

HUGO BOSS

FULL YEAR 2022 RESULTS

HUGO BOSS



2022



01 UPDATE ON "CLAIM 5"

02 FY 2022 RESULTS

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04 Q&A

UPDATE ON "CLAIM 5"

DANIEL GRIEDER, CEO

HUGO BOSS



2022 –
A RECORD
YEAR FOR
HUGO BOSS



RECORD YEAR

RELENTLESS **EXECUTION OF "CLAIM 5"** DRIVES SALES AND PROFIT GROWTH



Successful
expansion of
market shares

CLAIM 5



Record
sales
achieved

EUR
3.7
billion



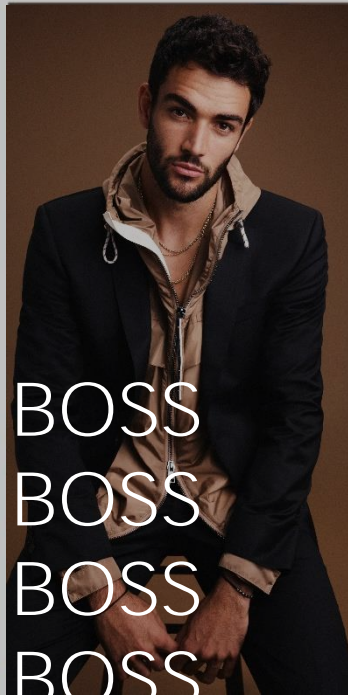
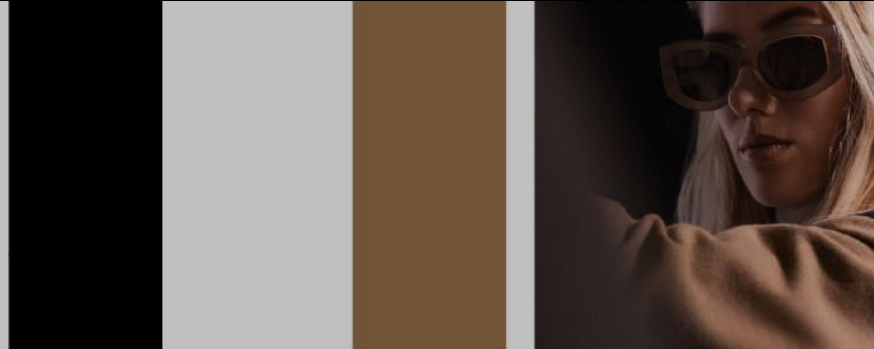
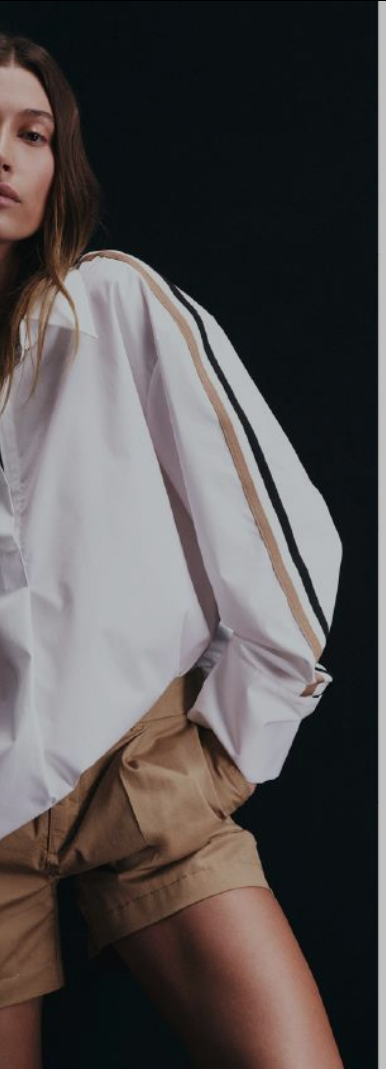
Strong
bottom-line
improvements

EUR
335
million



2022

USHERING IN A NEW ERA WITH COMPREHENSIVE BRAND REFRESH



HUGO HU
GO HUGO
HUGO HU
GO HUGO
HUGO HU
GO HUGO
HUGO HU

EXCITING BRAND EVENTS CREATE STRONG BUZZ



January 2022
HAHNENKAMM RACE



February 2022
DUBAI FASHION SHOW



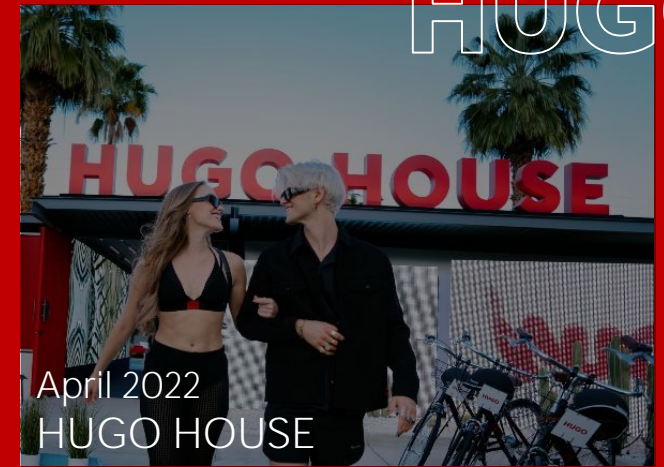
July 2022
FORMULA 1



September 2022
MILAN FASHION SHOW

HUGO BOSS

HUGO



April 2022
HUGO HOUSE



September 2022
MILAN FASHION SHOW

BOSS

MARKETING INVESTMENTS ACCELERATE BRAND HEAT ON SOCIAL MEDIA



ENGAGEMENT RATES

for BOSS and HUGO
up triple-digits

BOSS

~1.5 million
new followers
on Instagram

HUGO

+900%
follower growth
on TikTok



BRAND REFRESH LEADS TO DOUBLE-DIGIT GROWTH ACROSS BRANDS

+27%*
VS FY 2021
MENSWEAR

+21%*
VS FY 2021
WOMENSWEAR



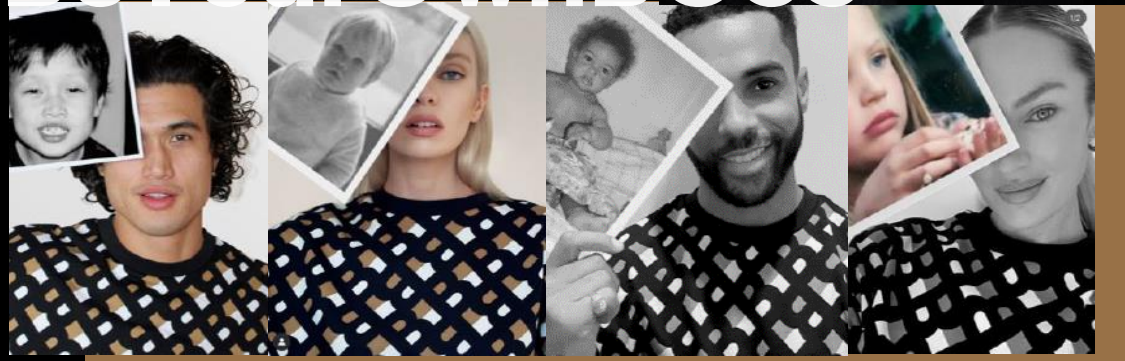
+27%*
VS FY 2021

*Currency-adjusted

SPRING/SUMMER 2023 CAMPAIGNS TO FOSTER REGAINED BRAND MOMENTUM



#BeYourOwnBOSS



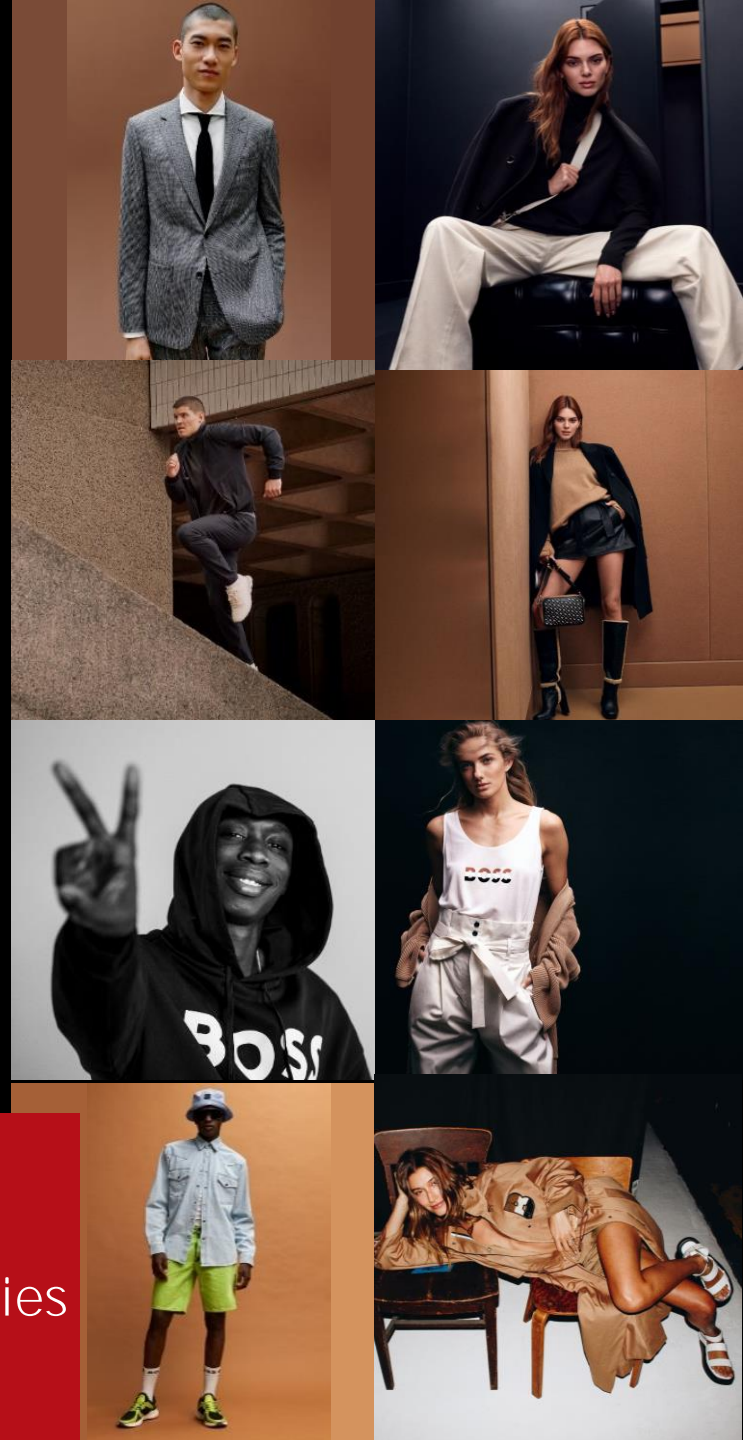
#HUGOYourWay

24/7 LIFESTYLE IMAGE SUCCESSFULLY IMPLEMENTED

Strong and diverse
product mix

Introduction
of brand lines

Grasp opportunities
for product categories



BOSS TEAMS UP WITH OTHER BOSSES

KEY COLLABORATIONS



BOSS X
MATTEO



BOSS X
ALICA

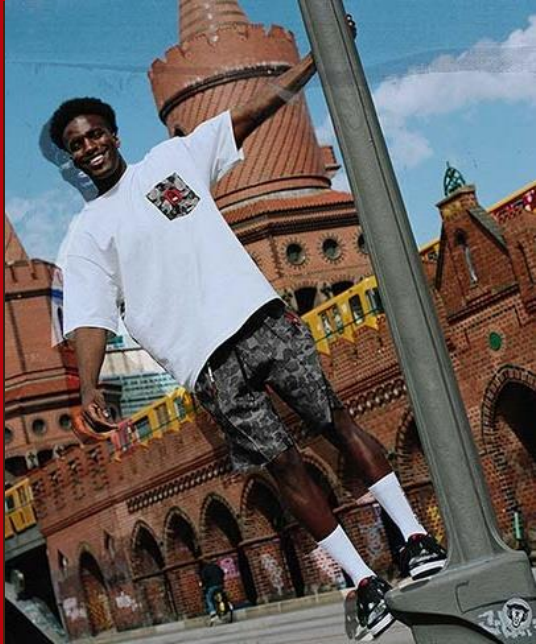


BOSS X
PERFECT
MOMENT



PORSCHE
X BOSS

HUGO WITH STRONG FOCUS ON GEN Z KEY COLLABORATIONS



HUGO X
MR. BATHING APE



HUGO X
REPLAY



HUGO X
IMAGINARY ONES

LEVERAGING THE POWER OF DATA TO LEAD IN DIGITAL

—
HUGO BOSS
DIGITAL CAMPUS
MAXIMIZES
THE USE OF
DATA
ANALYTICS



FURTHER PROGRESS IN PROVIDING BEST-IN-CLASS OMNICHANNEL EXPERIENCE

—
ENHANCED
SHOPPING
EXPERIENCE

NEW DIGITAL
FEATURES

**BOLD "LOOK
AND FEEL"**



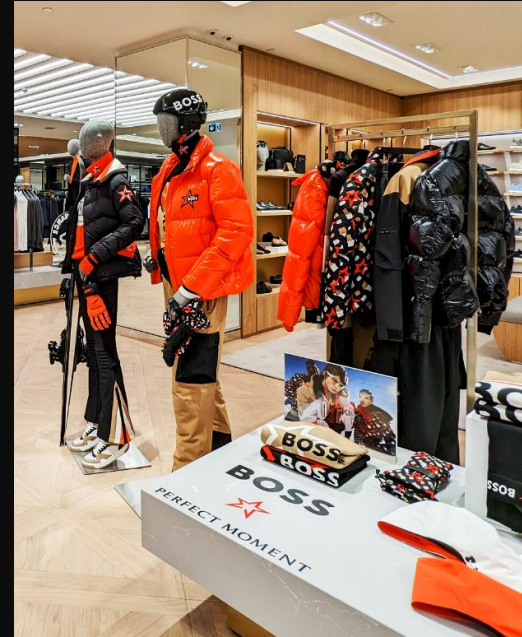
EXPANSION OF NEW STORE CONCEPT IN FULL SWING



KUALA LUMPUR



VIENNA



LONDON

≥ 200

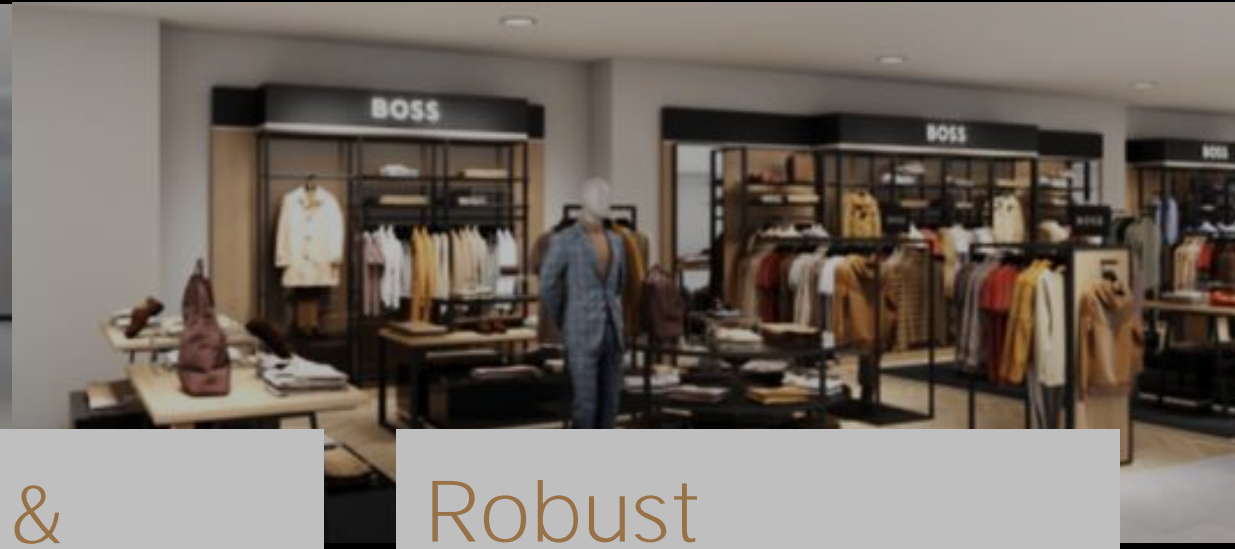
POS REFRESHED
AT THE END OF 2022

RECLAIMING WHOLESALE THROUGH IMPROVED BRAND POSITIONING



24/7-lifestyle
positioning

successfully
fostered with
key partners



Visibility &
penetration

of BOSS and
HUGO strongly
improved

Robust
order intake

from wholesale
partners underpins
success of collections

SUSTAINABILITY AS INTEGRAL PART OF OUR BUSINESS ACTIVITIES

RENEWED INCLUSION IN DJSI WORLD AND EUROPE

6TH TIME IN A ROW

2ND BEST SCORE

in the textile, apparel,
and luxury segments

WORLD



Dow Jones
Sustainability Indexes

STRONG COMMITMENT TO CLIMATE ACTION AND CIRCULARITY

DURABILITY

RECYCLABLE

HIGH QUALITY



80%
CIRCULAR
PRODUCTS
BY 2030

2022 – ALL ABOUT THE POWERFUL EXECUTION OF “CLAIM 5”



FULL YEAR 2022 RESULTS

FINANCIAL REVIEW
YVES MÜLLER, CFO/COO

HUGO BOSS

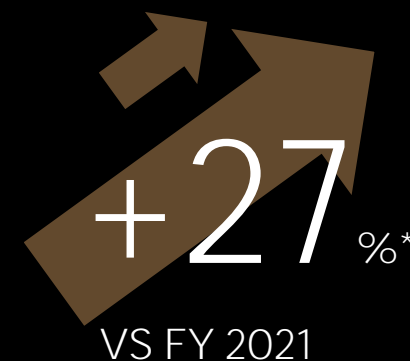


2022 RESULTS EXCEED TOP- AND BOTTOM-LINE GUIDANCE

GROUP SALES

3,651

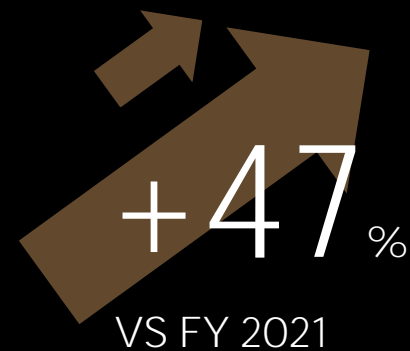
EUR MILLION



EBIT

335

EUR MILLION

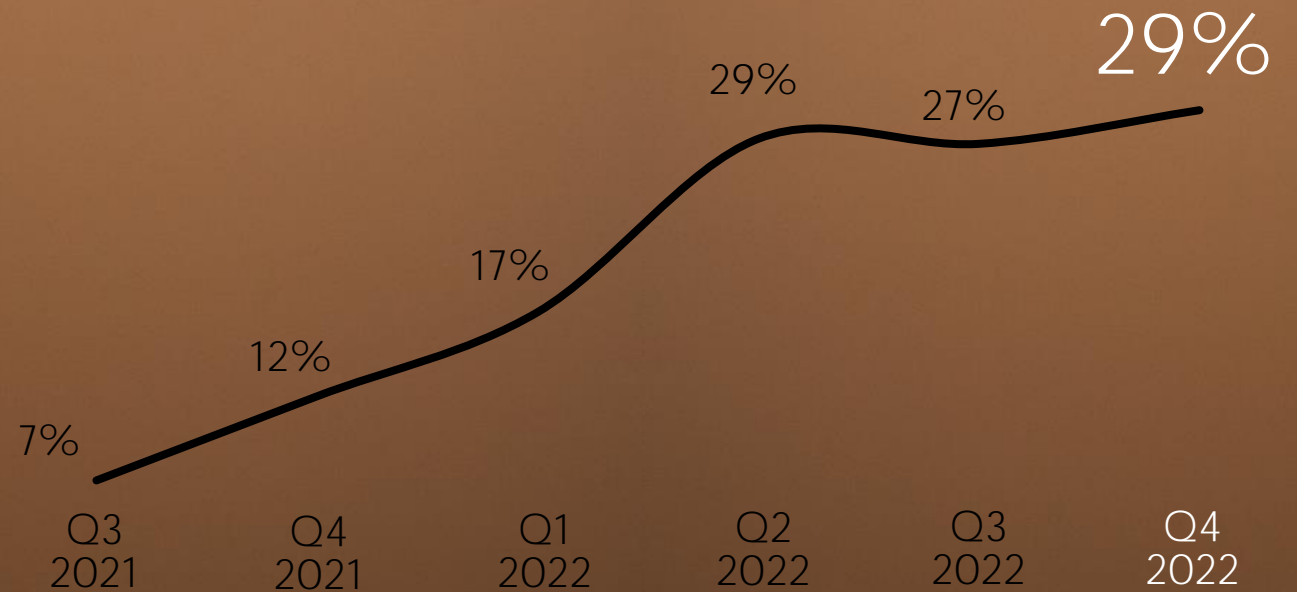


*Currency-adjusted



EXECUTION OF "CLAIM 5" SPURS TOP-LINE MOMENTUM

GROUP SALES DEVELOPMENT*
VS 2019 LEVELS



*Currency-adjusted

BROAD-BASED MOMENTUM ACROSS ALL REGIONS

AMERICAS

+29%*
VS FY 2021

EMEA

+32%*
VS FY 2021

ASIA/PACIFIC

+6%*
VS FY 2021

* Currency-adjusted



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



24/7 brand image in U.S. market successfully fostered



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



Strong business with local consumers as well as international tourists



Strong double-digit growth outside China



Business in China in 2022 impacted by pandemic-related temporary store closures

DOUBLE-DIGIT GROWTH ACROSS ALL CONSUMER TOUCHPOINTS



RETAIL

+29%*

VS FY 2021



Optimization of store network and productivity improvements spur momentum

WHOLESALE

+33%*

VS FY 2021



Robust demand from wholesale partners enhances visibility for BOSS and HUGO

DIGITAL

+15%*

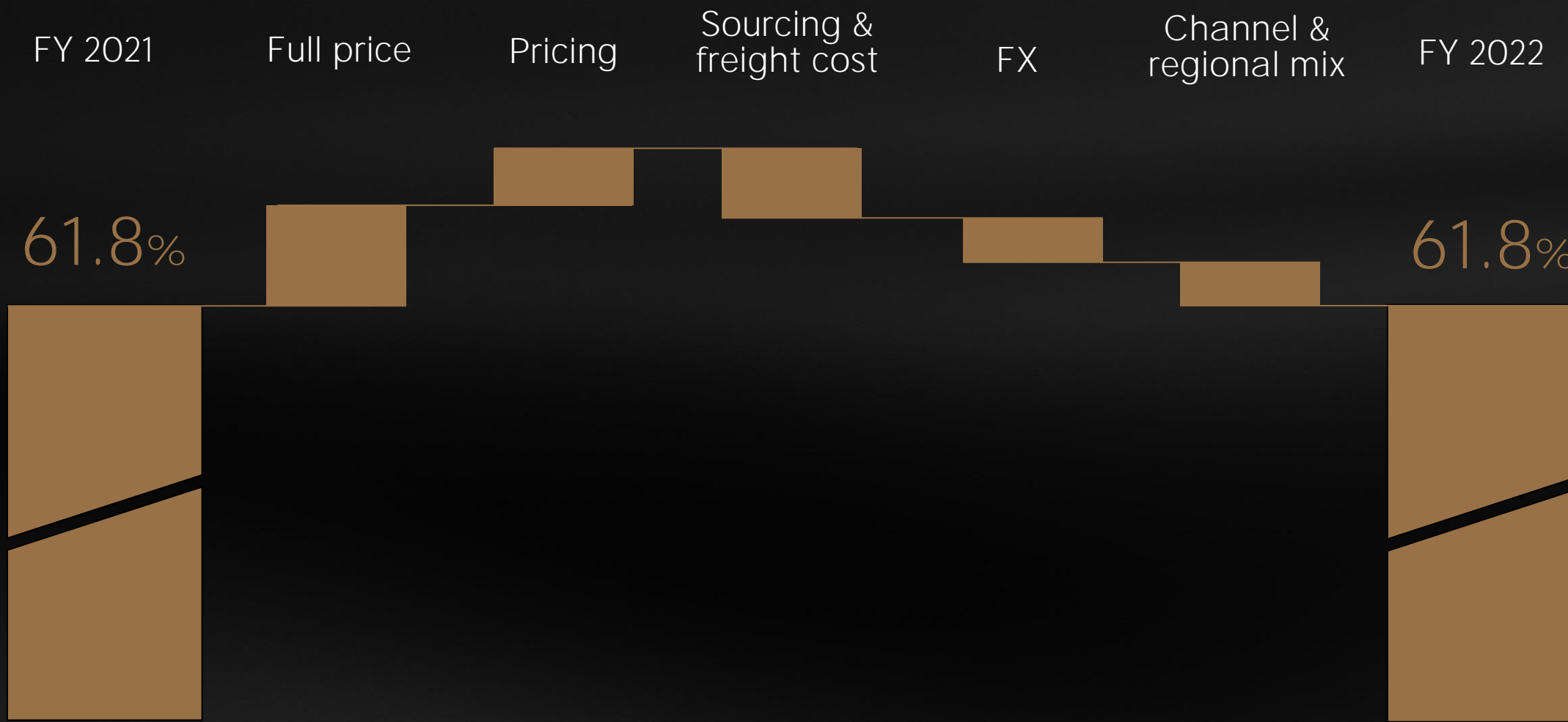
VS FY 2021



Double-digit growth of hugoboss.com and robust improvements in digital partner business

*Currency-adjusted

STRONG IMPROVEMENTS IN FULL-PRICE SALES OFFSET BY EXTERNAL HEADWINDS



STEP-UP IN BRAND AND DIGITAL INVESTMENTS **FULLY IN LINE WITH "CLAIM 5"**

+41%

MARKETING
INVESTMENTS
VS FY 2021

7.9%

OF GROUP SALES

+15%

DIGITAL
INVESTMENTS
VS FY 2021

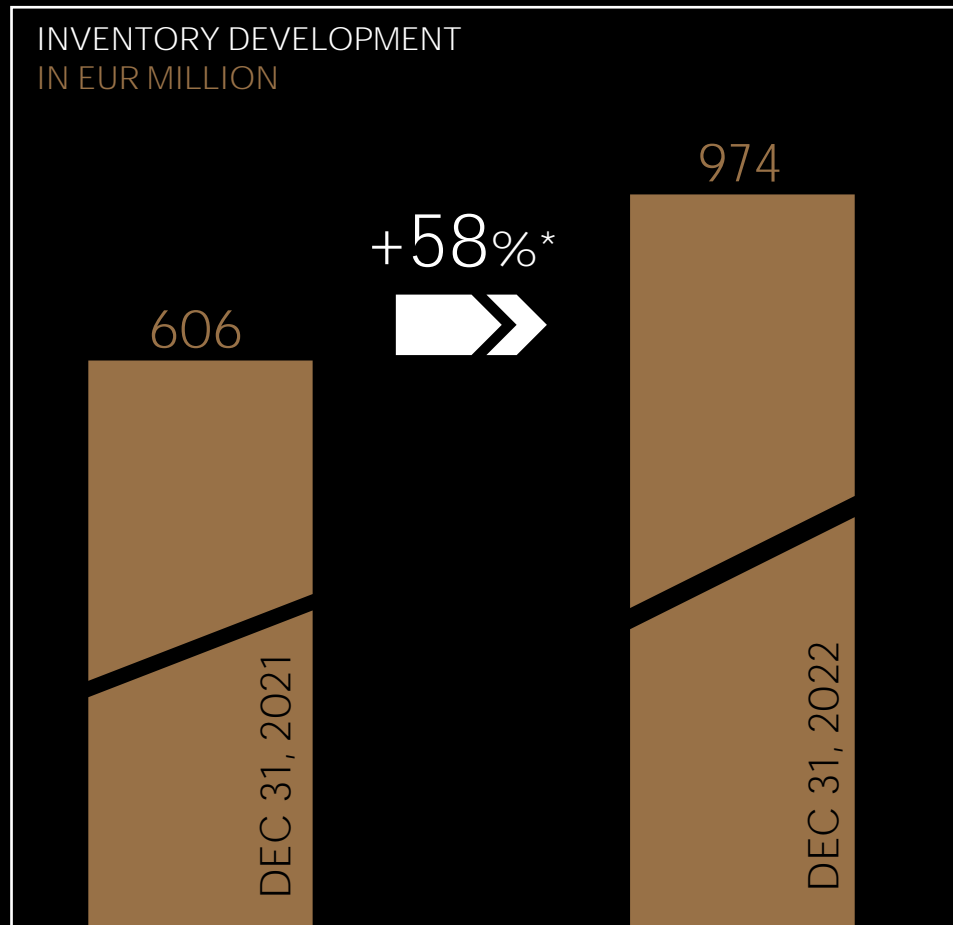
5.2%

OF GROUP SALES

STRONG BOTTOM-LINE IMPROVEMENTS DESPITE ONGOING INVESTMENTS

	FY 2022	CHANGE
GROSS MARGIN INCREASE IN FULL-PRICE SALES OFFSET BY EXTERNAL FACTORS	61.8%	0 BP
OPERATING EXPENSES (IN % OF SALES) IMPROVEMENT DRIVEN BY STRONG LEVERAGE IN B&M RETAIL COSTS	52.6%	(100) BP
EBIT GROWTH DRIVEN BY STRONG TOP-LINE PERFORMANCE	335 EUR MILLION	+47%
EBIT MARGIN ROBUST INCREASE DESPITE BRAND, PRODUCT, AND DIGITAL INVESTMENTS	9.2%	+100 BP
NET INCOME (ATTRIBUTABLE TO SHAREHOLDERS) SUPPORTED BY STRONG IMPROVEMENTS IN TAX RATE	209 EUR MILLION	+53%

INCREASE IN INVENTORIES TO SUPPORT FUTURE TOP-LINE GROWTH



- Inventory position has been stable and comparatively low in previous years
- Intentional increase in inventory coverage to mitigate supply chain risks
- Measures implemented to support gradual normalization of inventory levels in 2023



Vast majority of inventory position is related to core merchandise as well as current/upcoming seasons

*CURRENCY-ADJUSTED

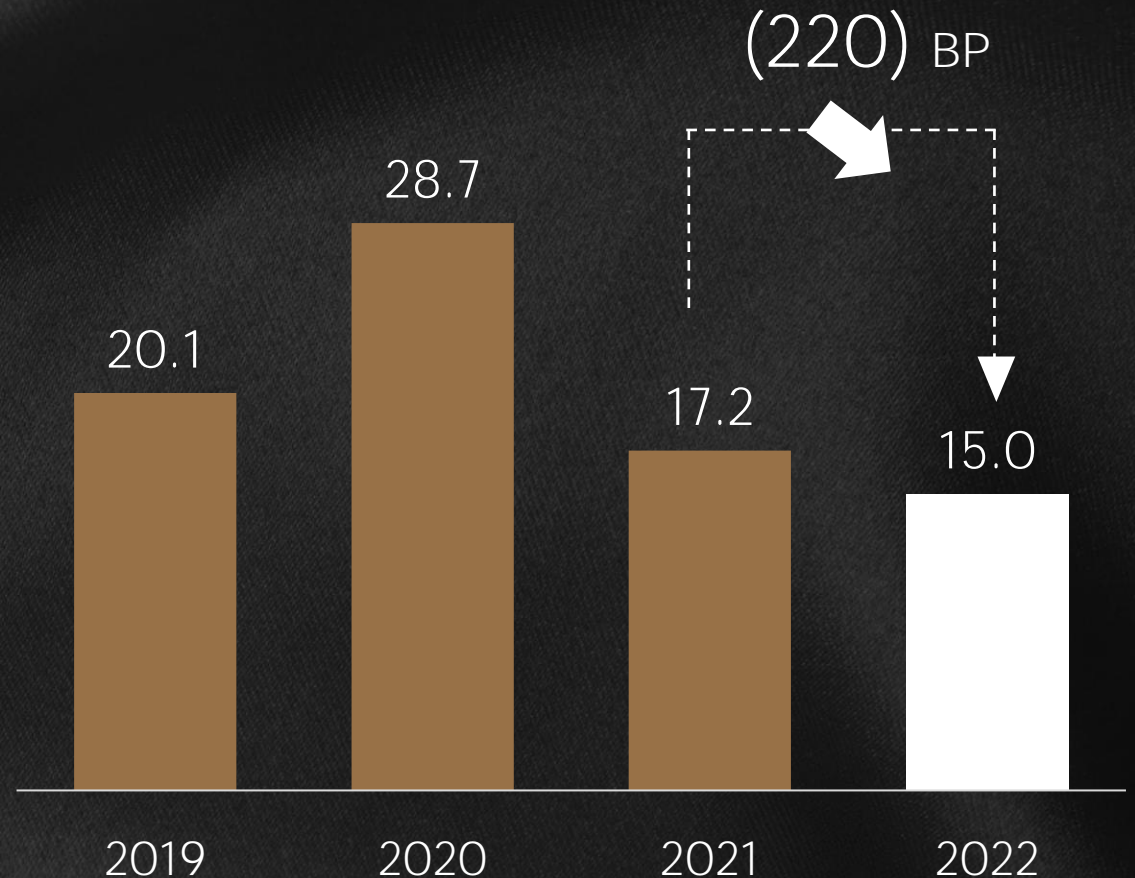
SIGNIFICANT IMPROVEMENT IN TNWC IN % OF SALES

TNWC up 61%* with higher inventories more than offsetting a 31% increase in trade payables

TNWC as a % of sales below **"CLAIM 5" target range** of 16% to 19%

Improvement in TNWC as a % of sales driven by strong top-line growth

TNWC in % of sales



* Currency-adjusted

FCF DEVELOPMENT IMPACTED BY INCREASE IN INVENTORIES AND HIGHER CAPEX

FY 2022
TNWC

613

EUR MILLION

+63%

FY 2022
CAPITAL
EXPENDITURE

191

EUR MILLION

+84%

FY 2022
FREE CASH
FLOW

166

EUR MILLION

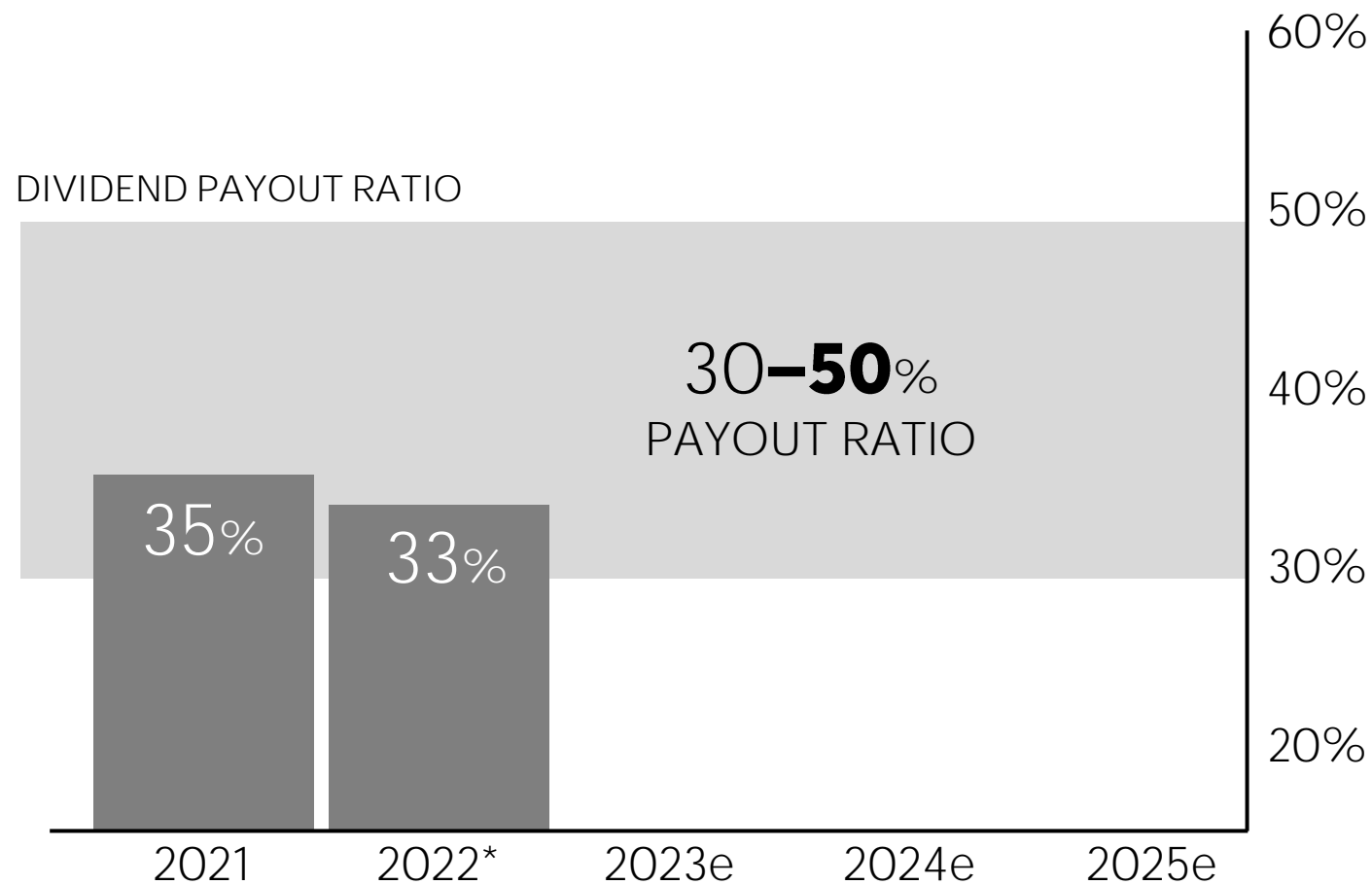
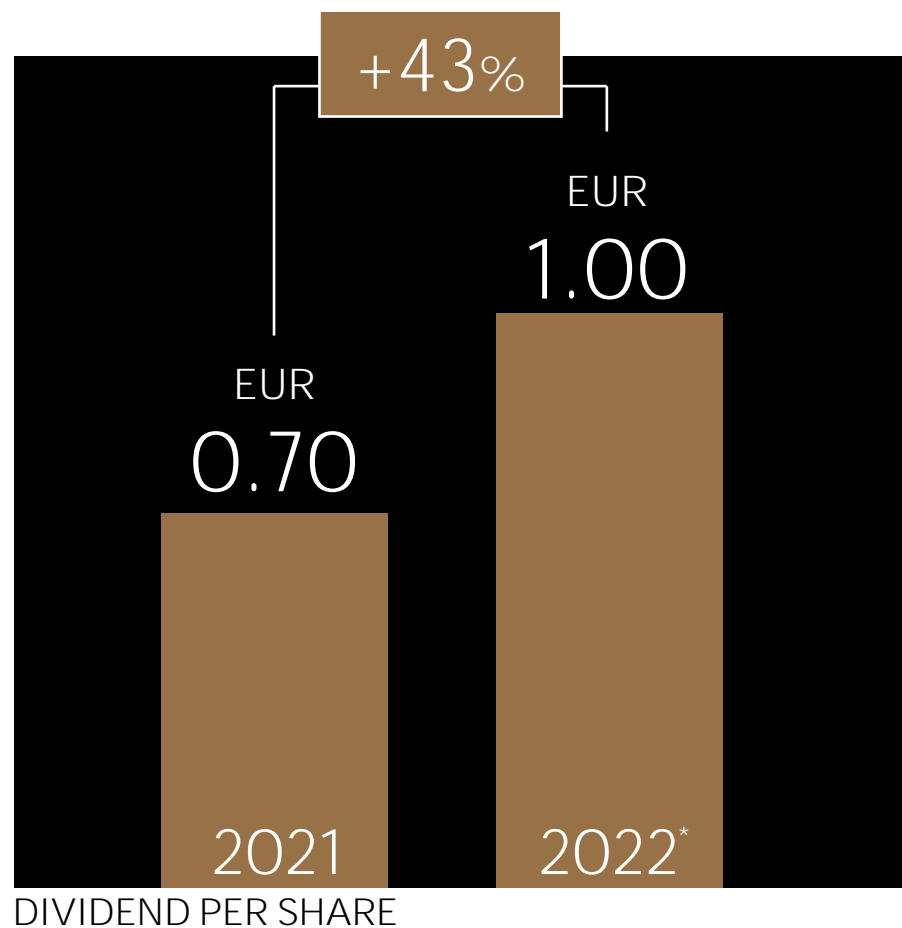
(70)%

▶ Higher inventory position more than offsets increase in trade payables

▶ Step-up reflects ongoing optimization of store network and digital expansion

▶ Strong reacceleration in cash flow generation anticipated for fiscal year 2023

DIVIDEND INCREASE BROADLY IN LINE WITH STRONG PROFITABILITY IMPROVEMENTS IN 2022



*DIVIDEND PROPOSAL

OUTLOOK 2023

HUGO BOSS



2023 TO BE A FURTHER IMPORTANT MILESTONE IN ACHIEVING 2025 AMBITION

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



SALES OUTLOOK

Building on regained brand power to drive top-line momentum and outperform industry growth

Broad-based sales increases expected across all brands, channels, and regions

3.7

EUR BILLION
2022



+4% TO +6%

3.8 TO 3.9

EUR BILLION
2023E



EBIT OUTLOOK

Projected top-line growth to further support robust bottom-line improvement in 2023

Efficiency gains to compensate for ongoing investments into brands, products, and digital expertise

335

EUR MILLION
2022



+5% TO +12%

350 TO 375

EUR MILLION
2023E



2023 – ANOTHER SUCCESSFUL YEAR FOR HUGO BOSS

HUGO BOSS



Q&A

Q&A

Q&A

Q&A

Q&A

Q&A



FORWARD-LOOKING STATEMENTS CONTAIN RISKS

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