

OVERALL STATEMENT ON THE BUSINESS PERFORMANCE AND SITUATION OF THE GROUP

Since its introduction in fiscal year 2021, HUGO BOSS has achieved substantial progress in executing its **"CLAIM 5" strategy** as reflected by significant achievements across all five strategic priorities. By stepping up investments into our brands, products, and consumer touchpoints, momentum for both BOSS and HUGO has accelerated noticeably, driving record sales for three consecutive years and market share gains. At the same time, as part of "CLAIM 5," we have built a robust organizational and operational platform, laying the foundation for sustainable and profitable growth. This platform enables us to further enhance our operational execution, improve effectiveness, and realize efficiency gains across our business. Consequently, with "CLAIM 5" we have successfully paved the way towards achieving our financial ambition of EUR 5 billion in sales and an EBIT margin of at least 12%. > [Group Strategy](#)

At the same time, the **global market environment** deteriorated substantially in fiscal year 2024, with weakening consumer sentiment across most markets leading to a slowdown in industry growth. While the overall muted consumer confidence inevitably impacted the Company's performance, resulting in a more moderate revenue increase compared to prior years, HUGO BOSS continued to benefit from the improved brand relevance of BOSS and HUGO. Consequently, **Group sales** grew by 3% to EUR 4,307 million (2023: EUR 4,197 million), both currency-adjusted and in Group currency. Growth was supported by revenues increases across both our brands as well as most regions and distribution channels. Throughout the year, we capitalized on **important growth opportunities**, further elevating brand relevance, enhancing product offerings, and deepening customer engagement. Highlights included the launch of successful 360-degree brand campaigns, the start of our partnership with David Beckham, and exciting brand events like our BOSS Fashion Show in Milan. At the same time, we pushed ahead with strengthening both brands' 24/7 lifestyle images. Besides fully leveraging our BOSS brand lines across all touchpoints, we expanded our denimwear offering with the introduction of HUGO Blue. In addition, we further elevated our omnichannel activities to improve the customer experience, including the opening of new BOSS halo stores in Düsseldorf and Shanghai. At the same time, we successfully launched our new membership program HUGO BOSS XP, thus further **strengthening customer loyalty and deepening connections** to our brands and products. > [Comparison of Actual and Forecast Business Performance](#), > [Consumer Touchpoints](#)

In response to the softer consumer sentiment, in the course of 2024, we accelerated our focus on **enhancing cost efficiency**. This included driving efficiency gains across our global sourcing activities and optimizing freight modes, which had a positive impact on gross margin development in fiscal year 2024. In the second half of the year, we implemented additional measures to enhance efficiency and effectiveness, capitalizing on our robust organizational platform. Besides putting strong emphasis on driving marketing effectiveness,

we particularly targeted productivity gains within global sales and administration functions. Against the backdrop of these efficiency measures, we were able to limit the increase in operating expenses in the second half of the year, thus supporting profitability in 2024. As a result, the decline in **operating profit (EBIT)** was ultimately limited to 12%, amounting to EUR 361 million, translating into an EBIT margin of 8.4% (2023: EUR 410 million; 9.8%). Consequently, HUGO BOSS **achieved its full-year 2024 sales and earnings targets**, which had been adjusted in July 2024 against the backdrop of the challenging market environment.

> **Business Operations, > Earnings Development**

Also in 2025, the **final year of "CLAIM 5,"** we remain fully committed to making further strategic progress and driving robust profitability improvements. In particular, we are determined to continue exploiting global growth opportunities, as we keep investing in key brand, product, and omnichannel initiatives to further drive brand relevance and deepen customers' connections with BOSS and HUGO. Taking into account the ongoing macroeconomic and geopolitical uncertainties, which are anticipated to continue weighing on consumer sentiment, HUGO BOSS expects **Group sales** in reporting currency to range between EUR 4.2 billion and EUR 4.4 billion in 2025. At the same time, we remain focused on leveraging our strong operational platform and driving additional cost efficiencies by rigorously managing operating expenses. Therefore, we anticipate **EBIT** in fiscal year 2025 to increase to a level of between EUR 380 million and EUR 440 million. Consequently, the Company anticipates EBIT margin to improve in 2025, supported by its ongoing focus on driving additional sourcing efficiencies and maintaining disciplined cost management. These initiatives, coupled with strategic investments, are essential for driving robust profitability improvements in 2025 and beyond, while ensuring the long-term success of HUGO BOSS. > **Outlook**

HUGO BOSS remains confident in its long-term growth opportunities and its continued ability to generate significantly positive free cash flow in the future. Consequently, and despite the decline in earnings in fiscal year 2024, the Managing Board and the Supervisory Board intend to propose to the Annual General Meeting on May 15, 2025 a **dividend** of EUR 1.40 per share for fiscal year 2024, reflecting an increase of 4% compared to the prior-year level (2023: EUR 1.35). In view of its healthy balance sheet structure and strong free cash flow generation, the Group remains in an **exceedingly solid economic situation** at the time of preparing this report. > **Outlook**

Metzingen, March 5, 2025

HUGO BOSS AG
The Managing Board

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