HUGO BOSS

Metzingen, November 3, 2026

HUGO BOSS UPDATES FULL-YEAR 2026 OUTLOOK

Outlook 2026

- Currency-adjusted Group sales now expected to decline in the high single-digit percentage range
- EBIT expected to range between EUR 250 million and EUR 300 million
- Updated outlook reflects higher non-cash D&A expenses for IT assets in light of rapidly evolving AI and technology developments, as well as softer demand assumptions for Q4 amid elevated market uncertainty
- Trade net working capital is now expected to amount to around 21% of Group sales, reflecting lower trade payables following adjustments to supplier payment terms
- Capital expenditure is now anticipated to range between 4% and 5% of Group sales, including the strategic acquisition of a previously leased logistic property
- Free cash flow in 2026 is now expected to remain below the level originally anticipated

Key developments Q3 2026

- Group sales decline 5% currency-adjusted in Q3 amid ongoing strategic realignment and macroeconomic headwinds (YTD: –7%)
- Gross margin improves strongly by 220 basis points to 63.3%, driven by the execution of CLAIM 5 TOUCHDOWN initiatives
- EBIT declines to EUR 81 million with an EBIT margin of 8.6%, reflecting operating deleverage (YTD: EUR 175 million; 6.4%)
- Free cash flow before leases increases to EUR 155 million, supported by a 14% reduction in inventories year over year

Daniel Grieder, Chief Executive Officer of HUGO BOSS: "In the third quarter, our top-line performance reflected both the deliberate strategic realignment of our business and a persistently subdued consumer environment. At the same time, we made further progress in improving our gross margin and operating efficiencies. With demand likely to remain volatile in the fourth quarter, we are adjusting our full-year 2026 outlook to reflect a more realistic assessment of the market environment. Our strategic direction, however, remains unchanged. We are convinced that CLAIM 5 TOUCHDOWN addresses the right priorities and lays the foundation for the next phase of HUGO BOSS. While the full benefits of the related initiatives will take time to materialize and we recognize that there is still work ahead of us, they are fundamentally strengthening our business. We remain focused on the long term: building a more resilient, more profitable HUGO BOSS and creating sustainable value for our shareholders."

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CLAIM 5 TOUCHDOWN – Update on Strategic Progress

Brand initiatives

- HUGO BOSS maintained marketing investments at 7.3% of Group sales while further improving marketing effectiveness. Key initiatives included new global brand campaigns and the launch of the latest BOSS by BECKHAM collection, which further boosted consumer engagement.
- Both brands successfully launched their Fall/Winter 2026 collections in Q3. While BOSS celebrated its tailoring heritage through elevated craftsmanship and performance-driven design, HUGO's collection focuses on contemporary tailoring.
- Product complexity in the upcoming Spring 2027 collection was reduced by a high-single-digit percentage, a reflection of the Company's continued focus on simplifying its assortment architecture.

Distribution initiatives

- A focus on distribution quality, including a deliberate emphasis on full-price sales and disciplined promotion management in own retail, supported earnings quality in Q3. Comparable brick-and-mortar sales were down 6% currency-adjusted, proving more resilient than the overall retail business despite persistently subdued consumer demand.
- HUGO BOSS continued to optimize its global store network. In the first nine months of 2026, the Company recorded a net closure of 27 stores, including six in Q3.
- HUGO BOSS further advanced its digital channels with the launch of its revamped hugoboss.com online store and app, which enhances the omnichannel experience.
- The HUGO BOSS XP member base grew to 15 million, up 15% year over year, reflecting the broadening appeal of BOSS and HUGO, particularly among younger consumers.

Operational initiatives

- Gross margin expanded by 220 basis points to 63.3%, driven by sustained sourcing efficiencies and optimized pricing.
- Inventories decreased by 200 basis points year over year to 23.5% of Group sales, contributing to a further reduction in trade net working capital to 19.2% of Group sales, down 100 basis points year over year.
- Free cash flow before leases amounted to EUR 155 million in Q3 (Q3 2025: EUR 66 million), also supported by disciplined investment activity.

Q3 sales development

(in EUR million)	Q3 2026	Q3 2025	Change in %	Currency-adjusted change in %
Group sales	946	989	(4)	(5)
Sales by brand				
BOSS	813	830	(2)	(3)
HUGO	133	159	(16)	(17)
Sales by segment				
EMEA	598	641	(7)	(7)
Americas	222	223	0	(3)
Asia/Pacific	101	101	0	(2)
Licenses	24	25	(2)	(2)
Sales by distribution channel				
Retail	516	552	(7)	(8)
Wholesale	406	412	(1)	(2)
Licenses	24	25	(2)	(2)

- In the **third quarter** of 2026, HUGO BOSS continued to execute its targeted brand and channel realignment under CLAIM 5 TOUCHDOWN. In particular, the Company remained focused on strengthening brand desirability and distribution quality, supporting the long-term success of its business. At the same time, global consumer demand remained subdued, impacted by heightened macroeconomic and geopolitical volatility.
- Against this backdrop, currency-adjusted **Group sales** declined by 5% in the third quarter, while revenues in Group currency decreased by 4% to EUR 946 million (Q3 2025: EUR 989 million). In the first nine months of 2026, currency-adjusted Group sales came in 7% below the prior-year level. In Group currency, revenues decreased by 8% to EUR 2,756 million (9M 2025: EUR 2,989 million).

Q3 sales development by brand

- Currency-adjusted revenues for **BOSS** declined by 3% in the third quarter, reflecting continued emphasis on strengthening brand equity and profitability. While Menswear proved comparatively more resilient, Womenswear continued to be affected by its ongoing repositioning.
- At **HUGO**, currency-adjusted revenues were 17% below the prior-year level, reflecting the brand's ongoing strategic refinement, including initiatives to strengthen its position in contemporary tailoring and optimize its product assortment.

Q3 sales development by segment

- In **EMEA**, currency-adjusted revenues declined by 7%. While Germany showed a comparatively more resilient performance, the UK and France recorded more pronounced

declines amid subdued consumer demand. In the Middle East, geopolitical volatility continued to weigh on store traffic, notably impacting sales performance.
- In the **Americas**, currency-adjusted revenues were 3% below the prior-year level. While the U.S. performed slightly better than the region overall, Latin America recorded a moderate decline.
- In **Asia/Pacific**, currency-adjusted sales declined 2%, driven by lower sales in both China and Southeast Asia & Pacific.
- Sales in the **license business** declined by 2%, mainly reflecting lower revenues in the fragrance business.

Q3 sales development by channel

- In the Group's **retail business** (including brick-and-mortar and self-managed digital touchpoints), currency-adjusted revenues declined by 8%, mainly reflecting softer store traffic. At the same time, HUGO BOSS continued to optimize its global store network, reducing net selling space by 4% year over year. Comparable store sales in brick-and-mortar retail declined by 6% currency-adjusted. Revenues generated via self-managed digital channels (hugoboss.com and online concessions) decreased by 16% currency-adjusted to EUR 59 million (Q3 2025: EUR 69 million), reflecting the continued focus on full-price sales.
- Revenues in the **wholesale business** (including brick-and-mortar and digital wholesale) declined by 2% currency-adjusted, reflecting the Company's continued focus on distribution quality alongside a cautious order environment among wholesale partners.

Q3 earnings development

(in EUR million)	Q3 2026	Q3 2025	Change in %
Sales	**946**	**989**	**(4)**
Cost of sales	(347)	(384)	10
Gross profit	**599**	**605**	**(1)**
In % of sales	63.3	61.2	220 bp
Operating expenses	**(518)**	**(510)**	**(2)**
In % of sales	(54.8)	(51.6)	(320) bp
Thereof selling and marketing expenses	(411)	(420)	2
Thereof administration expenses	(107)	(90)	(19)
Operating result (EBIT)	**81**	**95**	**(15)**
In % of sales	8.6	9.6	(100) bp
Financial result	(13)	(12)	(15)
Earnings before taxes	**67**	**83**	**(19)**
Income taxes	(19)	(23)	19
Net income	**49**	**60**	**(19)**
Attributable to:			
Equity holders of the parent company	48	59	(18)
Non-controlling interests	0	1	(55)
Earnings per share (in EUR)[1]	**0.70**	**0.85**	**(18)**
Tax rate in %	**28**	**28**	

1 Basic and diluted earnings per share.

- The Group's **gross margin** improved by 220 basis points to 63.3% in the third quarter. This development was driven by the Company's focus on enhancing business quality, including additional sourcing efficiencies and optimized pricing.
- **Operating expenses** grew 2%, as higher administration expenses more than offset a reduction in selling and marketing expenses. As a percentage of sales, operating expenses increased by 320 basis points to 54.8%.
  - **Selling and marketing expenses** were down 2% in the third quarter, driven by disciplined cost management. While retail expenses and marketing investments remained broadly stable year over year, the Company continued to invest in brand-building initiatives to strengthen brand equity. As a percentage of sales, selling and marketing expenses amounted to 43.5% (Q3 2025: 42.5%).
  - **Administration expenses** increased by 19%, reflecting a particularly low prior-year comparison base as well as one-off personnel-related expenses in the current year. Apart from this, disciplined cost management remained firmly in place. As a percentage of sales, administration expenses came in at 11.3% (Q3 2025: 9.1%).
- Driven by the significantly higher gross margin, HUGO BOSS partially offset the impact of lower revenues on profitability. Accordingly, **operating profit (EBIT)** decreased 15% to EUR 81 million in the third quarter, corresponding to an **EBIT margin** of 8.6%.
- **Net income** amounted to EUR 49 million in the third quarter. **Net income attributable to shareholders** declined by 18% to EUR 48 million, resulting in **earnings per share** of EUR 0.70.

Trade net working capital

(in EUR million)	September 30, 2026	September 30, 2025	Change in %	Currency-adjusted change in %
Inventories	950	1,083	(12)	(14)
Trade receivables	321	328	(2)	(3)
Trade payables	(492)	(502)	(2)	(2)
Trade net working capital (TNWC)	**779**	**909**	**(14)**	**(16)**

- **Trade net working capital (TNWC)** improved by 16% on a currency-adjusted basis, driven by continued progress in inventory management. **Inventories** decreased by 14% currency-adjusted year over year, reducing inventory levels to 23.5% of Group sales (September 30, 2025: 25.6%). Disciplined inventory and working capital management continued to support solid cash generation, further enhancing financial flexibility. The moving average of **TNWC as a percentage of sales** based on the last four quarters improved to 19.2% (September 30, 2025: 20.2%).

Outlook

	Results 2025	Initial outlook 2026	**Updated outlook 2026**
Group sales	EUR 4,270 million	Decrease in the mid- to high-single-digit range (currency-adjusted)	Decrease in the high single-digit range (currency-adjusted)
Operating result (EBIT)	EUR 391 million	EUR 300 million to EUR 350 million	EUR 250 million to EUR 300 million
Group's net income	EUR 259 million	Decrease broadly in line with EBIT	Decrease broadly in line with EBIT
TNWC as a percentage of sales	20.0%	Around 20%	Around 21%
Capital expenditure	4.6% of Group sales	Around 4% of Group sales	4% to 5% of Group sales

- HUGO BOSS remains committed to the disciplined **execution of CLAIM 5 TOUCHDOWN**, with a clear focus on further strengthening the overall quality of its business.
- The Company **updates its outlook for fiscal year 2026** to reflect softer demand assumptions for the remainder of the year amid continued uncertainty in the consumer environment.
- Consequently, management now anticipates currency-adjusted **Group sales** to decline in the high single-digit percentage range.
- HUGO BOSS now expects **EBIT** to range between EUR 250 million and EUR 300 million in 2026. In addition to the softer demand assumptions, this also reflects expected higher non-cash depreciation and amortization related to reductions in the useful lives of selected IT and software assets, reflecting the rapidly evolving technology environment.

- In fiscal year 2026, **TNWC** is now expected to amount to around 21% of Group sales. While the Company remains committed to disciplined inventory management, this reflects anticipated lower trade payables following adjustments to supplier payment terms.
- **Capital expenditure** is now expected to range between 4% and 5% of Group sales, reflecting the strategic acquisition of a formerly leased logistic property at the Company's headquarters.

Events after the balance sheet date

On October 23, 2026, Frasers Group plc notified HUGO BOSS that it had crossed the threshold of 50% of the total share capital of HUGO BOSS AG. According to the voting rights notification, Frasers directly held 50.08% of the voting rights in HUGO BOSS AG at that date, while a further 21.87% was being held through instruments. Following this transaction, Frasers announced that the earnings, assets and liabilities of HUGO BOSS are expected to be consolidated into the earnings, assets and liabilities of Frasers, and that HUGO BOSS will thereby become a subsidiary of the Frasers Group. The crossing of the 50% threshold may potentially trigger change-of-control clauses in certain third-party agreements of HUGO BOSS. HUGO BOSS is currently reviewing the relevant contractual arrangements. As of October 27, 2026, based on the most recent voting rights notification available to HUGO BOSS, Frasers directly holds 49.41% of the voting rights in HUGO BOSS AG, while a further 21.87% continues to be held through instruments.

If you have any questions, please contact:

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HUGO BOSS

FINANCIAL INFORMATION

FOR Q3 2026 AND JANUARY – SEPTEMBER 2026

Key figures – quarter

(in EUR million)	Q3 2026	Q3 2025	Change in %	Currency-adjusted change in %
Sales	**946**	**989**	**(4)**	**(5)**
Sales by brand				
BOSS	813	830	(2)	(3)
HUGO	133	159	(16)	(17)
Sales by segment				
EMEA	598	641	(7)	(7)
Americas	222	223	0	(3)
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Licenses	24	25	(2)	(2)
Sales by distribution channel				
Retail	516	552	(7)	(8)
Wholesale	406	412	(1)	(2)
Licenses	24	25	(2)	(2)
Results of operations				
Gross profit	599	605	(1)	
Gross margin in %	63.3	61.2	220 bp	
EBIT	81	95	(15)	
EBIT margin in %	8.6	9.6	(100) bp	
EBITDA	174	182	(4)	
EBITDA margin in %	18.4	18.4	0 bp	
Net income attributable to equity holders of the parent company	48	59	(18)	
Financial position				
Capital expenditure	29	44	(34)	
Free cash flow	155	66	>100	
Depreciation/amortization	93	87	7	
Additional key figures				
Personnel expenses	239	232	3	
Shares (in EUR)				
Earnings per share	0.70	0.85	(18)	
Last share price (as of Sep. 30)	38.05	40.44	(6)	
Number of shares (as of Sep. 30)[1]	69,016,167	70,400,000	(2)	

1 As resolved by the Annual General Meeting 2026 and announced on June 22, 2026, HUGO BOSS canceled all 1,383,833 treasury shares.

Key figures – nine months

(in EUR million)	Jan. – Sep. 2026	Jan. – Sep. 2025	Change in %	Currency-adjusted change in %
Sales	**2,756**	**2,989**	**(8)**	**(7)**
Sales by brand				
BOSS	2,384	2,536	(6)	(5)
HUGO	371	453	(18)	(18)
Sales by segment				
EMEA	1,698	1,890	(10)	(9)
Americas	646	671	(4)	(3)
Asia/Pacific	340	354	(4)	(2)
Licenses	71	74	(5)	(5)
Sales by distribution channel				
Retail	1,590	1,724	(8)	(7)
Wholesale	1,095	1,191	(8)	(7)
Licenses	71	74	(5)	(5)
Results of operations				
Gross profit	1,751	1,847	(5)	
Gross margin in %	63.5	61.8	180 bp	
EBIT	175	237	(26)	
EBIT margin in %	6.4	7.9	(160) bp	
EBITDA	447	506	(12)	
EBITDA margin in %	16.2	16.9	(70) bp	
Net income attributable to equity holders of the parent company	98	141	(30)	
Net assets and liability structure as of Sep. 30				
Trade net working capital	779	909	(14)	(16)
Trade net working capital in % of sales[1]	19.2	20.2	(100) bp	
Non-current assets	1,793	1,848	(3)	
Equity	1,682	1,440	17	
Equity ratio in %	46	41	500 bp	
Total assets	3,620	3,547	2	
Financial position				
Capital expenditure	89	118	(24)	
Free cash flow	293	137	>100	
Depreciation/amortization	272	269	1	
Net financial liabilities (as of Sep. 30)[2]	691	1,123	(38)	
Additional key figures				
Employees (as of Sep. 30)[3]	16,663	17,874	(7)	
Personnel expenses	731	739	(1)	
Shares (in EUR)				
Earnings per share	1.43	2.04	(30)	
Last share price (as of Sep. 30)	38.05	40.44	(6)	
Number of shares (as of Sep. 30)[4]	69,016,167	70,400,000	(2)	

1 Moving average on the basis of the last four quarters.
2 Excluding the impact of IFRS 16, the net financial position totaled plus EUR 137 million (September 30, 2025: minus EUR 247 million).
3 Full-time equivalent (FTE).
4 As resolved by the Annual General Meeting 2026 and announced on June 22, 2026, HUGO BOSS canceled all 1,383,833 treasury shares.

Consolidated income statement – quarter

(in EUR million)	Q3 2026	Q3 2025	Change in %
Sales	**946**	**989**	**(4)**
Cost of sales	(347)	(384)	10
Gross profit	**599**	**605**	**(1)**
In % of sales	63.3	61.2	220 bp
Operating expenses	**(518)**	**(510)**	**(2)**
In % of sales	(54.8)	(51.6)	(320) bp
Thereof selling and marketing expenses	(411)	(420)	2
Thereof administration expenses	(107)	(90)	(19)
Operating result (EBIT)	**81**	**95**	**(15)**
In % of sales	8.6	9.6	(100) bp
Financial result	(13)	(12)	(15)
Earnings before taxes	**67**	**83**	**(19)**
Income taxes	(19)	(23)	19
Net income	**49**	**60**	**(19)**
Attributable to:			
Equity holders of the parent company	48	59	(18)
Non-controlling interests	0	1	(55)
Earnings per share (in EUR)[1]	**0.70**	**0.85**	**(18)**
Tax rate in %	**28**	**28**	

1 Basic and diluted earnings per share.

EBIT and EBITDA – quarter

(in EUR million)	Q3 2026	Q3 2025	Change in %
EBIT	**81**	**95**	**(15)**
In % of sales	8.6	9.6	(100) bp
Depreciation and amortization	(93)	(87)	(7)
EBITDA	**174**	**182**	**(4)**
In % of sales	18.4	18.4	0 bp

Consolidated income statement – nine months

(in EUR million)	Jan. – Sep. 2026	Jan. - Sep. 2025	Change in %
Sales	**2,756**	**2,989**	**(8)**
Cost of sales	(1,004)	(1,142)	12
Gross profit	**1,751**	**1,847**	**(5)**
In % of sales	63.5	61.8	180 bp
Operating expenses	**(1,576)**	**(1,610)**	**2**
In % of sales	(57.2)	(53.9)	(330) bp
Thereof selling and marketing expenses	(1,230)	(1,294)	5
Thereof administration expenses	(346)	(316)	(9)
Operating result (EBIT)	**175**	**237**	**(26)**
In % of sales	6.4	7.9	(160) bp
Financial result	(35)	(32)	(9)
Earnings before taxes	**140**	**205**	**(32)**
Income taxes	(39)	(57)	32
Net income	**101**	**147**	**(32)**
Attributable to:			
Equity holders of the parent company	98	141	(30)
Non-controlling interests	2	7	(63)
Earnings per share (in EUR)[1]	**1.43**	**2.04**	**(30)**
Tax rate in %	**28**	**28**	

1 Basic and diluted earnings per share.

EBIT and EBITDA – nine months

(in EUR million)	Jan. – Sep. 2026	Jan. - Sep. 2025	Change in %
EBIT	**175**	**237**	**(26)**
In % of sales	6.4	7.9	(160) bp
Depreciation and amortization	(272)	(269)	(1)
EBITDA	**447**	**506**	**(12)**
In % of sales	16.2	16.9	(70) bp

Consolidated statement of financial position

(in EUR million)	September 30, 2026	September 30, 2025	December 31, 2025
Property, plant and equipment, intangible assets, and right-of-use assets	1,623	1,685	1,700
Inventories	950	1,083	918
Trade receivables	321	328	386
Other assets	411	369	374
Cash and cash equivalents	315	82	343
Assets	**3,620**	**3,547**	**3,721**

	September 30, 2026	September 30, 2025	December 31, 2025
Group equity	1,682	1,440	1,558
Provisions and deferred taxes	227	209	202
Financial liabilities	178	328	296
Lease liabilities	829	876	887
Other liabilities	213	192	250
Trade payables	492	502	529
Equity and liabilities	**3,620**	**3,547**	**3,721**

Consolidated statement of cash flows

(in EUR million)	Jan. – Sep. 2026	Jan. – Sep. 2025
Cash flow from operating activities	379	253
Cash flow from investing activities	(86)	(116)
Free cash flow	**293**	**137**
Cash flow from financing activities	(326)	(261)
Change in cash and cash equivalents	**(28)**	**(129)**
Cash and cash equivalents at the beginning of the period	343	211
Cash and cash equivalents at the end of the period	315	82

Number of own retail stores

Sep. 30, 2026	EMEA	Americas	Asia/Pacific	**Total**
Number of own retail points of sale	514	530	342	**1,386**
thereof freestanding retail stores	174	143	141	**458**
Dec. 31, 2025				
Number of own retail points of sale	540	558	364	**1,462**
thereof freestanding retail stores	185	148	152	**485**