

**HUGO BOSS**

# SECOND QUARTER RESULTS

AUGUST 2, 2023

# 2023



# YVES MÜLLER

CFO & COO

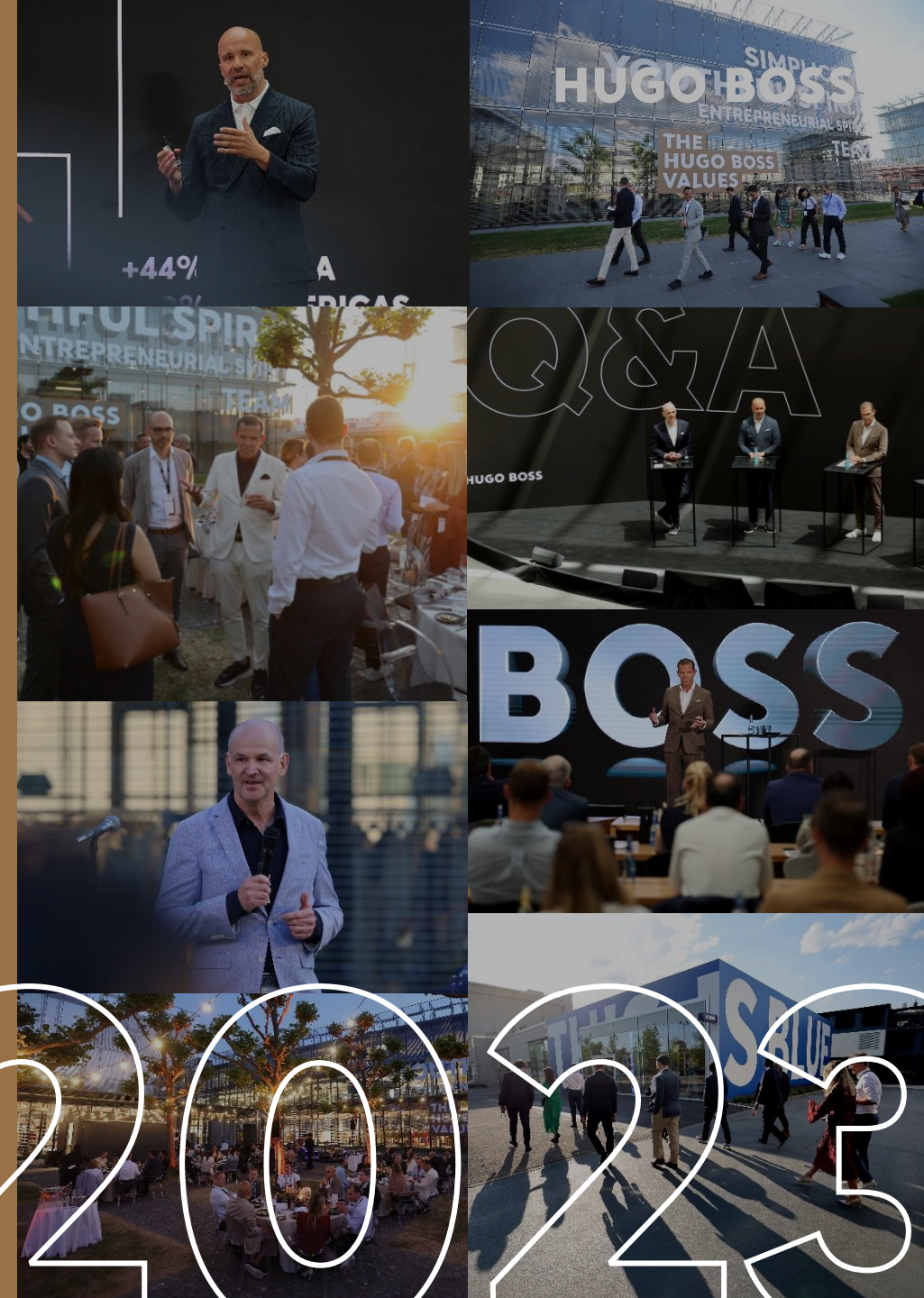
CFO  
COO

**HUGO BOSS**

# INVESTOR DAY 2023

"CLAIM 5" UPDATE

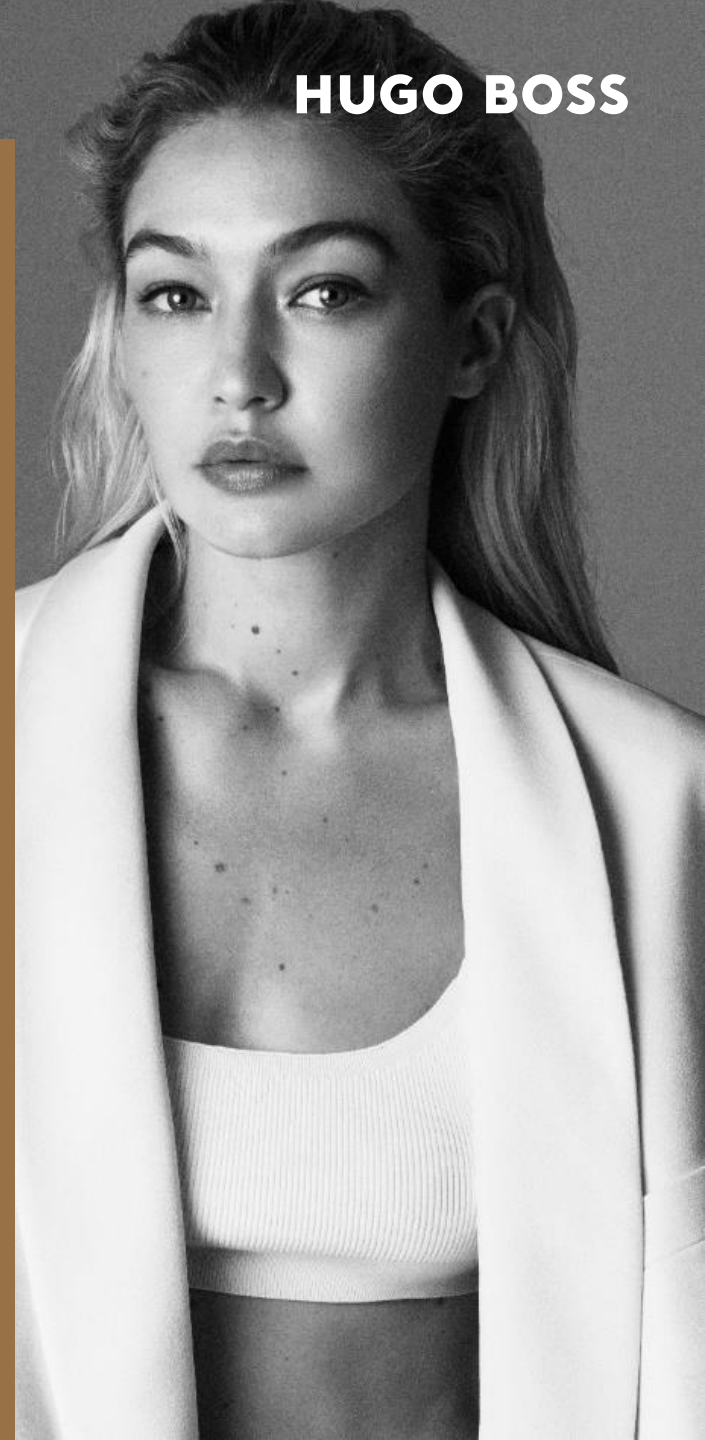
RECAP



# NEW 2025 FINANCIAL AMBITION



SUCCESSFUL EXECUTION  
**OF "CLAIM 5" STRATEGY**  
DRIVES STRONG  
SALES AND EARNINGS  
IMPROVEMENTS



## HUGO BOSS CONTINUES STRONG GROWTH TRAJECTORY IN Q2



### GROUP SALES

1,026

EUR MILLION

+17%

IN GROUP CURRENCY  
VS. Q2 2022

+20%

CURRENCY-ADJUSTED  
VS. Q2 2022



### EBIT

121

EUR MILLION

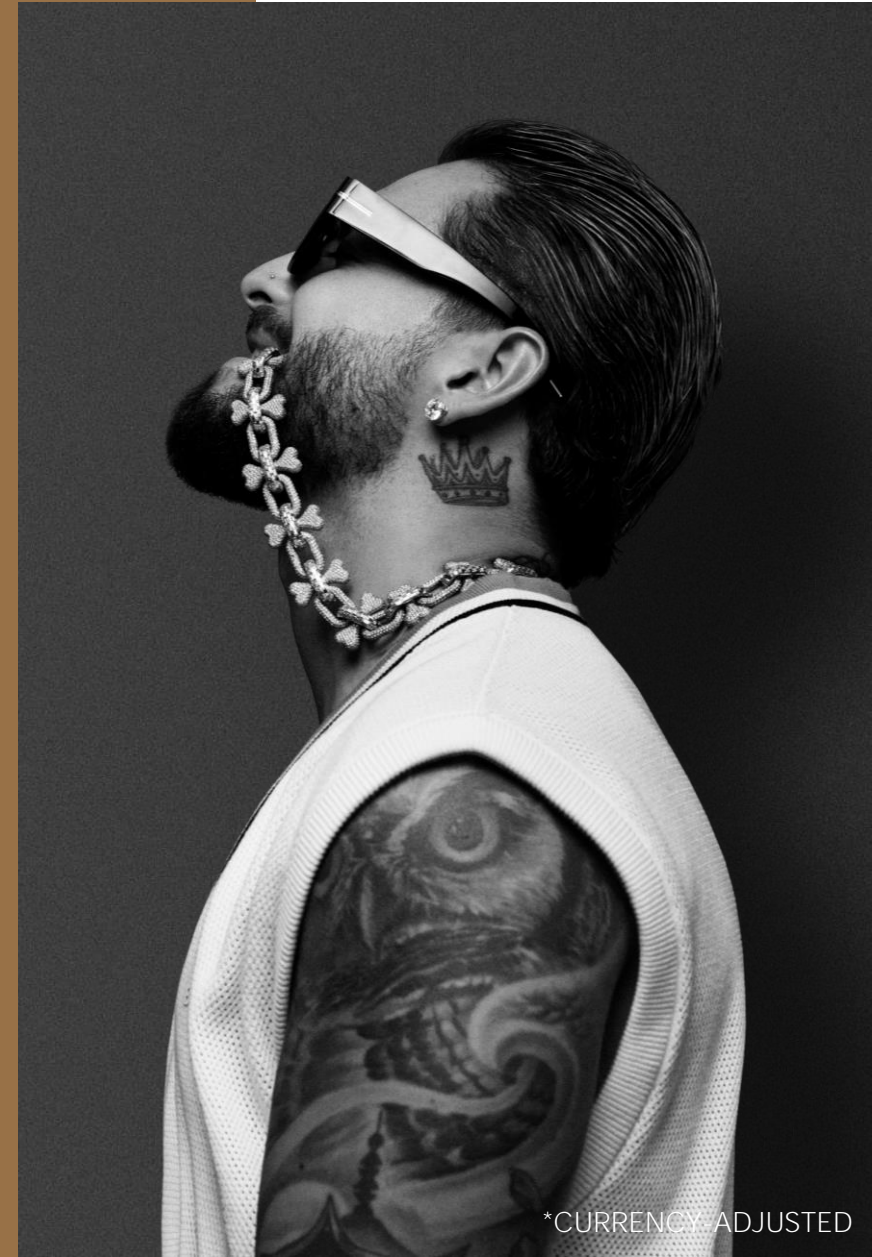
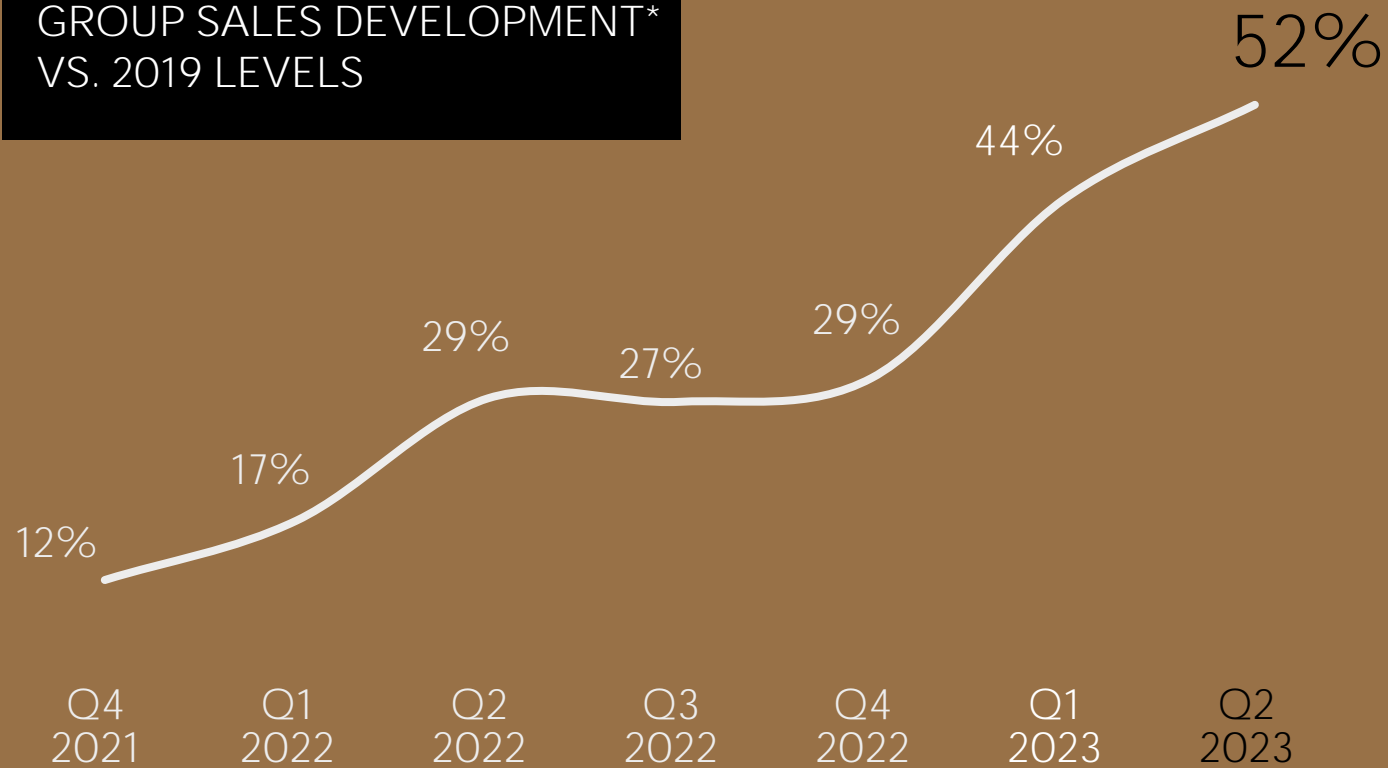
+21%

VS. Q2 2022



# EXECUTION OF "CLAIM 5" ACCELERATES TOP-LINE GROWTH

GROUP SALES DEVELOPMENT\*  
VS. 2019 LEVELS



\*CURRENCY ADJUSTED



# DOUBLE-DIGIT SALES TRAJECTORY CONTINUES ACROSS ALL BRANDS



MENSWEAR

VS. Q2 2022

+18%\*

WOMENSWEAR

VS. Q2 2022

+32%\*

HUGO

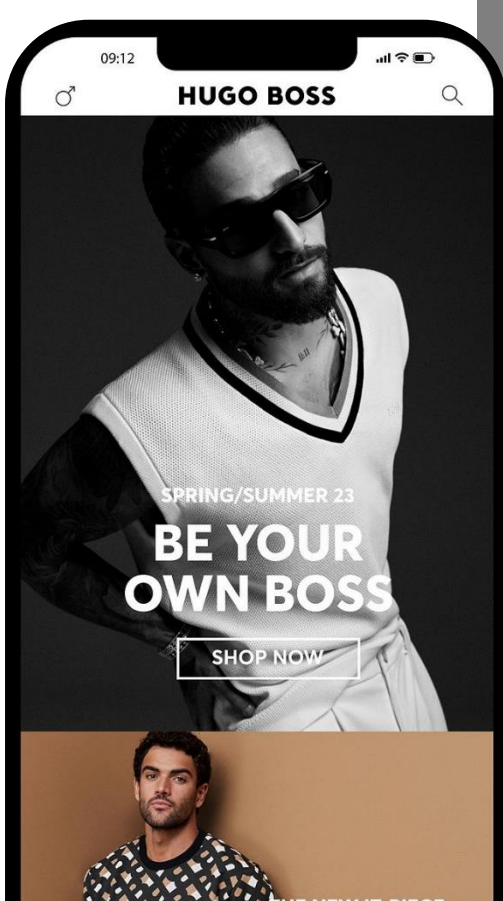
VS. Q2 2022

+21%\*



\*CURRENCY-ADJUSTED

# BROAD-BASED MOMENTUM CONTINUES ACROSS ALL CONSUMER TOUCHPOINTS



DIGITAL

+30%\*

VS. Q2 2022



hugoboss.com and digital partner business with double-digit growth

WHOLESALE

+17%\*

VS. Q2 2022



Ongoing robust demand from wholesale partners around the globe

RETAIL

+17%\*

VS. Q2 2022



Double-digit store productivity improvements driven by rollout of store concept

# TURNING POINTS OF SALE INTO TRUE POINTS OF EXPERIENCE



BOSS X  
PRINTEMPS  
Paris



>100 POS  
RENOVATIONS

 IN 2023

BOSS  
STORE  
Regent Street  
London

## DOUBLE-DIGIT SALES GROWTH CONTINUES ACROSS ALL REGIONS

+20%\*

VS. Q2 2022

### AMERICAS

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

U.S. market up 16% with all consumer touchpoints contributing to growth

+15%\*

VS. Q2 2022

### EMEA

Double-digit improvements in key European markets such as Germany (+19%) and France (+15%)

Ongoing strong momentum in the Middle East

+41%\*

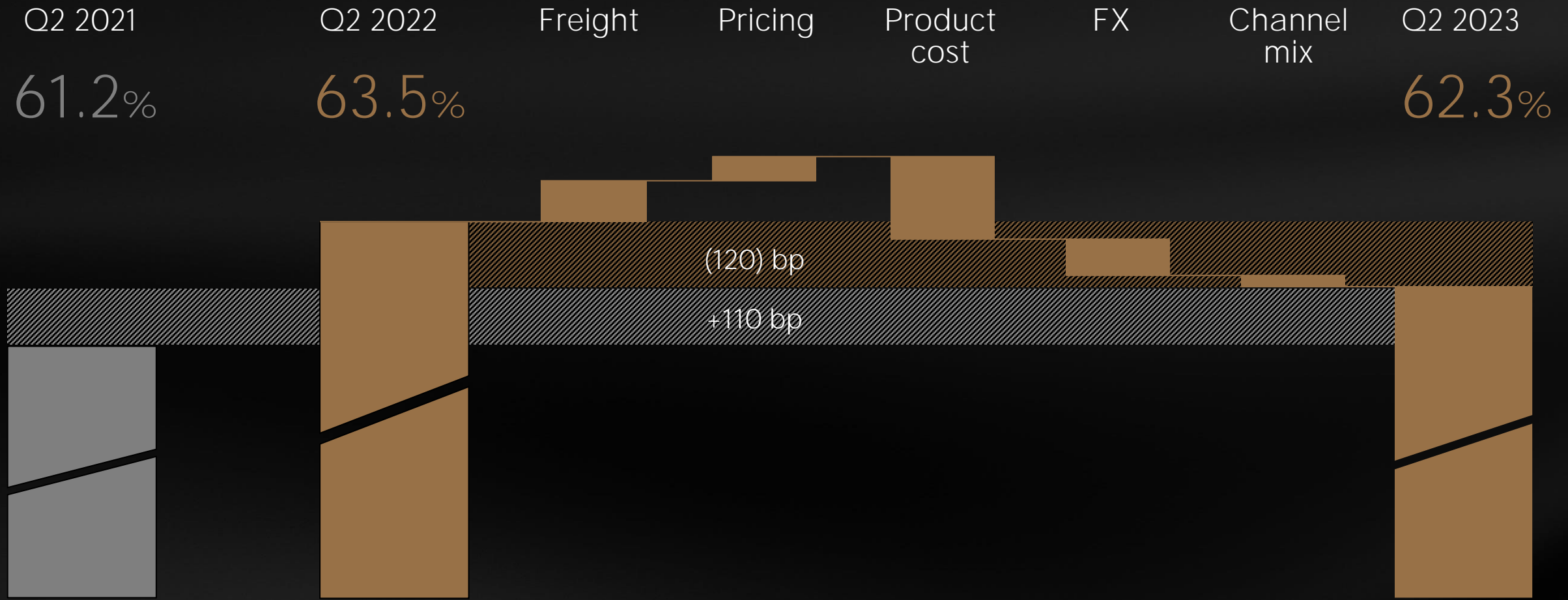
VS. Q2 2022

### ASIA/PACIFIC

Business recovery in China (+56%) continues, supported by strong growth in Hong Kong and Macau

Sustained double-digit growth in South East Asia & Pacific

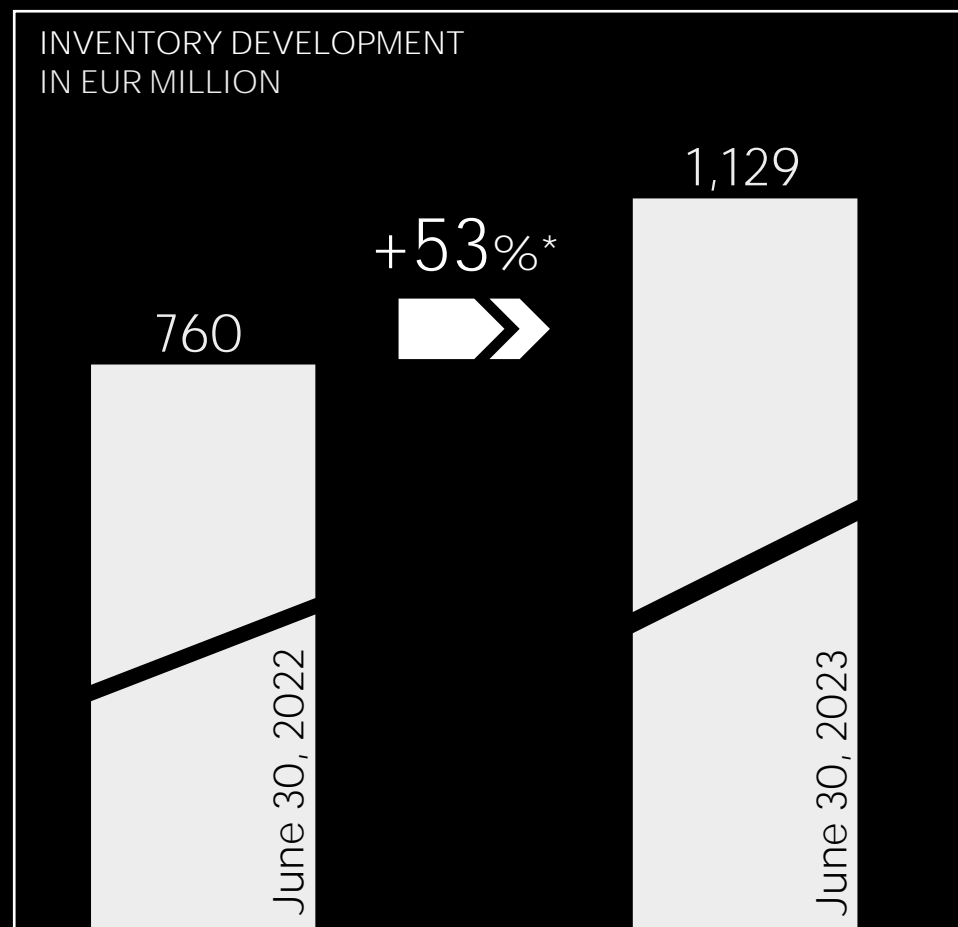
# GROSS MARGIN DECLINE MAINLY ATTRIBUTABLE TO PRODUCT COSTS, CURRENCY EFFECTS, AND CHANNEL MIX



## ROBUST BOTTOM-LINE IMPROVEMENTS IN Q2 DESPITE ONGOING INVESTMENTS

	Q2 2023	CHANGE
<b>GROSS MARGIN</b> DEVELOPMENT ALSO REFLECTS STRONG PRIOR-YEAR COMPARISON BASE	62.3%	(120) BP
<b>OPERATING EXPENSES</b> (IN % OF SALES) LEVERAGE DRIVEN BY FURTHER EFFICIENCY GAINS IN B&M RETAIL	50.5%	(160) BP
<b>EBIT</b> INCREASE MAINLY DUE TO STRONG TOP-LINE PERFORMANCE	121 EUR MILLION	+21%
<b>EBIT MARGIN</b> EXPANSION REFLECTS OPERATING LEVERAGE DESPITE ONGOING INVESTMENTS	11.8%	+40 BP
<b>NET INCOME</b> (ATTRIBUTABLE TO SHAREHOLDERS) IMPROVEMENT SUPPORTED BY LOWER NET FINANCIAL EXPENSES	78 EUR MILLION	+30%

# INVENTORIES TO SUPPORT FUTURE TOP-LINE GROWTH



\*CURRENCY-ADJUSTED

Composition of inventories remains healthy  
and of high quality

Reduction of core merchandise buy-in to support  
inventory development during remainder of 2023

Gradual normalization of inventories anticipated,  
starting in the second half of 2023



INVENTORIES TO IMPROVE TO A LEVEL  
<20% OF GROUP SALES BY 2025

## INCREASE IN INVENTORIES AND HIGHER CAPEX WEIGHS ON FREE CASH FLOW DEVELOPMENT

JUNE 30, 2023  
TNWC  
(IN % OF SALES)

17.9%

+410 BP

Higher inventory position partly offset by increase in trade payables

APRIL-JUNE 2023  
CAPITAL  
EXPENDITURE

66

EUR MILLION

+56%

Step-up reflects ongoing investments in store network and digitalization

APRIL-JUNE 2023  
FREE  
CASH FLOW

60

EUR MILLION

(39)%

Improvements in EBIT partly offset by increase in inventories and step-up in capex



# HUGO BOSS AGAIN RAISES OUTLOOK FOR FULL YEAR 2023

2023

2023

2023

2023

2023



# SALES OUTLOOK

Strong top-line momentum in H1/2023 adds further confidence for remainder of 2023

Several brand, product, and distribution initiatives planned for H2/2023

Broad-based growth across all brands, regions, and channels expected in fiscal year 2023



INCREASE OF ~10%

OLD 2023E

~4.0

EUR BILLION

+12% TO +15%

NEW 2023E



4.1 TO 4.2

EUR BILLION

# EBIT OUTLOOK

Robust improvements in EBIT expected, driven by strong top-line growth in fiscal year 2023

Further investments into the business to ensure ongoing successful execution of "CLAIM 5"

At least stable gross margin and further efficiency gains to support bottom-line development



+10% TO +20%

OLD 2023E

370 TO 400

EUR MILLION

+20% TO +25%

NEW 2023E



400 TO 420

EUR MILLION

2023

IMPORTANT  
MILESTONE  
FOR ACHIEVING  
2025 FINANCIAL  
AMBITION

2023

2023

2023

2023



Q2 2023

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.