputational harm.
S2 – Workers in the value chain	Working conditions – Adequate wages	Vendors and supply chain partners offering inadequate wages, such as below-market rates or non-compliance with minimum wage laws, can lead to worker dissatisfaction, legal risks, and supply chain instability.
S2 – Workers in the value chain	Other work-related rights	Failure of vendors or supply chain partners to comply with child labor and forced labor regulations can result in severe human rights violations.
S4 – Consumers and end–users	Information-related impacts for consumers and/or end-users	Failure to safeguard consumer privacy, ensure freedom of expression, or provide access to accurate information can lead to privacy violations, data breaches, and loss of consumer trust.

Overview of ESRS disclosure requirements

The following table provides an overview of all ESRS disclosure requirements and their respective application status within this consolidated non-financial statement, differentiated into applied, partially applied, material but not applied, and not material requirements.

ESRS DISCLOSURE REQUIREMENTS

Disclosure requirement	Application status	Paragraph
ESRS 2 BP–1	partially applied	About this combined non-financial statement
ESRS 2 BP–2	not applied	
ESRS 2 GOV–1	partially applied	Governance, Corporate Governance and the Corporate Governance Statement
ESRS 2 GOV–2	not applied	
ESRS 2 GOV–3	not applied	
ESRS 2 GOV–4	not applied	
ESRS 2 GOV–5	not applied	
ESRS 2 SBM–1	partially applied	Business model, strategy, and value chain, Business Activities and Group Structure, Group Strategy
ESRS 2 SBM–2	partially applied	Interests and views of stakeholders
ESRS 2 SBM–3	partially applied	Double materiality assessment, Additional Disclosures on the Combined Non-financial Statement
ESRS 2 IRO–1	applied	Double materiality assessment
ESRS 2 IRO–2	partially applied	Double materiality assessment, Additional Disclosures on the Combined Non-financial Statement
ESRS E1 GOV–3	not applied	
ESRS E1–1	partially applied	Transition plan for climate change
ESRS E1 SBM–3	not applied	
ESRS E1 IRO–1	not applied	
ESRS E1–2	partially applied	Policies related to climate change
ESRS E1–3	partially applied	Actions related to climate change
ESRS E1–4	partially applied	Targets related to climate change
ESRS E1–5	partially applied	Energy consumption and mix
ESRS E1–6	partially applied	Greenhouse gas emissions
ESRS E1–7	not applied	
ESRS E1–8	not applied	
ESRS E1–9	not applied	
ESRS E2 IRO–1	not applied	
ESRS E2–1	partially applied	Policies related to pollution
ESRS E2–2	partially applied	Actions related to pollution
ESRS E2–3	partially applied	Targets related to pollution
ESRS E2–4	not applied	
ESRS E2–5	not applied	
ESRS E2–6	not applied	
ESRS E3 IRO–1	not applied	
ESRS E3–1	partially applied	Policies related to water resources
ESRS E3–2	partially applied	Actions related to water resources
ESRS E3–3	not applied	
ESRS E3–4	not material	
ESRS E3–5	not applied	
ESRS E4 SBM–3	not applied	
ESRS E4 IRO–1	not applied	
ESRS E4–1	partially applied	Transition plan for biodiversity and ecosystems
ESRS E4–2	partially applied	Policies related to biodiversity and ecosystems
ESRS E4–3	partially applied	Actions in relation to biodiversity and ecosystems

Disclosure requirement	Application status	Paragraph
ESRS E4–4	partially applied	Targets related to biodiversity and ecosystems
ESRS E4–5	not applied	
ESRS E4–6	not applied	
ESRS E5 IRO–1	not applied	
ESRS E5–1	partially applied	Policies related to resource use and circular economy
ESRS E5–2	partially applied	Actions related to resource use and circular economy
ESRS E5–3	partially applied	Targets related to resource use and circular economy
ESRS E5–4	partially applied	Resource inflows
ESRS E5–5	not applied	
ESRS E5–6	not applied	
ESRS S1 SBM–2	not applied	
ESRS S1 SBM–3	not applied	
ESRS S1–1	partially applied	Policies related to own workforce
ESRS S1–2	partially applied	Engagement with own workforce
ESRS S1–3	partially applied	Grievance mechanisms and remediation processes
ESRS S1–4	partially applied	Targets and actions related to own workforce
ESRS S1–5	partially applied	Targets and actions related to own workforce
ESRS S1–6	partially applied	Characteristics of our workforce
ESRS S1–7	not applied	
ESRS S1–8	partially applied	Freedom of association and collective bargaining
ESRS S1–9	partially applied	Diversity, equity, and inclusion (DE&I)
ESRS S1–10	partially applied	Adequate wages
ESRS S1–11	not material	
ESRS S1–12	not applied	
ESRS S1–13	not applied	
ESRS S1–14	not material	
ESRS S1–15	not applied	
ESRS S1–16	not applied	
ESRS S1–17	partially applied	Targets related to measures against violence and harassment

Disclosure requirement	Application status	Paragraph
ESRS S2 SBM–2	not applied	
ESRS S2 SBM–3	not applied	
ESRS S2–1	partially applied	Policies related to workers in the value chain
ESRS S2–2	partially applied	Engaging with workers in the value chain
ESRS S2–3	partially applied	Grievance mechanisms and remediation processes
ESRS S2–4	partially applied	Actions related to workers in the value chain
ESRS S2–5	partially applied	Targets related to workers in the value chain
ESRS S3 SBM–2	not material	
ESRS S3 SBM–3	not material	
ESRS S3–1	not material	
ESRS S3–2	not material	
ESRS S3–3	not material	
ESRS S3–4	not material	
ESRS S3–5	not material	
ESRS S4 SBM–2	not applied	
ESRS S4 SBM–3	not applied	
ESRS S4–1	partially applied	Policies related to consumers and end-users
ESRS S4–2	partially applied	Engaging with consumers and end-users
ESRS S4–3	partially applied	Grievance mechanisms and remediation processes
ESRS S4–4	partially applied	Actions related to consumers and end-users
ESRS S4–5	partially applied	Targets related to consumers and end-users
ESRS G1 GOV–1	not applied	
ESRS G1–1	partially applied	Business Conduct
ESRS G1–2	not material	
ESRS G1–3	partially applied	Prevention and detection of corruption and bribery
ESRS G1–4	partially applied	Targets related to the prevention and detection of corruption and bribery
ESRS G1–5	not material	
ESRS G1–6	not material	

Additional ESG data points below materiality thresholds

The following table provides information on additional ESG data points below our DMA's materiality thresholds.

ADDITIONAL ESG DATA POINTS

	2024	2023
Environment		
Total waste disposed (in metric tons)[1]	7,870	8,916
Total net freshwater consumption (in cubic meters)[1]	58,180	46,363
Social		
Employee Lost-Time Injury Frequency Rate (LTIFR)[2]	9.6	6.8
Contractors Lost-Time Injury Frequency Rate (LTIFR)[2]	4.1	5.9
Number of work-related fatalities for employees	0	0
Number of work-related fatalities for contractors	0	0

1 Own operations.
2 The Lost Time Injury Frequency Rate (LTIFR) measures the number of work-related injuries that prevent employees or third-party contractors from returning to work on their next scheduled workday or shift. It is calculated as the number of these injuries per one million hours worked.

ESG datapoints deriving from other EU legislation

The following table, disclosed in accordance with ESRS 2, provides an overview of datapoints that derive from other EU legislation.

ESG DATAPOINTS DERIVING FROM OTHER EU LEGISLATION

Disclosure Requirement/Data Point		SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Paragraph
ESRS 2 GOV-1 21 (d)	Board's gender diversity	x		x		Corporate Governance and the Corporate Governance Statement
ESRS 2 GOV-1 21 (e)	Percentage of board members who are independent			x		Corporate Governance and the Corporate Governance Statement
ESRS 2 GOV–4 30	Statement on due diligence	x				not applied
ESRS 2 SBM–1 40 (d) i	Involvement in fossil fuel activities	x	x	x		not material
ESRS 2 SBM–1 40 (d) ii	Involvement in chemical production	x		x		not material
ESRS 2 SBM–1 40 (d) iii	Involvement in controversial weapons	x		x		not material
ESRS 2 SBM–1 40 (d) iv	Involvement in tobacco cultivation			x		not material
ESRS E1–1 14	Transition plan for climate neutrality by 2050				x	Transition plan for climate change
ESRS E1–1 16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		not applied
ESRS E1–4 34	GHG emission reduction targets	x	x	x		Targets related to climate change
ESRS E1–5 38	Energy consumption from fossil sources	x				Energy consumption and mix
ESRS E1–5 37	Energy consumption and mix	x				Energy consumption and mix
ESRS E1–5 40–43	Energy intensity in high climate impact sectors	x				Energy consumption and mix
ESRS E1–6 44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		Greenhouse gas emissions
ESRS E1–6 53–55	Gross GHG emissions intensity	x	x	x		Greenhouse gas emissions
ESRS E1–7 56	GHG removals and carbon credits				x	not applied
ESRS E1–9 66	Exposure to climate-related physical risks			x		not applied
ESRS E1–9 66 (a); 66 (c)	Disaggregation by physical risk and asset location		x			not applied

Disclosure Requirement/Data Point		SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Paragraph
ESRS E1–9 67 (c)	Real estate asset value by energy-efficiency classes		x			not applied
ESRS E1–9 69	Portfolio exposure to climate-related opportunities			x		not applied
ESRS E2–4 28	Pollutants emitted to air, water, soil	x				not applied
ESRS E3–1 9	Water and marine resources	x				Policies related to water resources
ESRS E3–1 13	Dedicated policy on water and marine resources	x				not material
ESRS E3-1 14	Sustainable oceans and seas	x				not applied
ESRS E3-4 28 (c)	Total water recycled and reused	x				not material
ESRS E3-4 29	Total water consumption per net revenue	x				not material
ESRS 2- SBM 3 - E4 16 (a) i		x				not applied
ESRS 2- SBM 3 - E4 16 (b)		x				not applied
ESRS 2- SBM 3 - E4 16 (c)		x				not applied
ESRS E4-2 24 (b)	Sustainable land/agriculture practices or policies	x				not applied
ESRS E4-2 24 (c)	Sustainable oceans/seas practices or policies	x				not applied
ESRS E4-2 24 (d)	Policies to address deforestation	x				Policies related to biodiversity and ecosystems
ESRS E5-5 37 (d)	Non-recycled waste	x				not material
ESRS E5-5 39	Hazardous waste and radioactive waste	x				not material
ESRS 2- SBM3 - S1 14 (f)	Risk of incidents of forced labour	x				not material
ESRS 2- SBM3 - S1 14 (g)	Risk of incidents of child labour	x				not material
ESRS S1-1 20	Human rights policy commitments	x				Policies related to own workforce
ESRS S1-1 21	Due diligence policies on issues addressed by ILO Conventions 1 to 8		x			Policies related to own workforce
ESRS S1-1 22	Processes for preventing trafficking in human beings	x				not material
ESRS S1-1 23	Workplace accident prevention policy or management system	x				Policies related to own workforce
ESRS S1-3 32 (c)	Grievance/complaints handling mechanisms	x				Grievance mechanisms and remediation processes
ESRS S1-14 88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x	x			Additional ESG data points below materiality thresholds
ESRS S1-14 88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Additional ESG data points below materiality thresholds

Disclosure Requirement/Data Point		SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Paragraph
ESRS S1-16 97 (a)	Unadjusted gender pay gap	x	x			not applied
ESRS S1-16 97 (b)	Excessive CEO pay ratio	x				not applied
ESRS S1-17 103 (a)	Incidents of discrimination	x				Targets related to measures against violence and harassment
ESRS S1-17 104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x	x			Targets related to measures against violence and harassment
ESRS 2- SBM3 – S2 11 (b)	Significant risk of child labour or forced labour in the value chain	x				not applied
ESRS S2-1 17	Human rights policy commitments	x				Policies related to workers in the value chain
ESRS S2-1 18	Policies related to value chain workers	x				Policies related to workers in the value chain
ESRS S2-1 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x	x			Policies related to workers in the value chain
ESRS S2-1 19	Due diligence policies on issues addressed by ILO Conventions 1 to 8		x			Policies related to workers in the value chain
ESRS S2-4 36	Human rights issues and incidents connected to its value chain	x				Actions related to workers in the value chain
ESRS S3-1 16	Human rights policy commitments	x				not material
ESRS S3-1 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x	x			not material
ESRS S3-4 36	Human rights issues and incidents	x				not material
ESRS S4-1 16	Policies related to consumers and end-users	x				Policies related to consumers and end-users
ESRS S4-1 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x	x			not applied
ESRS S4-4 35	Human rights issues and incidents	x				not material
ESRS G1-1 §10 (b)	United Nations Convention against Corruption	x				not applied
ESRS G1-1 §10 (d)	Protection of whistle-blowers	x				Whistleblowing policy and channels to raise concerns
ESRS G1-4 §24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x	x			Targets related to the prevention and detection of corruption and bribery
ESRS G1-4 §24 (b)	Standards of anti-corruption and anti-bribery	x				Actions related to the prevention and detection of corruption and bribery

Additional disclosures on the EU Taxonomy

The following tables, disclosed in accordance with Annex I, Annex II, and Annex V of the Delegated Regulation on Article 8 of the EU Taxonomy, provide information on the taxonomy-eligible and taxonomy-aligned proportions of sales, CapEx, and OpEx.

EU TAXONOMY – DISCLOSURE REGARDING TURNOVER FOR FISCAL YEAR 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	**Codes[1]**	**Turnover**	**Proportion of Turnover[2]**	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	**Minimum Safeguards[3]**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, 2023**	**Category enabling activity[4]**	**Category transitional activity[5]**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0		
Of which enabling[4]		0	0														0		
Of which transitional[5]		0	0														0		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0														0		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		0	0														0		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		4,307	100																
Total		**4,307**	**100**																

"Y" = "Yes," taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; "N" = "No," taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; "EL" = "Eligible," taxonomy-eligible activity for the relevant objective; "N/EL" = "Not eligible," taxonomy-non-eligible activity for the relevant environmental objective.

1 Abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective.
2 No taxonomy-eligible or -aligned sales in fiscal year 2024, as no binding taxonomy criteria are yet available for the core business of HUGO BOSS.
3 Compliance with the social minimum safeguards specified by the Taxonomy Regulation.
4 According to the Taxonomy Regulation, activities that directly enable other activities to make a significant contribution to one or more of the environmental targets.
5 According to the Taxonomy Regulation, activities that support the transition to a climate-neutral economy.

EU TAXONOMY – DISCLOSURE REGARDING CAPEX FOR FISCAL YEAR 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	**Codes[1]**	**CapEx**	**Proportion of CapEx[2]**	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	**Minimum safeguards[3]**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx, 2023**	**Category enabling activity[4]**	**Category transitional activity[5]**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0		
Of which enabling[4]		0	0														0		
Of which transitional[5]		0	0														0		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of new buildings	CCM 7.1	12	2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		12	2														0		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		12	2														0		
B. Taxonomy-non-eligible activities																			
CapEx of Taxonomy-non-eligible activities		633	98																
Total		**645**	**100**																

"Y" = "Yes," taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; "N" = "No," taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; "EL" = "Eligible," taxonomy-eligible activity for the relevant objective; "N/EL" = "Not eligible," taxonomy-non-eligible activity for the relevant environmental objective.

1 Abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective ("CCM 7.1" = Climate Change Mitigation, Construction of new buildings").
2 Capital expenditure (CapEx) to be considered under the Taxonomy Regulation comprise additions to property, plant and equipment and intangible assets, including additions to rights of use assets of long-term leases.
3 Compliance with the social minimum safeguards specified by the Taxonomy Regulation.
4 According to the Taxonomy Regulation, activities that directly enable other activities to make a significant contribution to one or more of the environmental targets.
5 According to the Taxonomy Regulation, activities that support the transition to a climate-neutral economy.

EU TAXONOMY – DISCLOSURE REGARDING OPEX FOR FISCAL YEAR 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	**Codes**[1]	**OpEx**	**Proportion of OpEx**[2]	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	**Minimum safeguards**[3]	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx, 2023**	**Category enabling activity**[4]	**Category transitional activity**[5]
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0														0		
Of which enabling[4]		0	0														0		
Of which transitional[5]		0	0														0		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0														0		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0														0		
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities		128	100																
Total		**128**	**100**																

"Y" = "Yes," taxonomy-eligible and taxonomy-aligned activity with the relevant environmental objective; "N" = "No," taxonomy-eligible but not taxonomy-aligned activity with the relevant environmental objective; "EL" = "Eligible," taxonomy-eligible activity for the relevant objective; "N/EL" = "Not eligible," taxonomy-non-eligible activity for the relevant environmental objective.

1 Abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective.
2 In accordance with the specifications set out in Annex I of the delegated acts on Article 8 of the EU Taxonomy, HUGO BOSS will, as in the previous year, refrain from presenting its taxonomy-eligible and -aligned operating expenses (OpEx) for fiscal year 2024 due to immateriality.
3 Compliance with the social minimum safeguards specified by the Taxonomy Regulation.
4 According to the Taxonomy Regulation, activities that directly enable other activities to make a significant contribution to one or more of the environmental targets.
5 According to the Taxonomy Regulation, activities that support the transition to a climate-neutral economy.

RESPONSIBILITY STATEMENT

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

Metzingen, March 5, 2025

HUGO BOSS AG
The Managing Board

Daniel Grieder
Yves Müller
Oliver Timm

AUDITOR’S REPORTS

Independent Auditor’s Report

To HUGO BOSS AG, Metzingen/Germany

Report on the audit of the consolidated financial statements and of the combined management report

Audit Opinions

We have audited the consolidated financial statements of HUGO BOSS AG, Metzingen/Germany, and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the parent and the group of HUGO BOSS AG, Metzingen/Germany, for the financial year from January 1 to December 31,2024. In accordance with the German legal requirements, we have not audited the content of the combined non-financial statement pursuant to Sections 289b to 289e and 315b and 315c German Commercial Code (HGB) included in the combined management report, as well as the corporate governance statement pursuant to Sections 289f and 315d HGB referred to in the section “Legal Disclosures” of the combined management report. In addition, we have not audited the content of the section of the combined management report marked as unaudited and not pertaining to the management report entitled “Key features of the internal control and risk management system”.

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter “IFRS Accounting Standards”) as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024, and

- the accompanying combined management report as a whole provides an appropriate view of the Group’s position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the combined non-financial statement included in the combined management report and the combined corporate governance statement referred to in section ”Legal Disclosures” of the combined management report and the above-mentioned section of the report marked as unaudited and not pertaining to the management report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Accounting of rental and lease agreements
2. Recoverability of non-current assets allocated to the Group's directly operated stores

Our presentation of these key audit matters has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)
b) auditor's response

1. Accounting of rental and lease agreements

a) The consolidated financial statements include right-of-use for leasing objects of mEUR 877.2 and respective current and non-current lease liabilities of mEUR 959.2, which corresponds to approx. 23.2% and 25.4% of the consolidated statement of financial position total, respectively. In particular, the items result from closed rental and lease agreements for HUGO BOSS Group's directly operated stores. The composition of the contract portfolio is regularly subject to significant changes due to contract amendments, terminations, expiring contracts and new contracts.

Against this background, there is an increased risk of misstatements in the accounting with regard to the completeness of the recognition of contracts and their presentation in the consolidated financial statements. For this reason, we considered the accounting of rental and lease agreements to be a key audit matter.

The disclosures on accounting for rental and lease agreements are included in the sections "Accounting and valuation principles" and "9 I Leases" in the notes to the consolidated financial statements.

b) During our audit, we obtained an understanding of the processes set up for approving, recording and validating rental and lease agreements. In doing so, we assessed the design and implementation as well as the effectiveness of selected accounting-related internal controls to ensure the complete recognition and correct calculation of the value of the right-of-use and lease liabilities. We also assessed new contracts and contract amendments in the financial year 2024 on a sample basis with regard to their accounting treatment in accordance with IFRS 16 and compared the relevant data in the rental and lease agreements with the data used to determine the value in use and lease liabilities. The arithmetical accuracy of the valuation was also checked on a sample basis with regard to the right-of-use assets, lease liabilities, depreciation and interest expenses. In order to assess the completeness of the leases recognized in the balance sheet, we tested the appropriate accounting treatment in accordance with IFRS 16 on a sample basis in addition to performing interviews.

We also assessed the completeness and correctness of the disclosures in the notes to the consolidated financial statements required by IFRS 16.

2. Recoverability of non-current assets allocated to the Group's directly operated stores

a) The material share of the non-current assets of HUGO BOSS Group relates to assets assigned to the Group's directly operated stores (hereafter referred to as: "DOS") and is disclosed under the rights-to-use assets on leased objects and to assets disclosed under property, plant and equipment. These are subject to impairment tests as at the balance sheet date if there are any indications of impairment. The Group's DOS were determined as cash-generating units. As part of the impairment test, the future cash inflows determined on the basis of the planning adopted by the executive directors and approved by the supervisory board are discounted using a discounted cash flow method. The planning is carried forward using industry- and country-specific growth rates. In this context, expectations about future market developments and country-specific assumptions are also taken into account. Discounting is based on the weighted cost of capital of the respective cash-generating unit.

The result of this valuation is highly dependent on the executive directors' assessment of future cash inflows, specific growth rates and the weighted cost of capital used for discounting and is therefore subject to uncertainties and discretion. Against this background, we classified the recoverability of the non-current assets allocated to the Group's DOS as a key audit matter within the scope of our audit.

The disclosures on the determination, recognition and valuation of the assets allocated to DOS are included in the sections "Accounting and valuation methods" and "10 I Impairment tests" within the notes to the consolidated financial statements.

b) As part of our audit, we obtained an understanding of the processes and controls in place and tested the appropriateness and implementation of the processes established by the Company and the effectiveness of selected related controls. We assessed the valuation model, in particular its methodological and mathematical accuracy, with the involvement of our internal valuation experts. To assess the quality and reliability of the corporate planning, we compared the planning for selected financial years with the actual results achieved and analyzed significant deviations in individual cases (planning accuracy). We verified whether the data sources used in the calculation and the planned future cash flows form an appropriate basis, in particular by comparing them with the planning adopted by the executive directors and approved by the supervisory board, and by questioning those responsible about the key assumptions and premises of this planning. In addition, we critically examined the planning and checked its plausibility, taking into account macroeconomic and sector-specific market expectations. As a significant portion of the respective value in use results from forecast cash flows for the period after the detailed planning period of basically one year, we critically assessed in particular the sustainable retail growth rate applied for this phase by comparing it with internal and external data. We assessed the derivation of the discount rates and their individual components with the involvement of our internal valuation experts, in particular by questioning the appropriateness of the peer group, comparing the market data used with external evidence and verifying the mathematical accuracy of the model.

We also examined the completeness and accuracy of the disclosures in the notes to the consolidated financial statements required by IAS 36.

Other information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the combined non-financial statement included in the combined management report,
- the combined corporate governance statement, which is referred to in the section "Legal Disclosures" of the combined management report and is additionally shown in the chapter "Corporate Governance and Corporate Governance Statement" of the annual report,
- the chapter of the combined management report marked as unaudited and not pertaining to the management report entitled "Key features of the internal control and risk management system",
- the remuneration report pursuant to Section 162 AktG,

- the executive directors' confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and

- all other parts of the annual report expect for the section "Legal Disclosures",

- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the combined corporate governance statement, and for the remuneration report. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined 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 Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined 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 audit 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 provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory Requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value cd44a63f604b79b23393c09ae303e90eceef92431a3b58abaa37428ab15d9acc, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)).

Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Parent are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

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

Group Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.

- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on May 14, 2024. We were engaged by the supervisory board on September 29, 2024. We have been the group auditor of HUGO BOSS AG, Metzingen/Germany, without interruption since the financial year 2022.

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

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

German Public Auditor responsible for the Engagement

The German Public Auditor responsible for the engagement is Marco Koch.

Stuttgart/Germany, March 7, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Thomas Reitmayr	Marco Koch
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Report of the Independent Auditor on the Audit of the Remuneration Report in Accordance with Section 162 (3) Aktg

To HUGO BOSS AG, Metzingen/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of HUGO BOSS AG, Metzingen, for the financial year from January 1 to December 31, 2024 to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (08.2021)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the IDW Quality Assurance Standard: Requirements for Quality Management in the Audit Firm (IDW QS 1). We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Executive Board and the Supervisory Board

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they have determined necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report on the audit.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

Stuttgart/Germany, March 12, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Thomas Reitmayr	Marco Koch
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Limited Assurance Report of the Independent Practitioner Regarding the Combined Non-Financial Statement

To HUGO BOSS AG, Metzingen/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the combined non-financial statement of HUGO BOSS AG, Metzingen/Germany, for the financial year from January 1 to December 31, 2024, included in section "Combined Non-Financial Statement" of the combined management report for the parent and the group for complying with Sections 289b to 289e, 315b and 315c German Commercial Code (HGB) including the disclosures for complying with the requirements under Article 8 of Regulation (EU) 2020/852 included in this combined non-financial statement (hereafter referred to as "the combined non-financial statement").

References to information of the Company outside of the group management report and the external sources of documentation or expert opinions mentioned in the combined non-financial statement were not subject to our assurance engagement. Furthermore, our assurance engagement did not cover the prior year's disclosures marked as unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying combined non-financial statement for the financial year from January 1 to December 31, 2024 is not prepared, in all material respects, in accordance with Sections 289b to 289e, 315b and 315c HGB and the requirements of Article 8 of Regulation (EU) 2020/852, and the specifying criteria presented by the executive directors of the Company.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Statement".

We are independent of the entity 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. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the Executive Directors and the Supervisory Board for the Combined Non-Financial Statement

The executive directors are responsible for the preparation of the combined non-financial statement in accordance with the applicable German legal and European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a combined non-financial statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent reporting in the combined non-financial statement) or error.

This responsibility of the executive directors includes selecting and applying appropriate reporting policies for preparing the combined non-financial statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the combined non-financial statement.

Inherent Limitations in Preparing the Combined Non-Financial Statement

The applicable German legal and European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have made interpretations of such wording and terms in the combined non-financial statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the combined non-financial statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the combined non-financial statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Statement

Our objective is to express a limited assurance conclusion based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the combined non-financial statement has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the combined non-financial statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also

- obtain an understanding of the process used to prepare the combined non-financial statement.

- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the combined non-financial statement.

- inquired of the executive directors and relevant employees involved in the preparation of the combined non-financial statement about the preparation process and about the internal controls related to this process.

- evaluated the reporting policies used by the executive directors to prepare the combined non-financial statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the combined non-financial statement.
- considered the presentation of the information in the combined non-financial statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the combined non-financial statement.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions based on it.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Stuttgart/Germany, March 7, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Thomas Reitmayr	Daniel Oehlmann
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

GENERAL INFORMATION

The performance of HUGO BOSS is best reflected in the consolidated financial statements. Like many other companies, HUGO BOSS has refrained from including the figures from the separate financial statements of the parent company HUGO BOSS AG in this report for the sake of clarity of presentation. These statements, which continue to be prepared in accordance with the German Commercial Code (HGB), are published on the Company's website at **group.hugoboss.com**.

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.

TEN-YEAR-OVERVIEW

	2024	2023	2022	2021	2020[1]	2019[2]	2018	2017	2016	2015
Sales (in EUR million)	4,307	4,197	3,651	2,786	1.946	2,884	2,796	2,733	2,693	2,809
Sales by brand[3]										
BOSS Menswear	3,329	3,256	2,868	2,181	1,530	2,488	2,422	2,336	2,313	2,522
BOSS Womenswear	297	288	239	192	131					
HUGO	682	653	545	413	285	396	374	397	380	287
Sales by segments										
EMEA	2,625	2,562	2,303	1,742	1,231	1,803	1,736	1,681	1,660	1,683
Americas	1,020	955	789	543	308	560	574	577	582	671
Asia/Pacific	553	576	467	423	343	438	410	396	382	393
Licenses	109	104	92	77	64	84	76	79	69	62
Sales by distribution channel[3]										
Brick-and-mortar retail[4]	2,241	2,262	2,016	1,512	1,057	1,869	1,768	1,732	1,677	1,689
Brick-and-mortar wholesale[5]	1,111	1,033	895	647	472	931	952	922	947	1,058
Digital	846	798	648	549	352	–	–	–	–	–
Licenses	109	104	92	77	64	84	76	79	69	62
Results of operations (in EUR million)										
Gross profit	2,660	2,581	2,256	1,721	1,187	1,875	1,823	1,808	1,777	1,853
Gross margin in %	61.8	61.5	61.8	61.8	61.0	65.0	65.2	66.2	66.0	66.0
EBIT	361	410	335	228	(236)[6]	344	347	341	263	448
EBIT margin in %	8.4	9.8	9.2	8.2	(12.1)[7]	11.9	12.4	12.5	9.8	15.9
EBITDA	775	752	680	568	230	707	476	499	433	590
Net income attributable to equity holders of the parent company	213	258	209	137	(220)[8]	205	236	231	194	319
Net assets and liability structure as of December 31 (in EUR million)										
Trade net working capital	791	870	613	376	491	528	537	459	524	528
Non-current assets	1,930	1,681	1,535	1,458	1,516	1,713	686	662	752	765
Equity	1,450	1,311	1,135	940	760	1,002	981	915	888	956
Equity ratio in %	38	38	36	34	30	35	53	53	49	53
Total assets	3,782	3,472	3,127	2,736	2,570	2,877	1,858	1,720	1,799	1,800
Financial position and dividend (in EUR million)										
Free cash flow	497	96	166	560	164	457	170	294	220	208
Net financial liabilities (as of December 31)	1,038	1,006	767	628	1,004	1,040	22	7	113	82
Capital expenditure	286	298	192	104	80	192	155	128	157	220
Depreciation/amortization	414	342	345	339	465[9]	362	129	158	169	142
Total leverage (as of December 31)[10]	1.3	1.3	1.1	1.1	(6.7)	0.2	0.0	0.0	0.2	0.1
Amount distributed[11]	97	93	69	48	3	3	186	183	179	250
Additional key figures										
Employees (as of December 31)[12]	18,623	18,738	16,930	14,041	13,795	14,633	14,685	13,985	13,798	13,764
Personnel expenses (in EUR million)	979	918	794	627	570	640	629	604	605	563
Number of Group's own retail points of sale	1,532	1,418	1,316	1,228	1,157	1,113	1,092	1,139	1,124	1,113
Shares (in EUR)										
Earnings per share	3.09	3.74	3.04	1.99	(3.18)[13]	2.97	3.42	3.35	2.80	4.63
Dividend per share[11]	1.40	1.35	1.00	0.70	0.04	0.04	2.70	2.65	2.60	3.62
Last share price (as of December 31)	44.78	67.46	54.16	53.50	27.29	43.26	53.92	70.94	58.13	76.60
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	70,400,000	70,400,000	70,400,000	70,400,000

1 In 2020, HUGO BOSS recorded non-cash impairment charges related to the negative impact of COVID-19 on the Group's retail business in the amount of EUR 110 million.
2 The application of IFRS 16 in fiscal year 2019 partially limits the comparability of some performance indicators towards the prior-year figures. Additional information on the first-time application of IFRS 16 are presented in the Annual Report 2019.
3 Starting 2020, presentation has been aligned to the "CLAIM 5" strategy.
4 Until fiscal year 2019, own retail sales were reported including the Company's own online sales.
5 Until fiscal year 2019, wholesale sales were reported including online sales generated in wholesale.
6 2020: Excluding non-cash impairment charges, EBIT amounted to minus EUR 126 million.
7 2020: Excluding non-cash impairment charges, EBIT margin amounted to (6.5)%.
8 2020: Excluding non-cash impairment charges, net income amounted to minus EUR 131 million.
9 2020: Excluding non-cash impairment charges, depreciation and amortization amounted to EUR 355 million.
10 2021: Net financial liabilities/EBITDA including the impact of IFRS 16; Until 2020: Net financial liabilities/EBITDA excluding the impact of IFRS 16.
11 2024: Dividend proposal; 2020/2019: legal minimum dividend of EUR 0.04 per share in the wake of the COVID-19 pandemic.
12 Full-time equivalent (FTE).
13 2020: Excluding non-cash impairment charges, EPS amounted to minus EUR 1.90.

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LEGAL NOTICE

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Release date
Thursday, March 13, 2025

Conception and Design
nexxar GmbH, Vienna
www.nexxar.com

Photos of the Managing Board
Andreas Pohlmann

FINANCIAL CALENDAR 2025

May 6, 2025	First Quarter Results 2025
May 15, 2025	Annual General Meeting
August 5, 2025	Second Quarter Results 2025 & First Half Year Report 2025
November 4, 2025	Third Quarter Results 2025