

Metzingen, March 7, 2024

2023 MARKS RECORD YEAR FOR HUGO BOSS – FURTHER TOP- AND BOTTOM-LINE IMPROVEMENTS TARGETED FOR FISCAL YEAR 2024

Fiscal year 2023

- Currency-adjusted Group sales increase 18% to record level of EUR 4.2 billion
- EBIT grows 22% to EUR 410 million; EBIT margin up 60 basis points to 9.8%
- Proposed dividend of EUR 1.35 for 2023; +35% compared to prior year

Outlook 2024

- **Strong commitment to further executing "CLAIM 5" strategy**
- Management continuity ensured with reappointment of Managing Board members
- Sales to grow between 3% and 6% to around EUR 4.30 billion to EUR 4.45 billion
- EBIT to increase by 5% to 15% to around EUR 430 million to EUR 475 million; EBIT margin to improve to a level of between 10.0% and 10.7%

"CLAIM 5" ambition

- Focus on leveraging business platform to drive efficiencies and profitability
- Sales ambition of EUR 5 billion might be slightly delayed amid weak consumer sentiment
- 2025 EBIT margin target of at least 12% reconfirmed

HUGO BOSS looks back on a successful business performance in fiscal year 2023, marked by strong top- and bottom-line improvements. This development primarily reflects the robust brand momentum of BOSS and HUGO, fueled by the consistent execution of key brand, product, and distribution initiatives as part of the Company's "CLAIM 5" strategy. By continuing their growth trajectories in 2023, both BOSS and HUGO gained further market shares. In doing so, HUGO BOSS achieved its full year 2023 sales and earnings targets, which had been revised upwards twice during the year.

"2023 was another year of remarkable success for HUGO BOSS," says Daniel Grieder, Chief Executive Officer of HUGO BOSS. "The second full year of executing our 'CLAIM 5' growth strategy was characterized by strong achievements across all business areas and has accelerated the momentum of our two brands BOSS and HUGO. These successes prove that with 'CLAIM 5,' we have the right strategy in place to unlock the full potential of our brands."

HUGO BOSS records strong top- and bottom-line improvements in 2023

As announced in January 2024, Group sales in fiscal year 2023 increased by 18% on a currency-adjusted basis. In Group currency, sales grew by 15% to a record level of EUR 4,197 million (2022: EUR 3,651 million). For the first time in the history of HUGO BOSS, sales crossed the EUR 4 billion threshold, exceeding its initial mid-term sales target two years ahead of plan. Growth was once again broad-based in nature, with all brands, regions, and distribution channels contributing with double-digit improvements.

At the same time, HUGO BOSS recorded strong bottom-line improvements in 2023, as operating profit (EBIT) increased by 22% to EUR 410 million (2022: EUR 335 million). This development was mainly driven by the top-line performance, which more than offset additional investments in the business. As a result, the Group's EBIT margin increased by 60 basis points to a level of 9.8% (2022: 9.2%).

Strong commitment to further executing **"CLAIM 5"** strategy

Following more than two years of successful strategy execution, HUGO BOSS has laid an important foundation for sustainable and profitable growth. In 2024, the Company will build on the regained strength of BOSS and HUGO and further drive brand relevance. Having successfully anchored its position in consumers' minds in recent years, going forward, HUGO BOSS will put even more emphasis on fostering engagement with consumers, aiming to retain their loyalty in the long term. In this context, HUGO BOSS will continue to invest into compelling brand-building initiatives and enhance its product offerings to fortify the brands' 24/7 lifestyle images. The recent launch of the BOSS and HUGO Spring/Summer 2024 collections, including the first-time drop of HUGO Blue, thereby marks the next chapter along the Company's "CLAIM 5" journey.

To foster growth and amplify efficiencies, HUGO BOSS will continue to leverage its high-quality channel mix, ensuring a seamless brand experience and driving synergies across all consumer touchpoints. This also includes the further rollout of the latest BOSS and HUGO store concepts. With more than 200 stores renovated globally, HUGO BOSS has successfully accelerated its omnichannel approach, thus enhancing the shopping experience and increasing store productivity. At the same time, HUGO BOSS will continue to optimize its business operations platform, aimed at driving further effectiveness and efficiencies. As part of this, the Company will put a particular focus on driving digitalization and leveraging the power of artificial intelligence along its global sourcing, production, and logistics activities. Altogether, these strategic initiatives will provide a robust foundation to achieve further top- and bottom-line improvements in the years to come.

Early reappointment of Managing Board members to ensure business continuity

In order to ensure continuity and long-term business success, the Supervisory Board of HUGO BOSS decided on the long-term composition of the Managing Board, with effect of April 1, 2024. As announced on March 6, Daniel Grieder was reappointed Chairman of the Managing Board and CEO of HUGO BOSS until December 31, 2028. At the same time, Oliver Timm, in addition to his role as CSO of HUGO BOSS, was appointed Deputy CEO. He was already reappointed CSO in March 2023 until December 31, 2026. Also on March 6, Yves Müller was reappointed CFO and COO of HUGO BOSS until December 31, 2027. With the long-term and staggered appointment of all Managing Board members, the Supervisory Board is setting an important course for the future of HUGO BOSS, aimed to ensure the continued successful execution of "CLAIM 5."

HUGO BOSS strives for additional market share gains in 2024 and beyond

In light of its regained brand momentum and unwavering commitment to rigorously executing "CLAIM 5," HUGO BOSS is confident of successfully continuing its growth trajectory. In particular, the Company aims to gain further market shares also in the years to come. In this context, in fiscal year 2024, HUGO BOSS expects Group sales in reporting currency to increase within a range of 3% to 6% to a level of around EUR 4.30 billion to EUR 4.45 billion. In doing so, the Company is factoring in the persistently weak consumer confidence, which is currently curbing global retail spending, in particular in distinct European economies. Increasing geopolitical tensions, including the unabated conflicts in Ukraine and the Middle East, pose additional uncertainty in 2024.

Against the backdrop of the ongoing macroeconomic and geopolitical uncertainties, the Company's 2025 sales ambition of EUR 5 billion might be slightly delayed. Irrespective of this, HUGO BOSS continues to see considerable growth opportunities as part of "CLAIM 5." The Company therefore remains fully committed to exploiting these opportunities in 2024 and beyond – be it from a brand, product, distribution, or geographical perspective.

"With 'CLAIM 5,' we have laid an important foundation for sustainable, long-term success," says Daniel Grieder. "We will continue to build on this foundation and capitalize on our numerous growth opportunities, while the macroeconomic and geopolitical backdrop remains uncertain. At the same time, we will further strengthen our operational execution and enhance effectiveness, leveraging our strong business platform to realize significant efficiency gains, while we continue our growth journey."

EBIT margin ambition of at least 12% by 2025 reconfirmed

HUGO BOSS remains all the more confident with regard to its future bottom-line opportunities. The Company continues to target noticeable improvements in profitability, with EBIT expected to grow faster than sales also in the coming years. Accordingly, HUGO BOSS reconfirms its ambition of improving its EBIT margin to a level of at least 12% by 2025. For the

current fiscal year, the Company expects EBIT to grow between 5% and 15% to a level of around EUR 430 million to EUR 475 million. Consequently, the EBIT margin is forecast to increase to a level of between 10.0% and 10.7% in 2024.

The anticipated improvements in profitability primarily reflect the Company's robust organizational and operational platform built in recent years, which will enable HUGO BOSS to further strengthen its operational execution and enhance effectiveness, realizing strong efficiency gains going forward. In particular, the Company aims to further optimize its end-to-end operations. This encompasses leveraging its global sourcing activities, in addition to optimizing vendor allocation and freight modes. Altogether, these effects will provide substantial tailwind to the gross margin development in 2024 already, and thus strongly contribute to the Company's gross margin target of between 62% and 64% between now and 2025. Also contributing to the Company's 2025 EBIT margin target is the ongoing commitment to further optimize its operating expense structure. Besides a particular focus on further enhancing cost efficiency in brick-and-mortar retail as well as across headquarter functions, this also includes the overall reduction of collection complexity.

Dividend increase of 35% proposed for fiscal year 2023

In light of the Company's strong operational and financial performance in 2023, the very solid financial position, and management's confidence in the Company's long-term growth opportunities, the Managing Board and Supervisory Board intend to propose to the Annual General Meeting on May 14, 2024, a dividend of EUR 1.35 per share for fiscal year 2023. This corresponds to an increase of 35% year over year (2022: EUR 1.00). The proposal is equivalent to a payout ratio of 36% of the Group's net income attributable to shareholders in fiscal year 2023, thus fully in line with the Company's targeted payout range of between 30% to 50% as laid out in "CLAIM 5."

Further information can be found at group.hugoboss.com. This also includes the [HUGO BOSS Annual Report 2023](#), featuring many interactive elements, captivating stories, and dedicated video statements from all three Managing Board members.

Earnings development for fiscal year 2023

INCOME STATEMENT (in EUR million)

	Jan. – Dec. 2023	Jan. – Dec. 2022	Change in %
Sales	4,197	3,651	15
Cost of sales	(1,617)	(1,395)	(16)
Gross profit	2,581	2,256	14
In % of sales	61.5	61.8	(30) bp
Operating expenses	(2,171)	(1,921)	(13)
In % of sales	(51.7)	(52.6)	90 bp
Thereof selling and marketing expenses	(1,745)	(1,539)	(13)
Thereof administration expenses	(426)	(382)	(11)
Operating result (EBIT)	410	335	22
In % of sales	9.8	9.2	60 bp
Financial result	(53)	(50)	(7)
Earnings before taxes	357	285	25
Income taxes	(87)	(63)	(37)
Net income	270	222	22
Attributable to:			
Equity holders of the parent company	258	209	23
Non-controlling interests	11	12	(8)
Earnings per share (in EUR) ¹	3.74	3.04	23
Income tax rate in %	24	22	

¹ Basic and diluted earnings per share.

- Group sales in 2023 increased by 18% currency-adjusted to a record level of EUR 4,197 million. In Group currency, this corresponds to an increase of 15%.
 - In 2023, the collections of BOSS and HUGO have once again been very well received by both customers as well as wholesale partners alike. Thanks to the accompanying global 360° brand campaigns as well as several exciting fashion events, BOSS and HUGO recorded robust momentum throughout the year. With double-digit increases across all wearing occasions, momentum was once again broad-based, fully reflecting both brands' 24/7 lifestyle images. Overall, currency-adjusted revenues for BOSS Menswear grew 16%, while revenues for BOSS Womenswear even expanded by 24%. At HUGO, currency-adjusted sales were up 22%.
 - All regions contributed to growth in 2023, posting double-digit sales improvements. In EMEA, currency-adjusted revenues expanded by 13%, reflecting double-digit growth in key markets such as Germany and France, as well as a particularly strong performance in emerging markets. With revenues up 23% currency-adjusted, momentum in the Americas remained strong throughout 2023, with all key markets posting double-digit growth, including the important U.S. market. In Asia/Pacific, currency-adjusted revenues grew 32%, reflecting double-digit sales improvements in both China and Southeast Asia & Pacific. Revenues in the Group's license business increased by 13% currency-adjusted, led by double-digit growth in the important fragrance business.
 - Also from a channel perspective, growth in fiscal year 2023 was broad-based with double-digit revenue improvements across all consumer touchpoints. Currency-adjusted sales in brick-and-mortar retail (including freestanding stores, shop-in-shops, and outlets) expanded by 15%, driven by both store productivity improvements, as well

as additional selling space. The former also reflects the successful execution of various strategic initiatives to further optimize and modernize the Company's global store network, including the rollout of the latest store concepts for BOSS and HUGO. In brick-and-mortar wholesale, currency-adjusted sales grew 18% in 2023. This performance reflects the brands' 24/7 lifestyle images and the ongoing strong reception of BOSS and HUGO collections, which enabled both brands to further improve their visibility and win market shares around the globe. At the same time, growth was supported by the further expansion of the Group's franchise business, in particular to emerging markets. The Group's digital business successfully continued its double-digit growth trajectory, with currency-adjusted sales up 26% reflecting both double-digit revenue increases at hugoboss.com as well as notable improvements in digital revenues generated with partners. Overall, total digital sales thus increased to 19% of Group sales (2022: 18%).

- At 61.5%, the gross margin in fiscal year 2023 came in 30 basis points below the prior-year level. Positive impacts from lower freight cost levels were more than offset by unfavorable currency effects as well as an increasingly promotional environment towards the end of 2023.
- Operating expenses grew 13% in fiscal year 2023, reflecting an increase in both selling and marketing expenses as well as higher administration expenses. As a percentage of sales, however, operating expenses decreased 90 basis points to a level of 51.7%, as further efficiency gains, particularly in brick-and-mortar retail, more than offset important investments into the business as part of "CLAIM 5."
 - Selling and marketing expenses increased by 13%, mainly due to an increase in fulfilment, variable rental, and payroll expenses in light of the strong top-line momentum. Besides that, the development is also attributable to higher marketing investments, largely reflecting the successful brand campaigns and fashion events over the course of the year. Total marketing expenses grew 14% to EUR 328 million, representing 7.8% of Group sales (2022: EUR 288 million; 7.9% of sales). Marketing expenses thus were fully in line with the Company's target corridor of between 7% and 8% as laid out in "CLAIM 5." Selling expenses for the Group's brick-and-mortar retail business totaled EUR 870 million in 2023, up 8% compared to the prior year (2022: EUR 807 million), thus improving to a level of 20.7% of Group sales (2022: 22.1%). Overall, as a percentage of sales, selling and marketing expenses decreased by 60 basis points to a level of 41.6% in 2023 (2022: 42.1%).
 - Administration expenses increased by 11% in fiscal year 2023. This development is mainly attributable to ongoing investments in the organization and its employees, resulting in higher payroll expenses and an increase in digital investments. Overall, as a percentage of sales, administration expenses decreased by 30 basis points to 10.1% (2022: 10.5%).
- Operating profit (EBIT) increased by 22% to EUR 410 million in fiscal year 2023. This development was driven by the strong top-line performance, enabling the Company to generate operating leverage despite ongoing investments into the business as well as the

slight decline in gross margin. Accordingly, the Group's EBIT margin increased 60 basis points to 9.8%.

- At EUR 53 million, net financial expenses (financial result) in fiscal year 2023 were 7% above the prior-year level, as the Company recorded higher interest expenses in lease accounting under IFRS 16, reflecting the overall higher interest rate levels.
- The Group tax rate was slightly above the prior year, thus gradually normalizing to a level of 24%. In the prior year, lower-than-anticipated back tax payments and the revaluation of deferred tax assets supported a particularly low tax rate.
- Accordingly, the **Group's net income** for fiscal year 2023 amounted to EUR 270 million, up 22% against the prior-year level. Net income attributable to shareholders increased by 23% to EUR 258 million, while earnings per share grew 23% to EUR 3.74 in fiscal year 2023.

Net assets and financial position for fiscal year 2023

December 31, 2023	in EUR million	Change in %	Change in % currency-adjusted
TNWC	870	42	46
Inventories	1,066	9	11

- Trade net working capital (TNWC) increased by 46% on a currency-adjusted basis, first and foremost reflecting a higher inventory position, aimed at supporting growth across channels. The moving average of TNWC as a percentage of sales based on the last four quarters amounted to 20.8% (2022: 15.0%).
 - Inventories were up 11% currency-adjusted, with the vast majority of the Company's inventories reflecting core merchandise as well as fresh merchandise for current and upcoming collections, aimed at supporting the top-line momentum. In light of implemented measures to optimize inventory levels going forward, the Company recorded a gradual normalization of inventories towards the end of fiscal year 2023, down 8% as compared to Q3 2023. Consequently, at 25.4%, inventories as a percentage of Group sales came in below the prior-year level (2022: 26.7%). Based on this, HUGO BOSS remains confident of improving inventories to a level below 20% of Group sales by 2025. At the same time, trade receivables increased noticeably, mainly reflecting the Group's strong performance in wholesale as well as the ongoing expansion of the global franchise business. Trade payables, on the other hand, came in moderately below the prior-year level, primarily reflecting lower order volumes as part of the Company's measures to reduce core merchandise inflow.

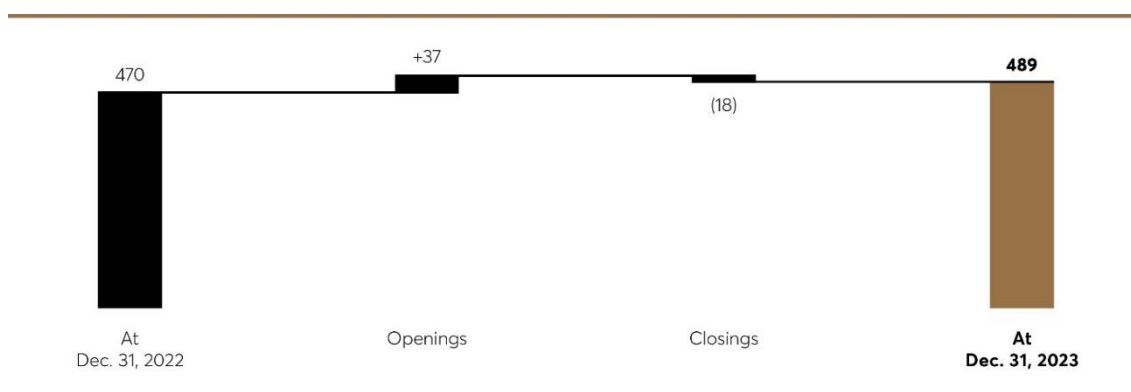
2023	in EUR million	Change in %
Capital expenditure	298	55
Free cash flow	96	(42)
Net financial position ¹	(213)	<(100)

¹ Excl. the impact of IFRS 16.

- Capital expenditure increased by 55% to EUR 298 million in 2023 (2022: EUR 192 million). The further step-up in capital expenditure aims to support the ongoing successful execution of "CLAIM 5" by increasing investments in the Group's global store network, further digitalizing its business model, and expanding its logistics capacities.
- Free cash flow amounted to EUR 96 million in fiscal year 2023 (2022: EUR 166 million). The year-over-year decline particularly reflects the significant step-up in investments, which was only partially offset by improvements in EBIT.

- Excluding the impact of IFRS 16, the net financial position of HUGO BOSS at the end of fiscal year 2023 totaled minus EUR 213 million (December 31, 2022 excluding IFRS 16: plus EUR 38 million). Including the impact of IFRS 16, the net financial position at the end of fiscal year 2023 totaled minus EUR 1,006 million (December 31, 2022: minus EUR 767 million).

Network of freestanding retail stores



- In fiscal year 2023, the number of own freestanding retail stores moderately increased to 489.
 - A total of 33 BOSS stores were newly opened across all regions, with a particular focus on expanding the distribution footprint in China. In addition, a total of four HUGO stores opened their doors in EMEA and the Americas. On the other hand, the Company closed 18 stores with expiring leases across EMEA and Asia/Pacific, aimed at further optimizing its distribution network.
 - The total selling space of the Group's own retail business increased by 5%, totaling around 186,000 sq m at year-end (December 31, 2022: around 177,000 sq m). Brick-and-mortar sales productivity increased by 4% to a level of around EUR 12,400 per square meter (2022: around EUR 11,900 per square meter), fully in line with the Company's ambition to improve store productivity by at least 3% per annum to a level of more than EUR 13,000 per square meter by 2025. The increase in 2023 reflects, first and foremost, the robust top-line performance as well as the successful execution of strategic initiatives to further optimize and modernize the global store network, including the ongoing rollout of the latest store concepts for BOSS and HUGO.

Outlook 2024

OUTLOOK FOR FISCAL YEAR 2024

	Results 2023	Outlook 2024
Group sales	Increase by 15% to EUR 4,197 million	Increase within a range of 3% to 6%
Sales by region		
EMEA	Increase by 11% to EUR 2,562 million	Increase in the low to mid single-digit percentage range
Americas	Increase by 21% to EUR 955 million	Increase in the mid- to high single-digit percentage range
Asia/Pacific	Increase by 23% to EUR 576 million	Increase in the high single- to low double-digit percentage range
Operating result (EBIT)	Increase by 22% to EUR 410 million	Increase within a range of 5% and 15% to a level of around EUR 430 million to EUR 475 million
Group's net income	Increase by 22% to EUR 270 million	Increase within a range of 5% and 15%
Trade net working capital as a percentage of sales	20.8%	Improvement to a level approaching 20%
Capital expenditure	Increase by 55% to EUR 298 million	Increase to a level of EUR 300 million to EUR 350 million

- Based on the robust brand momentum for BOSS and HUGO, in fiscal year 2024, the primary focus of HUGO BOSS will be on further executing its "CLAIM 5" strategy. In particular, HUGO BOSS is committed to driving additional market-share gains and achieving further top- and bottom-line improvements.
- For the global apparel industry, fiscal year 2024 is expected to be dominated by the ongoing high levels of macroeconomic uncertainty, including elevated inflation and interest rate levels, as well as mounting geopolitical tensions, with both expected to continue weighing on global consumer sentiment and retail spending.
- Against this backdrop, HUGO BOSS expects Group sales in reporting currency to increase within a range of 3% to 6% in 2024, with all segments contributing to growth. The Company expects sales in the EMEA region to grow in the low to mid-single-digit percentage range, while sales in the Americas are forecast to increase at a mid- to high single-digit rate. For Asia/Pacific, HUGO BOSS is confident of achieving growth in the high single- to low double-digit range in 2024.
- At the same time, HUGO BOSS anticipates EBIT to grow by between 5% and 15% to a level of around EUR 430 million to EUR 475 million in 2024. Consequently, EBIT margin is expected to improve to a level between 10.0% and 10.7% (2023: 9.8%), with strong support coming from expected gross margin improvements in 2024. The latter will benefit from the further optimization of the Company's end-to-end operations, with additional support stemming from lower product costs, following a decline in commodity prices.
- Broadly in line with EBIT growth, HUGO BOSS also expects net income to increase within a range of 5% to 15% in 2024.
- Trade net working capital as a percentage of sales is expected to improve slightly, approaching a level of 20% in 2024. In particular, HUGO BOSS aims to further optimize its

inventory position in 2024, thus making further strides towards its ambition of bringing inventories down to a level of below 20% of Group sales by 2025.

- Capital expenditure is forecast to increase to a level of between EUR 300 million and EUR 350 million in 2024. Investment activity will once again be focused on the modernization and selective expansion of the Company's global store network and the further digitalization of its business model. At the same time, and fully in line with its strategic claim "Organize for Growth," HUGO BOSS will continue to invest in the expansion of its logistics capacities.
- Further information on the Company's outlook for 2024 can be found in the [Annual Report 2023](#).

Financial calendar and contacts

May 2, 2024

First Quarter Results 2024

May 14, 2024

Annual General Meeting

August 1, 2024

Second Quarter Results 2024 & First Half Year Report 2024

November 5, 2024

Third Quarter Results 2024

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HUGO BOSS

FINANCIAL INFORMATION

for Q4 2023 and Jan. – Dec. 2023

Due to rounding, some numbers may not add up precisely to the totals provided.

Key figures – quarter

(in EUR million)	Q4 2023	Q4 2022	Change in %	Currency-adjusted change in %
Sales	1,177	1,068	10	13
Sales by brand				
BOSS Menswear	914	831	10	13
BOSS Womenswear	81	74	11	14
HUGO	182	163	11	14
Sales by segment				
EMEA	680	647	5	7
Americas	295	258	15	18
Asia/Pacific	172	137	25	33
Licenses	30	26	15	15
Sales by distribution channel				
Brick-and-mortar retail	675	620	9	12
Brick-and-mortar wholesale	235	229	3	6
Digital	236	193	23	25
Licenses	30	26	15	15
Results of operations				
Gross profit	724	655	10	
Gross margin in %	61.5	61.4	20 bp	
EBIT	121	104	17	
EBIT margin in %	10.3	9.7	60 bp	
EBITDA	219	195	12	
EBITDA margin in %	18.6	18.2	40 bp	
Net income attributable to equity holders of the parent company	85	70	22	
Financial position				
Capital expenditure	121	88	37	
Free cash flow	177	69	>100	
Depreciation/amortization	98	91	7	
Additional key figures				
Personnel expenses	239	210	14	
Shares (in EUR)				
Earnings per share	1.23	1.02	22	
Last share price (as of Dec. 31)	67.46	54.16	25	
Number of shares (as of Dec. 31)	70,400,000	70,400,000	0	

Sales by region and distribution channel – quarter

EMEA

(in EUR million)	Q4 2023	Q4 2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	325	321	1	3
Brick-and-mortar wholesale	176	179	(2)	1
Digital	179	147	22	24
Total	680	647	5	7

Americas

(in EUR million)	Q4 2023	Q4 2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	211	186	14	17
Brick-and-mortar wholesale	46	44	5	9
Digital	38	28	35	41
Total	295	258	15	18

Asia/Pacific

(in EUR million)	Q4 2023	Q4 2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	139	113	23	32
Brick-and-mortar wholesale	13	6	>100	>100
Digital	19	18	5	11
Total	172	137	25	33

Key figures – full year 2023

(in EUR million)	2023	2022	Change in %	Currency-adjusted change in %
Sales	4,197	3,651	15	18
Sales by brand				
BOSS Menswear	3,256	2,868	14	16
BOSS Womenswear	288	239	21	24
HUGO	653	545	20	22
Sales by segments				
EMEA	2,562	2,303	11	13
Americas	955	789	21	23
Asia/Pacific	576	467	23	32
Licenses	104	92	13	13
Sales by distribution channel				
Brick-and-mortar retail	2,262	2,016	12	15
Brick-and-mortar wholesale	1,033	895	15	18
Digital	798	648	23	26
Licenses	104	92	13	13
Results of operations				
Gross profit	2,581	2,256	14	
Gross margin in %	61.5	61.8	(30) bp	
EBIT	410	335	22	
EBIT margin in %	9.8	9.2	60 bp	
EBITDA	752	680	11	
EBITDA margin in %	17.9	18.6	(70) bp	
Net income attributable to equity holders of the parent company	258	209	23	
Net assets and liability structure as of Dec. 31				
Trade net working capital	870	613	42	46
Trade net working capital in % of sales ¹	20.8	15.0	580 bp	
Non-current assets	1,681	1,535	9	
Equity	1,311	1,135	15	
Equity ratio in %	38	36	140 bp	
Total assets	3,472	3,127	11	
Financial position				
Capital expenditure	298	192	55	
Free cash flow	96	166	(42)	
Depreciation/amortization	342	345	(1)	
Net financial liabilities (as of Dec. 31)	1,006	767	31	
Additional key figures				
Employees (as of Dec. 31) ²	18,738	16,930	11	
Personnel expenses	918	794	16	
Shares (in EUR)				
Earnings per share	3.74	3.04	23	
Dividend per share	1.35 ³	1.00	35	
Last share price (as of Dec. 31)	67.46	54.16	25	
Number of shares (as of Dec. 31)	70,400,000	70,400,000	0	

¹ Moving average on the basis of the last four quarters.

² Full-time equivalent (FTE).

³ Dividend proposal.

Sales by region and distribution channel – full year 2023

EMEA

(in EUR million)	2023	2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	1,133	1,074	6	7
Brick-and-mortar wholesale	813	716	13	16
Digital	616	513	20	22
Total	2,562	2,303	11	13

Americas

(in EUR million)	2023	2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	648	551	18	20
Brick-and-mortar wholesale	182	150	21	23
Digital	125	89	41	45
Total	955	789	21	23

Asia/Pacific

(in EUR million)	2023	2022	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	481	392	23	31
Brick-and-mortar wholesale	39	29	36	41
Digital	56	47	21	28
Total	576	467	23	32

Consolidated income statement – quarter

(in EUR million)	Q4 2023	Q4 2022	Change in %
Sales	1,177	1,068	10
Cost of sales	(453)	(413)	(10)
Gross profit	724	655	10
In % of sales	61.5	61.4	20 bp
Operating expenses	(603)	(552)	(9)
In % of sales	(51.2)	(51.7)	40 bp
Thereof selling and marketing expenses	(496)	(450)	(10)
Thereof administration expenses	(107)	(101)	(6)
Operating result (EBIT)	121	104	17
In % of sales	10.3	9.7	60 bp
Financial result	(14)	(22)	37
Earnings before taxes	107	82	31
Income taxes	(17)	(6)	<(100)
Net income	90	75	20
Attributable to:			
Equity holders of the parent company	85	70	22
Non-controlling interests	5	5	(7)
Earnings per share (in EUR) ¹	1.23	1.02	22
Tax rate in %	16	8	

¹ Basic and diluted earnings per share.

EBIT and EBITDA – quarter

(in EUR million)	Q4 2023	Q4 2022	Change in %
EBIT	121	104	17
In % of sales	10.3	9.7	60 bp
Depreciation and amortization	(98)	(91)	(7)
EBITDA	219	195	12
In % of sales	18.6	18.2	40 bp

Consolidated income statement – full year 2023

(in EUR million)			
	2023	2022	Change in %
Sales	4,197	3,651	15
Cost of sales	(1,617)	(1,395)	(16)
Gross profit	2,581	2,256	14
In % of sales	61.5	61.8	(30) bp
Operating expenses	(2,171)	(1,921)	(13)
In % of sales	(51.7)	(52.6)	90 bp
Thereof selling and marketing expenses	(1,745)	(1,539)	(13)
Thereof administration expenses	(426)	(382)	(11)
Operating result (EBIT)	410	335	22
In % of sales	9.8	9.2	60 bp
Financial result	(53)	(50)	(7)
Earnings before taxes	357	285	25
Income taxes	(87)	(63)	(37)
Net income	270	222	22
Attributable to:			
Equity holders of the parent company	258	209	23
Non-controlling interests	11	12	(8)
Earnings per share (in EUR) ¹	3.74	3.04	23
Tax rate in %	24	22	

¹ Basic and diluted earnings per share.

EBIT and EBITDA – full year 2023

(in EUR million)			
	2023	2022	Change in %
EBIT	410	335	22
In % of sales	9.8	9.2	60 bp
Depreciation and amortization	(342)	(345)	1
EBITDA	752	680	11
In % of sales	17.9	18.6	(70) bp

Consolidated statement of financial position

(in EUR million)	December 31, 2023	December 31, 2022
Assets		
Property, plant, and equipment	604	471
Intangible assets	196	177
Right-of-use assets	722	708
Deferred tax assets	130	151
Non-current financial assets	27	26
Other non-current assets	2	2
Non-current assets	1,681	1,535
Inventories	1,066	974
Trade receivables	376	256
Current tax receivables	23	23
Current financial assets	54	41
Other current assets	127	150
Cash and cash equivalents	118	147
Assets held for sale ¹	27	0
Current assets	1,791	1,592
Total	3,472	3,127
Equity and liabilities		
Subscribed capital	70	70
Own shares	(42)	(42)
Other capital reserve	4	2
Retained earnings	1,201	1,022
Accumulated other comprehensive income	60	65
Equity attributable to equity holders of the parent company	1,293	1,117
Non-controlling interests	18	19
Group equity	1,311	1,135
Non-current provisions	109	92
Non-current financial liabilities	316	89
Non-current lease liabilities	624	605
Deferred tax liabilities	19	10
Other non-current liabilities	2	2
Non-current liabilities	1,071	798
Current provisions	92	123
Current financial liabilities	24	33
Current lease liabilities	169	199
Income tax payables	7	20
Trade payables	572	617
Other current liabilities	207	201
Liabilities held for sale ¹	19	0
Current liabilities	1,090	1,193
Total	3,472	3,127

¹ HUGO BOSS is currently revisiting its business model in Russia, which includes considerations to convert it into a wholesale business. Accordingly, the Company classified all respective assets and liabilities as assets and liabilities held for sale as of December 31, 2023.

Trade net working capital (TNWC)

(in EUR million)	December 31, 2023	December 31, 2022	Change in %	Currency- adjusted change in %
Inventories	1,066	974	9	11
Trade receivables	376	256	46	47
Trade payables	572	617	(7)	(8)
Trade net working capital (TNWC)	870	613	42	46

Consolidated statement of cash flows

(in EUR million)	Jan. – Dec. 2023	Jan. – Dec. 2022
Net income	270	222
Depreciation/amortization	342	345
Gain/loss on the monetary positions under IAS 29	1	(1)
Unrealized net foreign exchange gain/loss	13	13
Other non-cash transactions	4	9
Income tax expense/income	87	63
Interest expense/income	45	24
Change in inventories	(100)	(361)
Change in receivables and other assets	(123)	(84)
Change in trade payables and other liabilities	(51)	182
Result from disposal of non-current assets	5	(6)
Change in provisions for pensions	(10)	(5)
Change in other provisions	(18)	31
Income taxes paid	(71)	(75)
Cash flow from operating activities	394	357
Investments in property, plant, and equipment	(247)	(151)
Investments in intangible assets	(50)	(39)
Equity investments	0	(4)
Cash receipts from sales of property, plant, and equipment and intangible assets	(2)	0
Interest received	1	3
Cash flow from investing activities	(298)	(192)
Dividends paid to equity holders of the parent company	(69)	(48)
Dividends paid to non-controlling interests	(11)	(8)
Proceeds from current financial liabilities	2	0
Repayment of current financial liabilities	(61)	(11)
Proceeds from non-current financial liabilities	279	0
Repayment of lease liabilities	(222)	(216)
Interest paid	(41)	(24)
Cash flow from financing activities	(122)	(307)
Exchangerate related changes in cash and cash equivalents	(3)	4
Change in cash and cash equivalents	(29)	(137)
Cash and cash equivalents at the beginning of the period	147	285
Cash and cash equivalents at the end of the period	118	147

Free cash flow

(in EUR million)	Jan. – Dec. 2023	Jan. – Dec. 2022
Cash flow from operating activities	394	357
Cash flow from investing activities	(298)	(192)
Free cash flow	96	166

Number of own retail points of sale

Dec. 31, 2023	EMEA	Americas	Asia/Pacific	Total
Number of own retail points of sale	587	456	375	1,418
thereof freestanding retail stores	212	115	162	489
Dec. 31, 2022				
Number of own retail points of sale	581	383	352	1,316
thereof freestanding retail stores	212	106	152	470