

THIRD QUARTER 2020 RESULTS PRESENTATION

NOVEMBER 3, 2020



HUGO BOSS



YVES MÜLLER

SPOKESPERSON OF THE
MANAGING BOARD

GROUP SALES
Q3 2020

EUR **533** MILLION

(24)%

CURRENCY-ADJUSTED



Gradual business recovery continues
in the third quarter



RETAIL

(20)%*



(30)%*

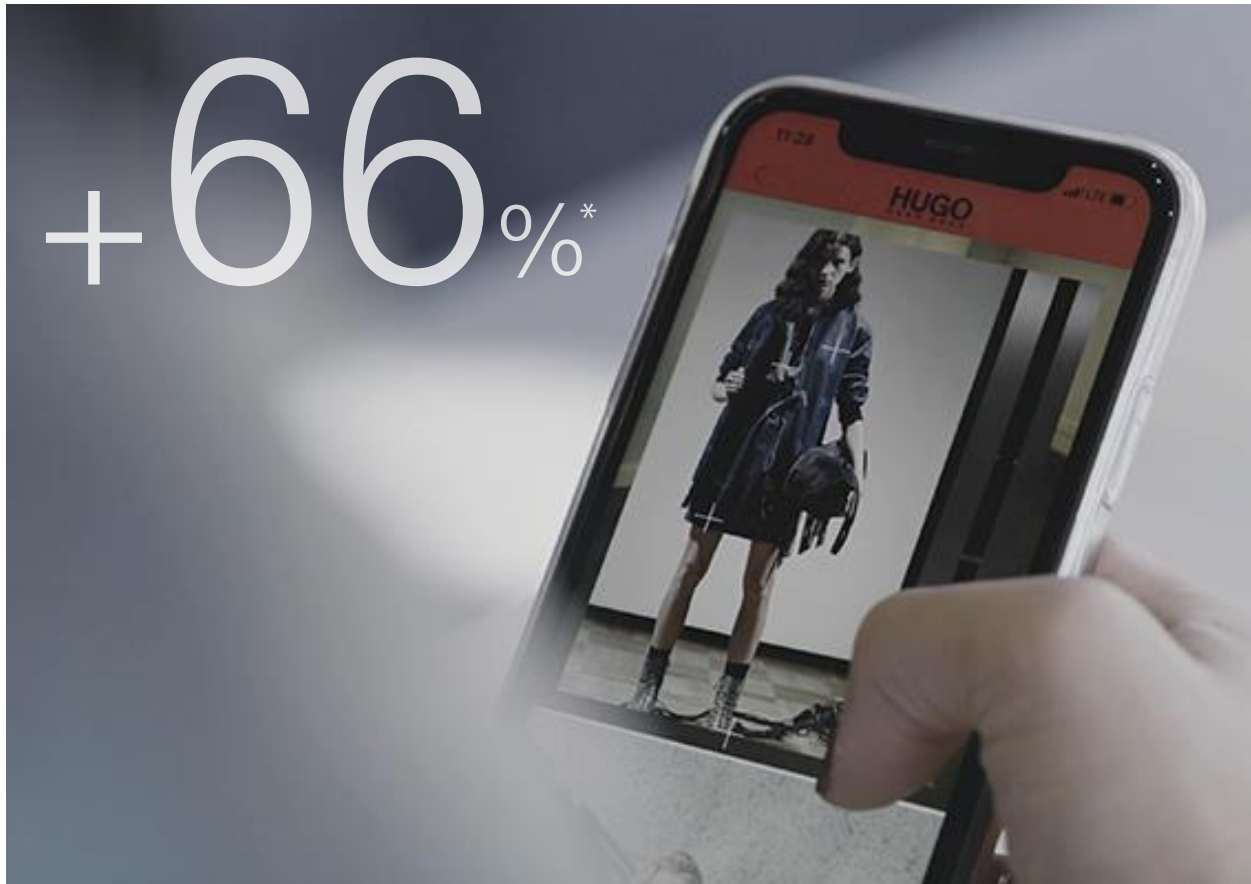
WHOLESALE

Robust recovery in own retail, supported by average **store opening rate of ~95%** in Q3

Local demand improves in key markets while travel restrictions continue to weigh on **business with tourists**

Wholesale business impacted by **lower deliveries to partners**

Own retail business benefits
from higher store opening rate



hugoboss.com and concession business record **strong improvements** in both traffic and conversion rates

Further **expansion of hugoboss.com** to 24 additional countries in June and August

12th consecutive quarter with strong **double-digit online sales growth**

Online business continues its double-digit growth trajectory



Recovery in mainland China **continues**, with revenues up 27% in Q3

Strong improvements in **conversion rates** in brick-and-mortar retail

High double-digit online sales growth recorded in the third quarter

Momentum in **mainland China** further accelerates in Q3

ASIA/PACIFIC SALES

Strong **momentum in mainland China** drives overall recovery in Asia/Pacific

Lower tourist flows continue to negatively impact business in **Hong Kong** and **Macao**

Local lockdowns and temporary store closures weigh on several markets such as **Australia**

(14)%*



Asia/Pacific with strong business recovery in Q3

EUROPE SALES **

Solid **rebound in local demand**, in particular in France, Benelux and the UK

Sales recovery in Germany broadly in line with that of the region

Southern European markets negatively impacted by lower tourist flows



(21)%*

Europe records solid rebound in local demand

AMERICAS SALES

Robust business recovery continues in
Latin America

Temporary store closures due to local lockdowns in several key areas weighs on business recovery in the U.S.

U.S. business also impacted by ongoing **traffic declines** in brick-and-mortar retail and wholesale



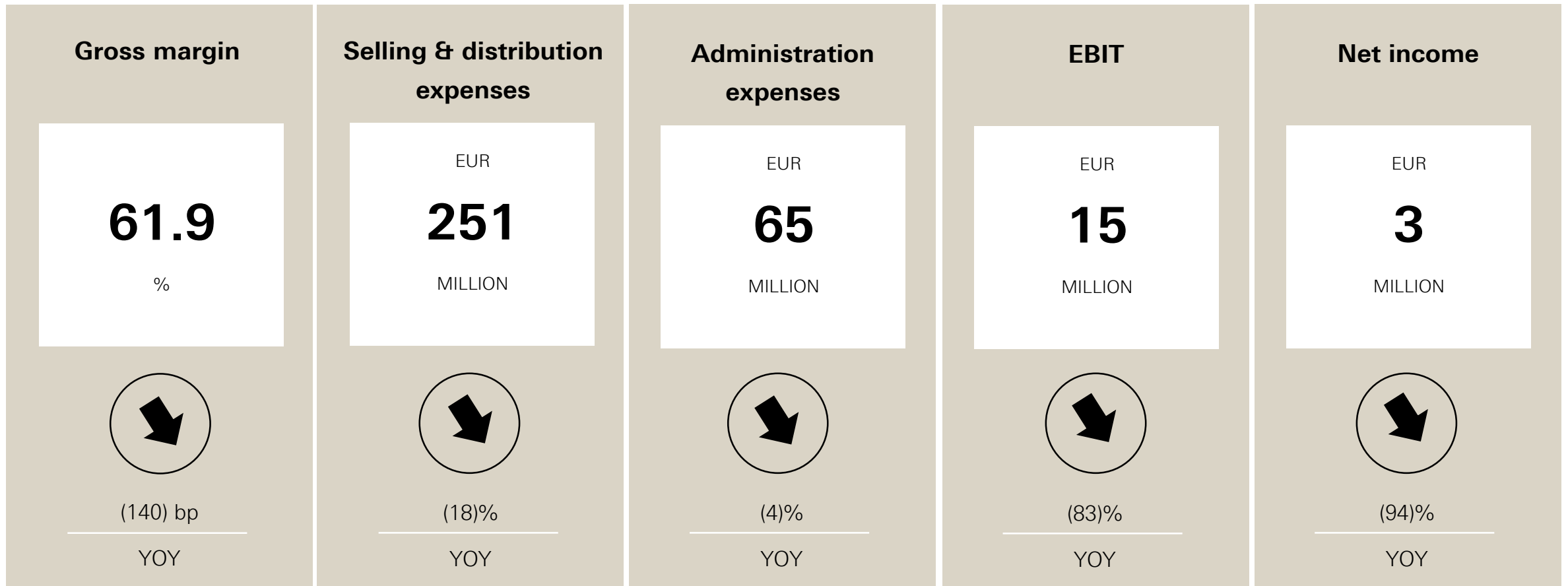
(41)%*

Pandemic continues to weigh on business in the **Americas**



BOSS and **HUGO**
with similar trends in Q3

Profitability returns to positive territory in the third quarter





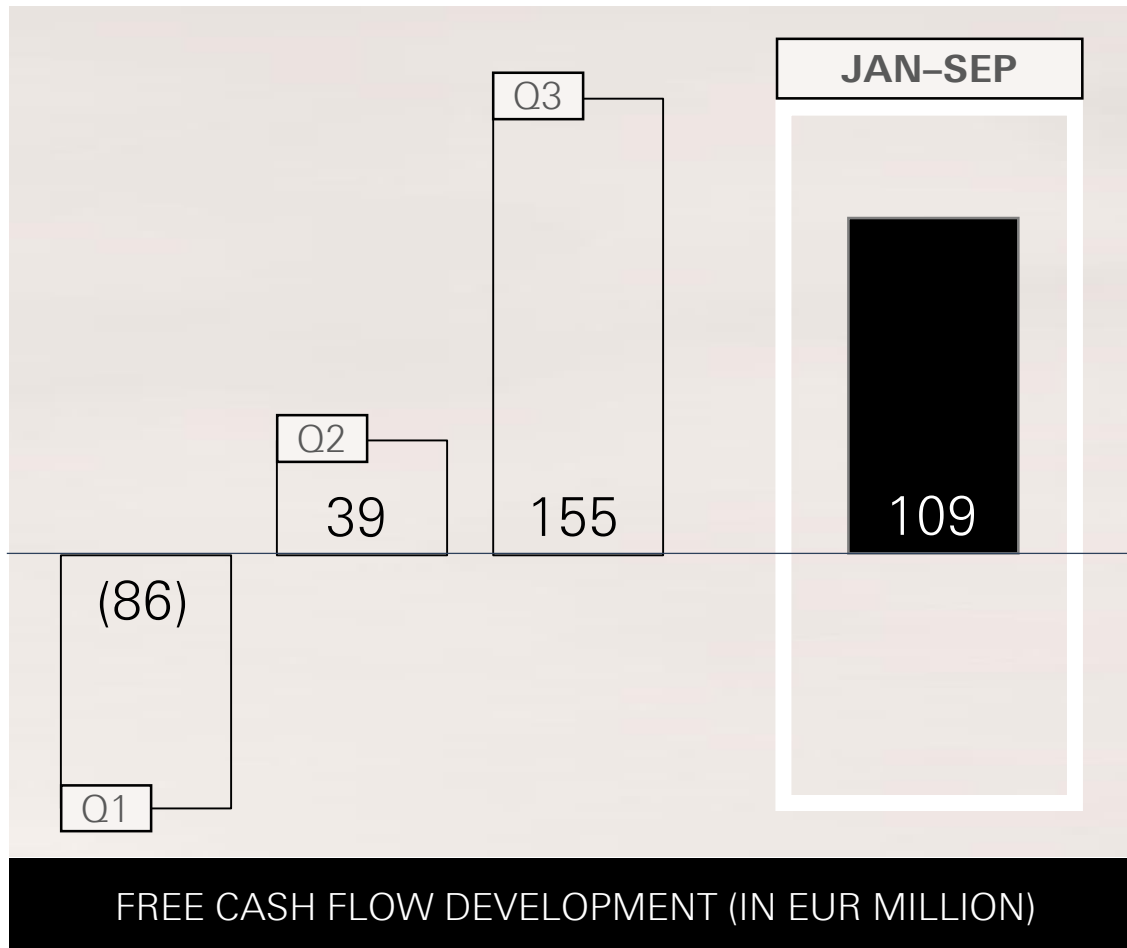
Inventory growth curbed, reflecting gradual business recovery and measures to reduce inventory inflow

Decrease in **trade net working capital** due to lower trade receivables and slightly higher trade payables

Lower **capital expenditure** to protect cash flow during the pandemic, with investments focused on retail and digital

Inventories remain broadly stable
year over year

Strong free cash flow generation accelerates in the third quarter



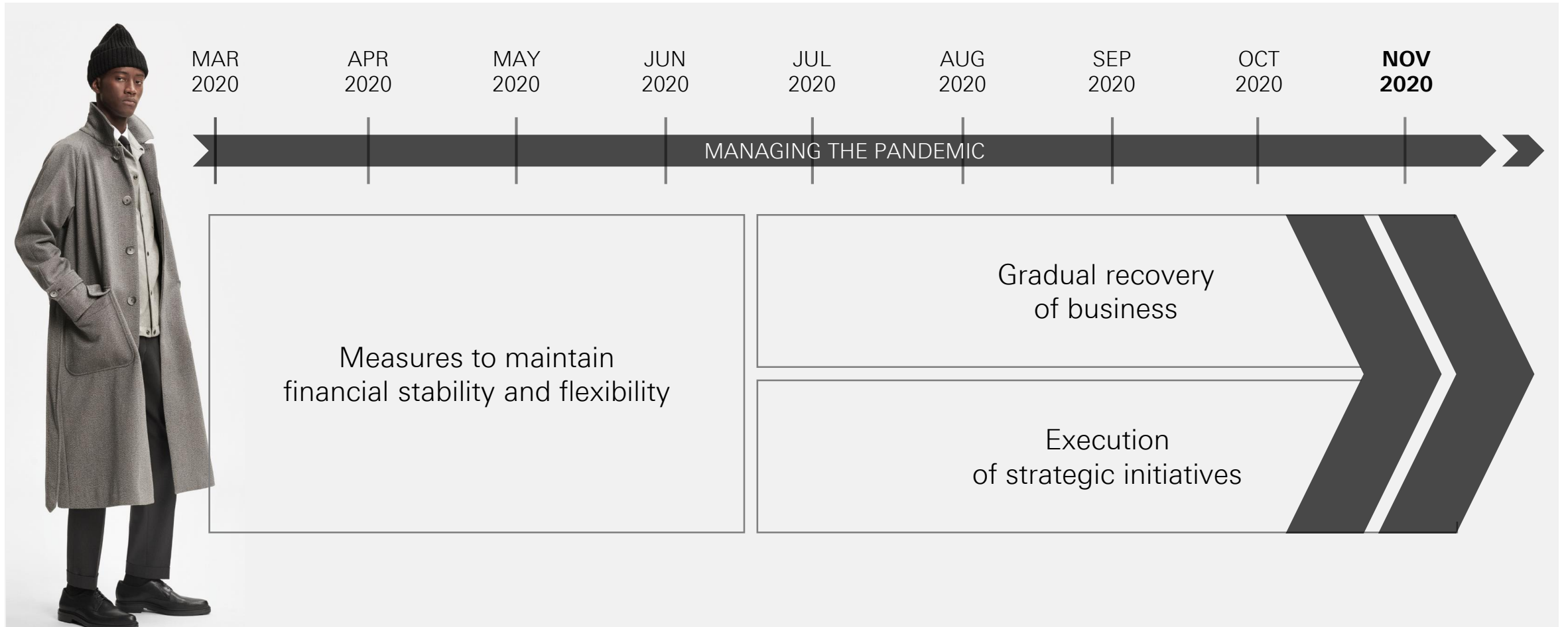
Revolving **syndicated loan**, totaling EUR 633 million, only utilized in the amount of EUR 134 million as of September 30

Additional **credit commitments** of EUR 275 million not drawn at the end of Q3

Cash and cash equivalents total EUR 110 million at the end of September

Key priorities

while managing the pandemic





Exploiting the full potential
of **mainland China**

GROUP SALES

7%

BASED on FY 2019

**CAGR
2016-2019**

+10%

SALES ML CHINA

**CONTROLLED
DISTRIBUTION**

>95%

OWN RETAIL
SHARE

**"TAILORED"
SHARE**

>30%

OF
PRODUCT MIX

Local activation drives customer engagement



CHINESE GOLDEN WEEK

OCTOBER 1-8, 2020



Leveraging sales opportunities in mainland China



1

Robust retail footprint
across tier 1 and tier 2 cities

2

White spot opportunities,
especially in tier 2 and tier 3 cities

3

Upsizing opportunities
in prime locations



1

Concession business on Tmall and JD
with strong double-digit growth

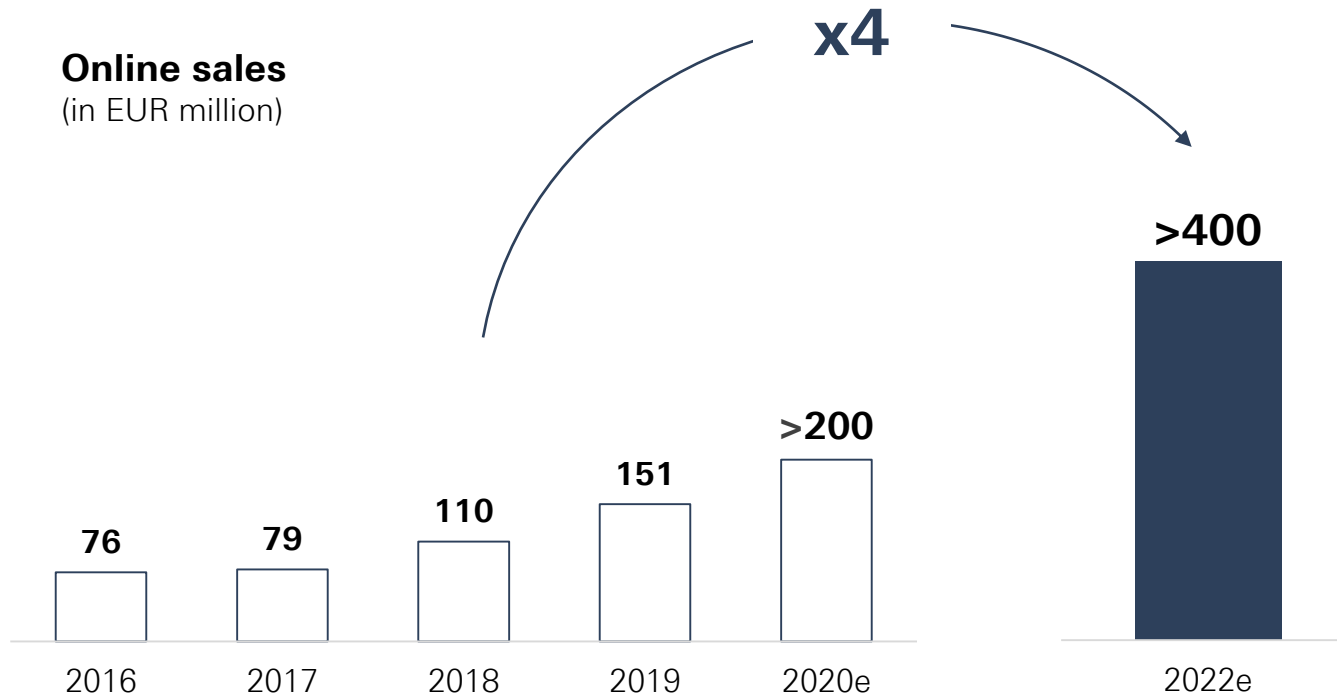
2

Tapping in to additional e-com opportunities
to support momentum

3

Implementation of WeChat Work
to exploit social commerce

Well on track to achieve 2022 online sales target



Online sales to grow to more than
EUR 400 million by 2022

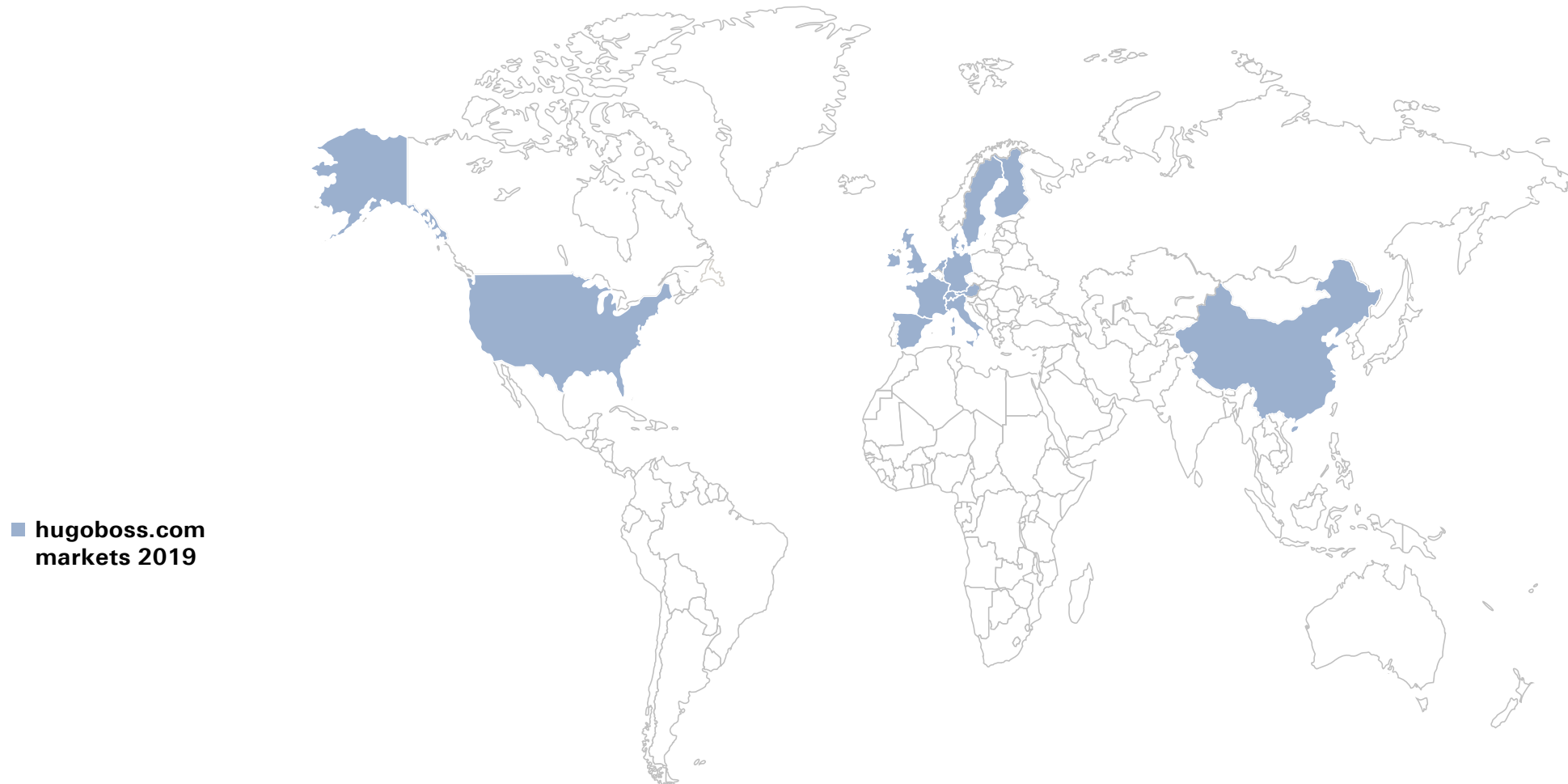


EUR 200 million mark to be crossed
well before year-end 2020

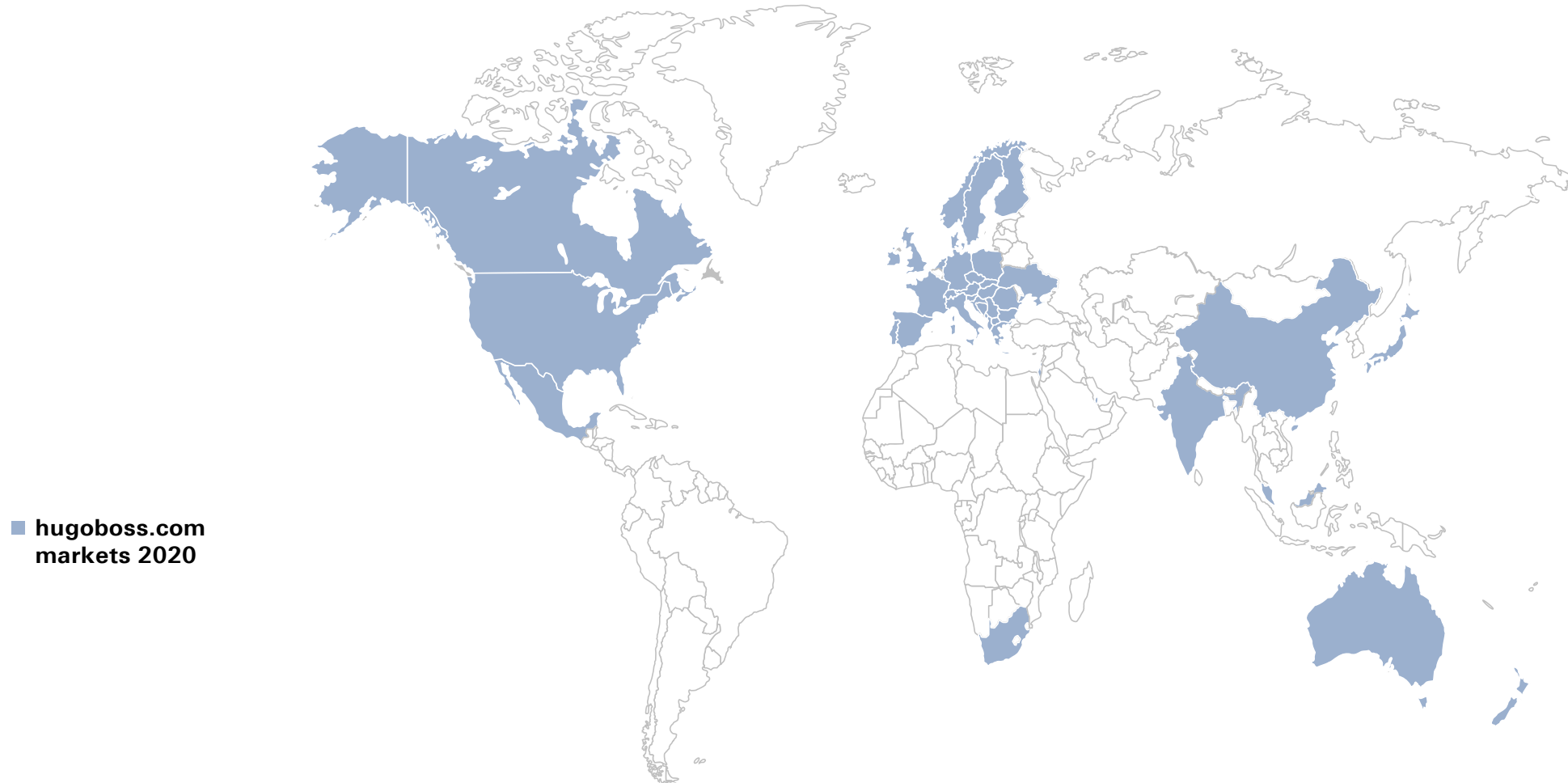


CAGR of >40% achieved
between 2018 and 2020

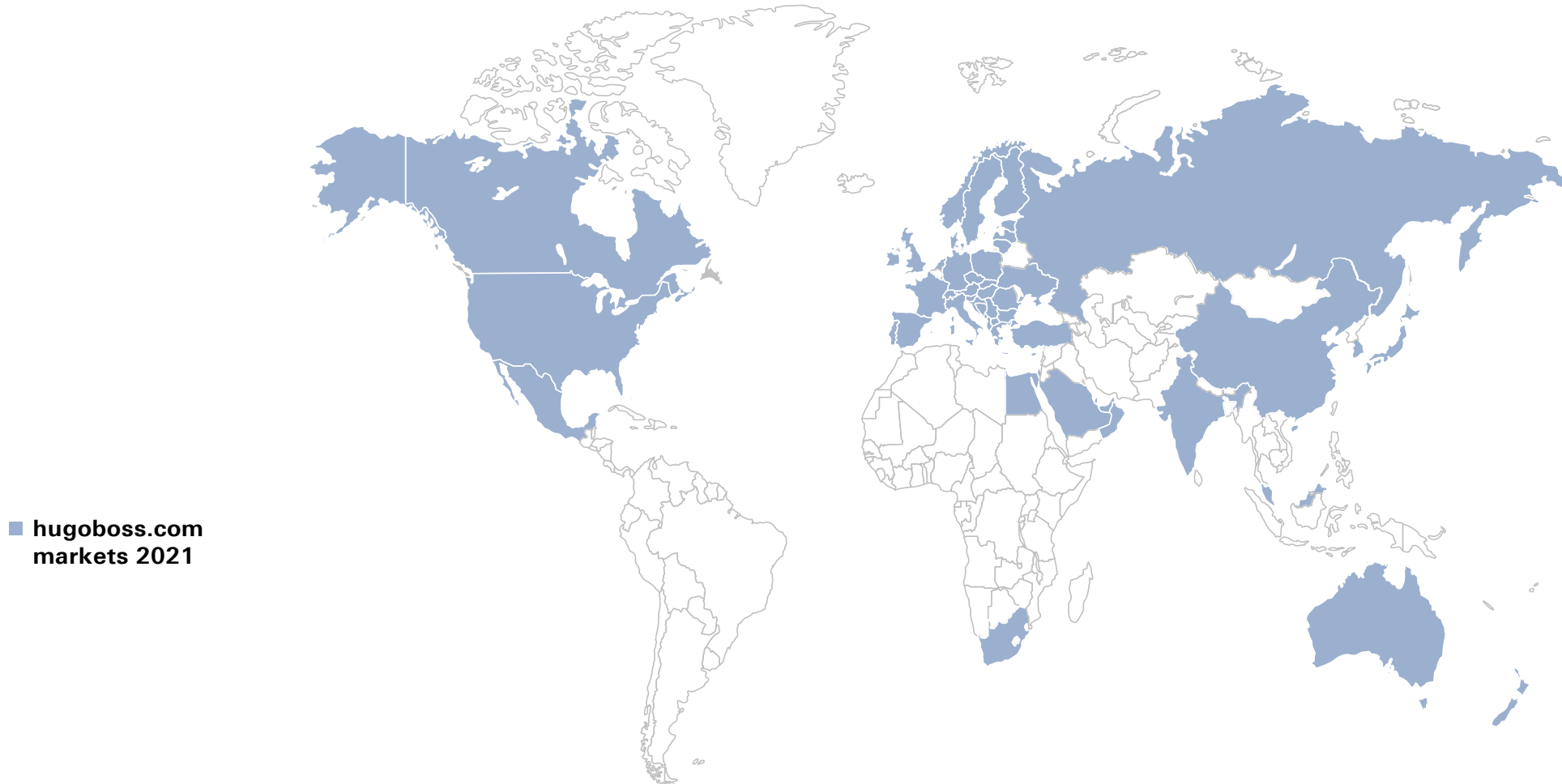
Geographical rollout of **hugoboss.com** in full swing



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Marketing initiatives to **drive brand desirability**



EVENTS

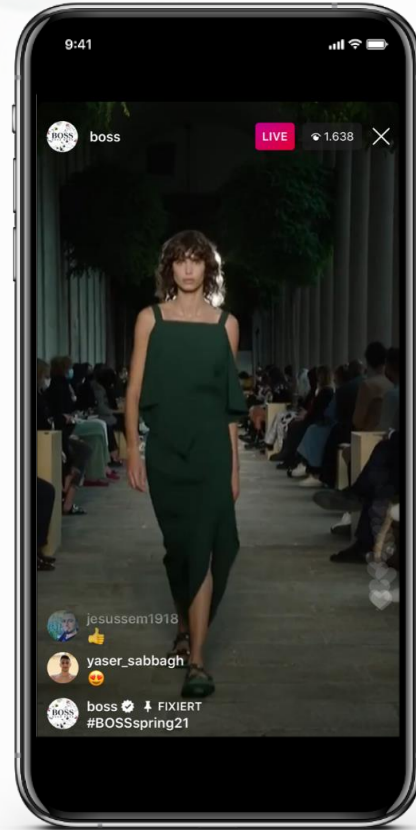


PERSONALITIES



COLLABORATIONS

Milan Fashion Show goes Shanghai with local brand experience



2.6 M

FOLLOWERS



BOSS x
CARO DAUR

11.5 M

FOLLOWERS



BOSS
x AJBXNG

21.4 M

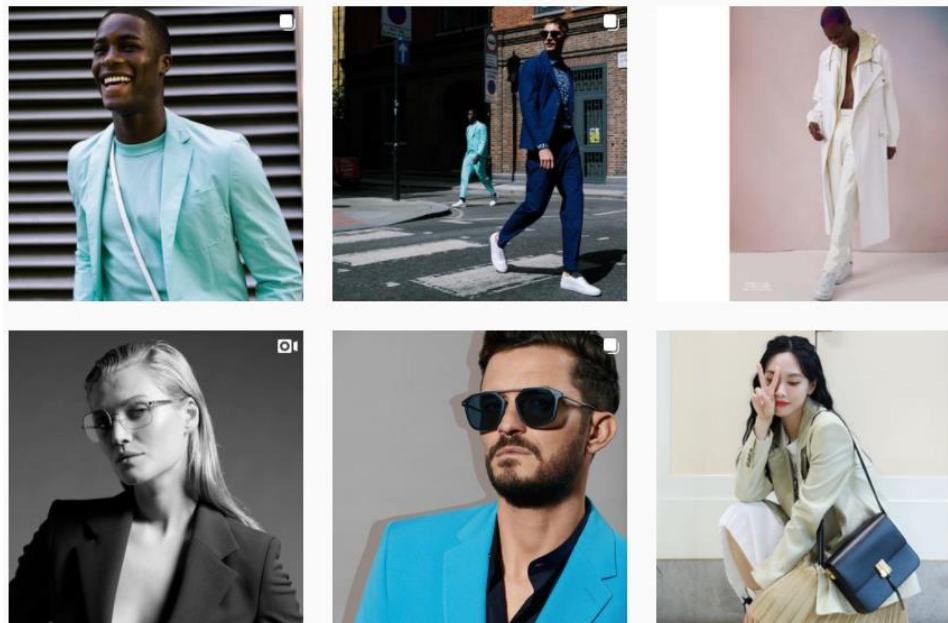
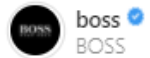
FOLLOWERS



HUGO x
LIAM PAYNE

Brand ambassadors
drive brand heat for BOSS and HUGO

Strong uplift in engagement on **social media**



AVERAGE NUMBER OF
LIKES PER POST

4x

Q3 2020 VS. Q3 2019

AVERAGE
ENGAGEMENT RATE

INCREASED BY

>60%

Q3 2020 VS. Q3 2019

BOSS teams up with Russell Athletic



BOSS X
RUSSELL ATHLETIC

CAPSULE COLLECTION
WITH FOCUS
ON BOLD
CASUALWEAR

LAUNCH ACCOMPANIED BY AN EXCLUSIVE CAMPAIGN
PRODUCED BY **HIGHSNOBIETY**

Driving casualization across all wearing occasions





Q&A