

**FINANCIAL STATEMENTS
OF HUGO BOSS AG
FOR FISCAL YEAR 2021**

HUGO BOSS

1 COMBINED MANAGEMENT REPORT

- 4** Combined Management Report

2 FINANCIAL STATEMENTS OF HUGO BOSS AG

- 6** Balance Sheet
- 8** Income Statement
- 9** Notes to the Annual Financial Statements
 - 9** General Information
 - 10** Accounting Policies
 - 14** Notes to the Balance Sheet
 - 24** Notes to the Income Statement
 - 28** Additional Information
 - 34** Disclosures pursuant to Section 160(1)
No. 8 AktG ["Aktiengesetz":
German Stock Corporation Act]
 - 35** Managing Board
 - 36** Supervisory Board
 - 37** Additional disclosures on the
members of the Supervisory Board
and the Managing Board
 - 38** Disclosure

3 ADDITIONAL INFORMATION

- 40** Responsibility Statement
- 41** Independent Auditor's Report
- 50** Forward-looking Statements
- 51** Financial Calendar and Contacts
- 52** Legal Notice

CHAPTER 1

COMBINED

MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

The management report of HUGO BOSS AG and the Group management report are combined in accordance with section 315(5) HGB ("Handelsgesetzbuch": German Commercial Code) in conjunction with section 298(2) HGB and published in the 2021 annual report.

The financial statements and the management report of HUGO BOSS AG, which is combined with the Group management report, for fiscal year 2021 are submitted to and published in the elektronischer Bundesanzeiger (Electronic German Federal Gazette).

The financial statements of HUGO BOSS AG and the Group's annual report for fiscal year 2021 are also published online at <http://group.hugoboss.com/en/investor-relations/financial-reports/>.

CHAPTER 2

FINANCIAL STATEMENTS OF HUGO BOSS AG

BALANCE SHEET

of HUGO BOSS AG as of December 31, 2021

ASSETS (in EUR thousands)

	Notes-No.	12/31/2021	12/31/2020
A. Fixed assets			
I. Intangible assets	(1)		
1. Self-created commercial property rights and similar rights and assets		28	34
2. For consideration industrial property rights and similar rights as well as licenses in such rights and assets		82,460	88,606
3. Goodwill		0	52
4. Prepayments		2,468	1,778
		84,956	90,470
II. Property, plant and equipment	(1)		
1. Land and buildings incl. buildings on third party land		121,858	127,251
2. Technical equipment and machinery		567	813
3. Other equipment, factory and office equipment		88,328	90,997
4. Prepayments and construction in progress		2,931	3,076
		213,684	222,137
III. Financial assets	(2)		
1. Shares in affiliated companies		645,540	661,462
2. Other shares		10	10
		645,550	661,472
		944,190	974,079
B. Current assets			
I. Inventories			
1. Raw materials and supplies		22,754	21,151
2. Work in progress		436	287
3. Finished goods and merchandise		164,946	154,730
4. Payments on account		0	0
		188,136	176,168
II. Receivables and other assets	(3)		
1. Trade receivables		29,819	11,871
2. Receivables from affiliated companies		59,332	50,651
3. Other assets		45,830	34,150
		134,981	96,672
III. Cash and cash equivalents		24,288	1,123
		347,405	273,963
C. Prepaid expenses	(4)	11,743	4,650
		1,303,338	1,252,692

EQUITY AND LIABILITIES (in EUR thousands)

	Notes-No.	12/31/2021	12/31/2020
A. Shareholders' equity			
I. Subscribed capital	(5)		
1. Common Stock		70,400	70,400
Nominal amount - treasury shares of common stock		(1,384)	(1,384)
		69,016	69,016
II. Capital reserve	(5)	399	399
III. Retained earnings	(5)		
1. Legal reserves		6,641	6,641
2. Other revenue reserves		403,741	355,538
		410,382	362,179
IV. Unappropriated income	(6)	83,704	38,262
		563,501	469,856
B. Provisions			
1. Provisions for pensions and similar obligations	(8)	12,057	10,211
2. Tax provisions		29,946	31,318
3. Other provisions	(9)	108,789	99,723
		150,792	141,252
C. Liabilities	(10)		
1. Liabilities due to banks		69,942	83,384
2. Trade payables		170,299	98,983
3. Liabilities against affiliated companies		330,749	439,873
4. Other liabilities		16,250	16,204
		587,240	638,444
D. Prepaid income		1,805	3,140
		1,303,338	1,252,692

INCOME STATEMENT

OF HUGO BOSS AG FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2021 (in EUR thousands)

	Notes – No.	2021	2020
1. Net sales	(12)	1,300,773	893,841
2. Cost of Sales (Cost of goods sold and services rendered to generate revenue)		(869,924)	(719,614)
3. Gross profit		430,849	174,227
4. Distribution expenses	(13)	(263,360)	(211,985)
5. General administrative expenses	(14)	(104,220)	(93,210)
6. Other operating income	(15)	53,568	39,678
7. Other operating expenses	(16)	(52,166)	(65,682)
8. Operating result		64,671	(156,972)
9. Income from investments	(17)	84,471	41,327
10. Other interests and similar income	(18)	2,626	1,658
11. Losses from loss transfer agreements	(19)	(293)	(116)
Depreciation/amortization of financial assets and securities classified as current assets	(20)	(15,922)	(17,291)
13. Interests and similar expenses	(18)	(20,105)	(14,930)
14. Income taxes	(21)	(18,629)	(5,984)
15. After tax income		96,819	152,308
16. Other taxes		(413)	(269)
17. Net income / Net loss		96,406	(152,577)
18. Transfer to other revenue reserves		-48,203	0
19. Accumulated income previous year		35,501	190,839
20. Unappropriated income		83,704	38,262

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

of HUGO BOSS AG for fiscal year 2021

General information

HUGO BOSS AG is a public listed stock corporation with registered office in Dieselstrasse 12, 72555 Metzingen, Germany. The Company is registered in the commercial register of Stuttgart local court under HRB 360610.

The financial statements comprise the balance sheet, the income statement and the notes.

HUGO BOSS AG prepares its income statement in line with the cost of sales format. To ensure the clarity of the balance sheet and the income statement, comments and explanations for individual items have only been included in the notes in accordance with section 265(7) of the Handelsgesetzbuch (HGB -- German Commercial Code). Section 265 (5) and (6) of the Handelsgesetzbuch (HGB -- German Commercial Code) has been applied in the presentation of the balance sheet and income statement.

The 2021 annual financial statements of HUGO BOSS AG were prepared in accordance with the regulations of the Handelsgesetzbuch (HGB -- German Commercial Code) and the Aktiengesetz (AktG -- German Stock Corporation Act). Amounts are reported in thousands of euro (EUR thousand).

Owing to rounding differences it is possible that individual figures in the annual financial statements of HUGO BOSS AG do not exactly add up to the totals shown and that the percentages shown do not reflect the absolute figures to which they refer.

Effects of COVID-19

For the global apparel industry, fiscal year 2021 continued to be marked by the implications of the COVID-19 pandemic. In addition to regional lockdowns and related store closures, ongoing international travel restrictions weighed on industry development. Furthermore, global supply chain disruptions led to bottlenecks in transportation and logistics, as well as an increase in material and freight costs. Despite this volatile environment, the industry largely recovered from prior year's losses during the course of 2021.

In fiscal year 2021, HUGO BOSS recorded strong improvements in sales, earnings and free cash flow. While the implications of the COVID-19 pandemic were still noticeable at the beginning of the year, particularly in Europe, business recovery strongly accelerated from the second quarter onwards. As a result of the lifting of pandemic-related restrictions and strong progress in vaccination campaigns, global consumer sentiment picked up noticeably. The corresponding increase in local demand was particularly evident in Europe and the Americas. In the third quarter, in light of a further strong recovery of its global business, HUGO BOSS already returned to pre-pandemic sales and earnings levels. Finally, in the fourth quarter, the Company

recorded the highest quarterly sales in its history thanks to a further acceleration in momentum. As a result, HUGO BOSS was able to exceed its sales and earnings targets for fiscal year 2021, which had already been revised upwards back in October.

Nevertheless, against the backdrop of the ongoing pandemic situation, HUGO BOSS has made estimates and underlying assumptions in the context of preparing the annual financial statements, particularly with regard to the valuation of inventories, the collectability of trade receivables, and the recoverability of financial assets. Taking into account the existing uncertainties in connection with the further course of the pandemic - for example with regard to new virus variants and associated renewed waves of infection - the actual results may differ from the assumptions and estimates made.

Accounting policies

The accounting policies of the prior year were maintained.

Fixed assets

Self-created intangible assets are valued at their creation costs and amortized on a linear basis over the expected useful life of seven years.

Purchased intangible assets were capitalized at cost of acquisition and written down on a straight-line basis over an expected useful life of three to sixteen years. Capitalized purchased goodwill is amortized over an expected useful life of eight or 15 years. The useful lives are based on long-term tenancy agreements.

Tangible fixed assets are carried at acquisition or production cost less depreciation. Real estate rights are capitalized at acquisition-related costs.

Useful lives of eight to 50 years are used for depreciation on buildings, of five to 19 years for technical equipment and machinery, five to 16 years for other equipment and three to 23 years for operating and office equipment. Additions prior to December 31, 2007 are depreciated using the declining balance method. Additions acquired after December 31, 2007 are depreciated using the straight-line method only.

Low-value assets with an acquisition or production cost up to EUR 250 are written down in full in the year of addition. An omnibus item is recognized for low-value assets with an individual acquisition or production cost of between EUR 250 and EUR 1,000. The omnibus item is written down in profit or loss by a fifth in the year of recognition and each of the four subsequent fiscal years.

Financial assets are measured at cost. For the purpose of impairment testing, HUGO BOSS AG measures the fair values of all investments on an annual basis by discounting future cash flows. The assessment of impairment is based on detailed planning of results of operations, of the statement of financial position and of investments for the next three years for all units of the Group, which is prepared annually in the Company-wide budget planning process and approved by the Supervisory Board, taking account of the current business situation. For periods beyond the budget's planning horizon, a long-term growth rate is set to

project future cash flows in the detailed planning period of two additional years. The growth rates used are based on country-specific expected nominal retail growth rates based on external information sources.

Current assets

Raw materials, consumables and supplied are measured at the moving average cost of acquisition.

Work in progress and finished goods are measured at the cost of production.

Production cost includes direct material, direct labor, proportionate material and production overheads, and amortization and depreciation insofar as this is a consequence of production. Also included are general administrative expenses and expenses for social facilities, expenses for voluntary social benefits and occupational pensions, to the extent that they are related to production and are incurred in the production period. Borrowing costs are not capitalized. Production-related development costs are generally included in the calculation of the cost of unfinished and finished goods.

Any risks arising from low inventory turnover and reduced utilization are covered by appropriate write-downs.

Receivables and other assets are measured at the lower of nominal and fair value. Identifiable individual risks with possible effects based on the Coronavirus pandemic were taken into account through allowances. A general valuation allowance appropriately covers general credit risks.

Cash and cash equivalents are measured at the lower of nominal and market value.

Equity

In accordance with section 272(1a) of the Handelsgesetzbuch (HGB -- German Commercial Code), own shares are deducted from subscribed capital at nominal amount on the face of the balance sheet.

Provisions and liabilities

Pension provisions are calculated for accounting purposes on the basis of the projected unit credit (PUC) method. In line with the PUC method, the provision amount is defined as the actuarial present value of pension obligations earned by employees based on their past service as per the pension formula and vesting provisions. They are calculated using an interest rate of 1.87% (2020: 2.31%), dynamic growth on eligible benefits of 2.50%, an adjustment of current pensions of 1.75% and the Heubeck 2018G mortality tables. In accordance with section 253(2) of the Handelsgesetzbuch (HGB -- German Commercial Code), pensions were discounted using the average market interest rate over the past ten years and an assumed residual maturity of 15 years for the fiscal year 2021.

The Company holds assets to secure the pension benefits. These assets satisfy the requirements of the first part of section 246(2) sentence 2 of the Handelsgesetzbuch (HGB -- German Commercial Code) and can be offset against pension provisions. The assets are measured at market value.

In the event of congruent covered pension commitments, the provision is valued at the fair value of the plan.

The external tax audit for the assessment periods 2012 to 2015 at HUGO BOSS AG was completed in 2021. The assessments for the years 2012 to 2015 were made in 2021. For the subsequent period, the provisions were adjusted to the final findings in the tax audit report.

The other provisions cover all discernible risks and uncertain obligations. They are carried at the settlement amount determined in line with prudent business judgement (i.e. including future cost and price increases). The risks of possible effects from the corona pandemic have been sufficiently taken into account. Provisions with a residual maturity of more than one year were discounted using the average market interest rate over the last seven fiscal years corresponding to their residual maturity. The interest from the external tax audit has also been recognized in other provisions.

Liabilities are carried at settlement amount.

Loans, which were taken out in conjunction with a swap for the purpose of long-term hedging of the interest rates (micro hedge) do not serve a speculative purpose, but is instead intended solely to hedge interest rate risks arising from the financing of property, plant and equipment. As cash flows from the interest rate swap and credit financing balance each other out, this is a valuation unit in accordance with section 255 of the Handelsgesetzbuch (HGB -- German Commercial Code), for which an individual valuation was waived in accordance with section 252 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Revenue recognition

Sales are recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. This is generally the case when the goods are delivered. Sales are disclosed net of sales deductions such as discounts, price reductions, customer bonuses and rebates.

Cost of Sales

Cost of sales includes all costs incurred to generate the sales. These essentially relate to the costs stemming from all direct material costs and overheads, direct labor costs and production overheads, special production costs and systematically allocable costs from product-related administration expenses of the technical product development, product implementation and sourcing functions.

Function costs

Function costs are broken down into cost of sales, selling expenses and general administrative expenses. Operating expenses are essentially allocated to the respective functions based on the allocation of cost centers to functions. Expenses incurred in connection with cross-functional activities or projects are spread among the functions concerned using an adequate allocation key.

Currency translation

Foreign currency receivables and liabilities are translated using the exchange rate on the transaction date and are measured at the mean spot rate on the balance sheet date. Exchange rate losses from assets and liabilities

denominated in foreign currency incurred as of the reporting date are recorded. Exchange rate gains from the measurement of current assets and liabilities due in less than one year are recognized in profit or loss pursuant to section 256a of the Handelsgesetzbuch (HGB -- German Commercial Code). Exchange rate gains are recognized in the line item other operating income and expenses from currency translation in the line item other operating expenses. Fixed assets purchased and inventories purchased in a foreign currency are translated at the mean spot rate on the transaction date.

Deferred taxes

Deferred taxes are calculated for temporary differences between the accounting and tax carrying amounts of assets, prepaid expenses and deferred income and liabilities. This takes into account not just the differences in the balance sheet items of HUGO BOSS AG, but also in those of Group subsidiaries and partnerships in which HUGO BOSS AG holds interests. Deferred taxes are calculated on the basis of the combined income tax rate of the tax group, which is currently 29.55% (2020: 29.55%) (corporation tax, trade tax and solidarity surcharge). In deviation from this, deferred taxes from temporary accounting differences at investments with the legal form of a partnership are calculated based on a combined income tax rate including only corporation tax and the solidarity surcharge; this is currently 15.83% (2020: 15.83%). Any surplus overall tax expense is carried in the balance sheet as a deferred tax liability. In the event of tax relief, the corresponding capitalization option is not exercised.

Notes to the Balance Sheet

1 Fixed assets

Changes in fixed assets are shown in the statement of changes in fixed assets:

(in EUR thousand)

	Acquisition or manufacturing costs				12/31/2021
	01/01/2021	Additions	Regrouped	Disposals	
I. Intangible Assets					
1. Self-created commercial property rights and similar rights and assets	41	0	0	0	41
2. For consideration industrial property rights and similar rights as well as licenses in such rights and assets	273,979	16,107	1,712	42,620	249,178
3. Goodwill	1,340	0	0	0	1,340
4. Prepayments	1,778	2,323	-1,631	0	2,468
	277,138	18,430	81	42,620	253,028
II. Property, Plant and Equipment					
1. Land and buildings including buildings on third party land	156,925	281	0	4,293	152,913
2. Technical equipment and machinery	9,666	20	0	323	9,364
3. Other equipment, factory and office equipment	230,967	13,541	2,230	12,581	234,158
4. Prepayments and construction in progress	3,076	2,166	-2,311	0	2,931
	400,634	16,009	-81	17,197	399,366
III. Financial Assets					
1. Shares in affiliated companies	679,269	0	0	0	679,269
2. Other shares	10	0	0	0	10
	679,279	0	0	0	679,279
	1,357,051	34,439	0	59,817	1,331,672

The intangible assets mainly relate to software for the group-wide ERP system in industry solutions SAP AFS and SAP Retail and necessary software solutions for the operational business. The addition of EUR 18,430 thousand (2020: EUR 19,040 thousand) essentially arose from investments in software for the future expansion of online trading, associated with disposals within basic software. In addition, due to longer life cycles, the useful lives of various software programs have been extended by up to one year.

Additions to property, plant and equipment amounting to EUR 16,009 thousand (2020: EUR 7,598 thousand) result from investments in IT hardware, the expansion of logistics capacities and the existing retail network in Germany.

Depreciation			Net values		
01/01/2021	Additions	Disposals	12/31/2021	12/31/2021	12/31/2020
7	6	0	13	28	34
185,373	22,114	40,768	166,719	82,460	88,606
1,288	52	0	1,340	0	52
0	0	0	0	2,468	1,778
186,668	22,172	40,768	168,072	84,956	90,470
29,673	3,808	2,427	31,054	121,858	127,251
8,852	267	323	8,796	567	813
139,971	17,545	11,685	145,831	88,328	90,997
0	0	0	0	2,931	3,076
178,496	21,620	14,435	185,681	213,684	222,137
17,807	15,922	0	33,729	645,540	661,462
0	0	0	0	10	10
17,807	15,922	0	33,729	645,550	661,472
382,972	59,714	55,203	387,482	944,190	974,079

2 Financial assets with Shareholdings of HUGO BOSS AG in accordance with section 285 No. 11 of the Handelsgesetzbuch (HGB -- German Commercial Code)

HUGO BOSS AG either directly or indirectly holds 100% of capital in the in the companies shown below in the list of holdings. The only exceptions to this are the 94% shareholding in ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Metzgingen KG, the 70% shareholding in Salam Stores HUGO BOSS WLL and the 49% shareholding in HUGO BOSS AL FUTTAIM UAE TRADING L.L.C.

EUR 645,540 thousand (2020: EUR 661,462 thousand) are posted in Shares in affiliated companies in the annual financial statements of HUGO BOSS. The decline of EUR 15,922 thousand (2020: EUR 17,291 thousand) results from unscheduled depreciation on shares in HUGO BOSS Textile Industry Ltd. due to an impairment that is expected to be permanent with section 253(3) sentence 6 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Shareholdings of HUGO BOSS AG in accordance with section 285 No. 11 of the Handelsgesetzbuch (HGB -- German Commercial Code)

Unless stated otherwise, the interest in capital amounts to 100%.

(in EUR thousand)

Company ¹	Registered Office	Earnings ¹	Equity ¹
		2021	2021
HUGO BOSS Holding Netherlands B.V.	Amsterdam, Netherlands	-1,148	646,682
HUGO BOSS International B.V.	Amsterdam, Netherlands	-5,853	551,310
HUGO BOSS Internationale Beteiligungs-GmbH ^{2,5}	Metzingen, Germany	0	524,800
HUGO BOSS USA, Inc. ⁴	New York, NY, USA	9,726	144,679
HUGO BOSS UK Limited	London, Great Britain	18,916	81,910
HUGO BOSS China Retail Co. Ltd.	Shanghai, China	14,453	79,141
Lotus (Shenzhen) Commerce Ltd.	Shenzhen, China	371	62,736
HUGO BOSS Benelux B.V.	Amsterdam, Netherlands	2	52,547
HUGO BOSS Ticino S.A.	Coldrerio, Switzerland	18,168	46,925
HUGO BOSS Benelux B.V. y CIA S.C	Madrid, Spain	36	38,227
HUGO BOSS Lotus Hong Kong Ltd.	Hong Kong, China	1,081	37,542
HUGO BOSS Canada, Inc.	Toronto, Canada	947	35,467
HUGO BOSS France SAS	Paris, France	-4,576	32,821
HUGO BOSS Trade Mark Management GmbH & Co. KG ²	Metzingen, Germany	56,561	32,624
HUGO BOSS AL FUTTAIM UAE TRADING L.L.C. ⁶	Dubai, U.A.E.	13,293	26,804
HUGO BOSS Mexico S.A. de C.V. ²	Mexico-City, Mexico	3,259	26,264
HUGO BOSS Textile Industry Ltd. ²	Izmir, Turkey	838	22,926
HUGO BOSS International Markets AG	Zug, Switzerland	2,200	15,232
HUGO BOSS Rus LLC ²	Moscow, Russia	3,213	13,512
HUGO BOSS Holdings Pty. Ltd.	Preston, Australia	-7,303	12,363
HUGO BOSS (Schweiz) AG	Zug, Switzerland	3,143	11,170
HUGO BOSS do Brasil Ltda.	São Paulo, Brazil	3,992	11,079
HUGO BOSS Middle East FZ-LLC	Dubai, U.A.E.	911	10,859
HUGO BOSS Shoes & Accessories Italia S.p.A.	Morrovalle, Italy	108	10,326
HUGO BOSS Scandinavia AB	Stockholm, Sweden	606	9,805
HUGO BOSS Portugal & Companhia	Lisbon, Portugal	-1,034	9,006
HUGO BOSS Italia S.p.A.	Milan, Italy	-794	7,405
HUGO BOSS Hong Kong Ltd.	Hong Kong, China	-3,510	5,475
HUGO BOSS Nordic ApS	Copenhagen, Denmark	1,080	5,077
Lotus Concept Trading (Macau) Co. Ltd.	Macau, China	687	4,953
HUGO BOSS Guangdong Trading Co. Ltd.	Guangzhou, China	248	4,787
HUGO BOSS Ireland Limited	Dublin, Ireland	408	4,617
HUGO BOSS Belgium BVBA ²	Diegem, Belgium	766	4,166
HUGO BOSS Hellas LLC	Athens, Greece	167	3,741
HUGO BOSS Australia Pty. Ltd.	Preston, Australia	1,189	3,683
HUGO BOSS Vermögensverwaltungs GmbH & Co. KG ²	Metzingen, Germany	348	3,518
HUGO BOSS Thailand Ltd.	Bangkok, Thailand	-52	2,598
HUGO BOSS Magazacilik Ltd. Sti.	Izmir, Turkey	2,509	2,211
HUGO BOSS Finland OY	Helsinki, Finland	-125	1,928
Salam Stores HUGO BOSS WLL ⁷	Doha, Qatar	-37	1,838
HUGO BOSS Korea Ltd.	Seoul, South Korea	1,120	1,685
HUGO BOSS Shoes & Accessories Poland Sp. z o.o.	Radom, Poland	41	1,355
HUGO BOSS Holding Sourcing S.A.	Coldrerio, Switzerland	-12	1,166
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Dieselstrasse KG ²	Metzingen, Germany	170	994

(in EUR thousand)

Company	Registered Office	Earnings ¹	Equity ¹
		2021	2021
HUGO BOSS South East Asia PTE.LTD.	Singapore	-826	569
HUGO BOSS Mexico Management Services S.A. de C.V. ²	Mexico-City, Mexico	134	465
ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Metzingen KG ^{2,3}	Grünwald, Germany	369	379
HUGO BOSS Malaysia SDN. BHD.	Kuala Lumpur, Malaysia	-557	268
HUGO BOSS Dienstleistungs GmbH ²	Metzingen, Germany	-1	123
HUGO BOSS Estonia OÜ	Tallinn, Estonia	-46	69
HUGO BOSS Trade Mark Management Verwaltungs-GmbH	Metzingen, Germany	1	42
HUGO BOSS Beteiligungsgesellschaft mbH ⁵	Metzingen, Germany	0	-85
HUGO BOSS Latvia SIA.	Riga, Latvia	73	-150
GRAMOLERA Grundstücks-Vermietungsgesellschaft Objekt Ticino mbH	Metzingen, Germany	0	-499
GRETANA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt D 19 KG	Grünwald, Germany	-13	-543
HUGO BOSS New Zealand Ltd.	Auckland, New Zealand	-88	-2,291
HUGO BOSS Belgium Retail BVBA	Diegem, Belgium	160	-4,915
HUGO BOSS Benelux Retail B.V.	Amsterdam, Netherlands	-641	-14,561
HUGO BOSS Japan K.K.	Tokyo, Japan	-1,645	-25,153

¹ The figures correspond to the financial statements after possible profit transfer, for subsidiaries according to inner-consolidated IFRS financial statements.

² Directly affiliated to HUGO BOSS AG.

³ Investments with an equity share of 94%.

⁴ Subgroup financial statement.

⁵ Companies with a profit transfer agreement with HUGO BOSS AG.

⁶ Investments with an equity share of 49%.

⁷ Investments with an equity share of 70%.

3 Receivables and other assets

(in EUR thousand)

Presentation according to remaining terms	With a remaining term			Total
	of up to 1 year	from 1 to 5 years	of more than 5 years	
2021				
Trade receivables	29,819	-	-	29,819
Receivables from affiliated companies	59,332	-	-	59,332
Other assets	46,620	-	210	45,830
	134,771	-	210	134,981
2020				
Trade receivables	11,871	-	-	11,871
Receivables from affiliated companies	50,651	-	-	50,651
Other assets	33,993	-	157	34,150
	96,515	-	157	96,672

EUR 10,420 thousand (2020: EUR 10,418 thousand) of loans from affiliated companies relate to intercompany financing, the rest to trade receivables.

As of December 31, 2021, other assets essentially include income tax receivables (EUR 8,306 thousand; 2020: EUR 10,340 thousand), government grants (EUR 8,956 thousand; 2020: EUR 1,082 thousand) and receivables from value added tax (EUR 8,045 thousand; 2020: EUR 5,843 thousand).

4 Prepaid expenses

Prepaid expenses mainly include to IT maintenance agreements, marketing expenses and consulting services in connection with the expansion of the online business.

5 Equity

Subscribed capital

As of December 31, 2021, the subscribed capital of HUGO BOSS AG remained unchanged as compared to the previous year amounting to EUR 69,016 thousand in total. Shares without a par value have a nominal value of EUR 1. The subscribed capital breaks down as follows:

(in EUR thousand)

	12/31/2021	12/31/2020
bearer common shares	70,400	70,400
treasury shares, bearer common shares	(1,384)	(1,384)
	69,016	69,016

Authorized capital

The Managing Board of HUGO BOSS AG may, with the consent of the Supervisory Board, increase the share capital by up to EUR 17,600,000.00 on or before May 10, 2026, by issuing up to 17,600,000 new registered shares on a cash and/or non-cash basis once or repeatedly (2021 authorized capital). In general, shareholders have a subscription right. However, the Managing Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in whole or in part in the cases specified in Art. 4 (4) of the Articles of Association.

Conditional capital

By resolution of the Annual Shareholders' Meeting of May 11, 2021, the Managing Board was authorized until May 10, 2026, with the consent of the Supervisory Board, to issue convertible bonds and/or warrant bonds, participation rights and/or profit-participation bonds (or combinations of these instruments) in bearer or registered form, with or without a term restriction, once or repeatedly, including in different tranches simultaneously, in the aggregate amount of up to EUR 750,000,000.00.

In this context, the share capital was conditionally increased by up to EUR 17,600,000.00 through the issue of up to 17,600,000 new no-par-value registered shares (2021 conditional capital). The conditional capital increase shall only be implemented to the extent that the holders or creditors of conversion/warrant rights from the bonds can make use of the bonds, satisfy conversion/warrant obligations or offer shares and no other forms of fulfilment are used to service them.

Capital reserves

The capital reserves contain the share premium received on the issuance of shares and are reported in accordance with section 272(2) no. 1 of the Handelsgesetzbuch (HGB -- German Commercial Code). It remains unchanged at EUR 399 thousand. In fiscal year 2021 no additions or withdrawals were done.

Retained earnings

As of December 31, 2021, retained earnings include the statutory reserve of EUR 6,641 thousand (2020: EUR 6,641 thousand) and other retained earnings of EUR 403,741 thousand (2020: EUR 355,538 thousand).

Other retained earnings balance developed as follows:

(in EUR thousand)

Position as of December 31, 2020	355,538
Transfer to other revenue reserves according to resolution of Managing Board	48,203
Position as of December 31, 2021	403,741

Own shares

The Company held 1,383,833 own shares on December 31, 2021. These account for EUR 1,384 thousand of the subscribed capital remains unchanged to previous year (2020: EUR 1,384 thousand) (2.0%). These own shares include 855,278 former preferred shares, which were converted into ordinary shares on June 15, 2012. The nominal amount was deducted from subscribed capital on the face of the balance sheet. The difference of EUR 30,300 thousand between the nominal value of the own shares and the carrying amount reported as of December 31, 2009 was offset against revenue reserves in 2010.

The own shares were purchased in the years between 2004 and 2007:

(in EUR thousand)

Purchase date	Number of common shares in units	Number of preferred shares in units
03/2004	35,966	0
05/2004	36,280	0
06/2004	11,513	0
07/2004	40,506	0
02/2005	12,992	0
03/2005	34,794	1,000
04/2005	84,000	82,467
10/2005	21,700	153,700
05/2006	0	210,200
06/2006	79,700	0
07/2006	158,628	0
08/2006	0	20,021
09/2006	9,976	110,084
01/2007	0	94,411
02/2007	2,500	183,395
06/2012	855,278	-855,278
12/31/2021	1,383,833	0

The historical cost of the own shares was EUR 42,362 thousand.

At the Annual Shareholders' Meeting of May 27, 2020, a resolution was passed authorizing the Managing Board to acquire the Company's own shares up to a total of 10% of the current share capital on or before May 26, 2025. In addition, it was authorized to use equity derivatives for the acquisition of the Company's own shares.

No further own shares were bought or sold in fiscal year 2021.

6 Unappropriated income

(in EUR thousand)

Distributable profit as of December 31, 2020	38,262
Profit distribution for 2020	2,761
Accumulated income	35,501
Net income 2021	96,406
Transfer to other revenue reserves	48,203
Distributable profit as of December 31, 2021	83,704

7 Disclosures on non-distributable amounts

As in the previous year, there were no amounts blocked from distribution within the meaning of section 268(8) of the Handelsgesetzbuch (HGB -- German Commercial Code). According to section 253(6) of the Handelsgesetzbuch (HGB -- German Commercial Code), there is a payout block in the amount of the difference between the pension provision and the value of derived if discounting had been performed at the average interest rate over seven years. This results in an amount of EUR 4,324 thousand that is blocked from being paid out (EUR 5,753 thousand).

8 Provisions for pensions and similar obligations

Obligations under pension commitments are covered in part by qualifying insurance policies (plan assets). The benefits from the insurance policies serve solely to meet the respective pension obligations and are withdrawn from access by other creditors through pledging.

The fair value of the reinsurance claim consists of the insurance company's reserves detailed in the business plan plus any available credit balance from the refund of premiums (so-called profit participation).

(in EUR thousand)

	12/31/2021	12/31/2020
Settlement amount of pensions and similar obligations	96,136	91,779
Fair value of reinsurance	84,079	81,568
Net value of pensions and similar obligations (provision)	12,057	10,211
Historical cost of invested assets in reinsurance	84,079	81,568

Income resulting from the cover assets and the interest expenses from corresponding settlement amounts from the provisions for pensions in fiscal year 2021 are shown below:

(in EUR thousand)

	2021	2020
Interest expenses / Interest Income from fund assets	358	(621)
Interest expenses for corresponding provisions for pension	5,351	5,308
Netted interest expenses	5,709	4,687

Interest expenses includes EUR 3,246 thousand from the change in the interest rate (2021: 1.87%; 2020: 2.31%).

The difference arising from discounting the average market interest rates for a term of ten fiscal years instead of seven stands at EUR 4,324 thousand as of December 31, 2021 (ten-year average: 1.87% / seven-year average: 1.35%) (2020: EUR 5,753 thousand; ten-year average: 2.31% / seven-year average: 1.61%).

9 Other provisions

(in EUR thousand)

	12/31/2021	12/31/2020
Personnel expenses	55,439	36,564
Outstanding invoices	28,789	32,840
Refund for goods	5,938	6,466
Other reserves	18,623	23,853
	108,789	99,723

Provisions for personnel expenses mainly relate to provisions for short- and medium-term management bonuses (STI and LTI), partial retirement and severance claims.

Outstanding invoices for which the amount and due date are known are reported in trade payables.

The provision for returns includes returned goods, that are largely expected to be completed within 12 months.

The other provisions primarily relate to provisions for other risks amongst other things as interest from external tax audit, provisions for impending losses for supplier contracts and to provisions for supervisory board remuneration of EUR 1,790 thousand (2020: EUR 1,204 thousand).

10 Liabilities

(in EUR thousand)

Presentation according to remaining terms	With a remaining term			Total
	of up to 1 year	from 1 to 5 years	of more than 5 years	
2021				
Due to financial institutions	10,229	59,713	-	69,942
Trade payables	170,299	-	-	170,299
Due to affiliated companies	330,749	-	-	330,749
Other Liabilities	16,237	13	-	16,250
	527,584	59,726	-	587,240
2020				
Due to financial institutions	13,442	34,989	34,953	83,384
Trade payables	98,983	-	-	98,983
Due to affiliated companies	439,873	-	-	439,873
Other Liabilities	16,188	13	3	16,204
	568,486	35,002	34,956	638,444

EUR 300,720 thousand (2020: EUR 281,844 thousand) of liabilities to affiliated companies relate to loans, the rest to trade payables.

As of December 31, 2021, collateral in the form of land charges were valued at EUR 126,986 thousand for recognized liabilities with banks (2020: EUR 131,537 thousand).

Breakdown of other liabilities

(in EUR thousand)

	12/31/2021	12/31/2020
Taxes	4,356	2,823
Social security	123	127
Other	11,771	13,254
	16,250	16,204

11 Deferred taxes

Corporation tax, trade tax, the solidarity surcharge and income taxes charged abroad (e.g. eligible withholding tax) are reported as income tax expenses.

In total there was future tax relief from temporary differences between the accounting and tax carrying amounts of assets, prepaid expenses and deferred income and liabilities – taking into account not just HUGO BOSS AG but also the companies and partnerships in the same tax group in which HUGO BOSS AG holds interests – of EUR 32,945 thousand (2020: EUR 54,275 thousand) as of December 31, 2021. This amount was calculated on the basis of a combined income tax rate of 29.55% (2020: 29.55%) (HUGO BOSS AG and tax group companies) and 15.83% (2020: 15.83%) (investments with the legal form of a partnership).

Deferred tax assets are primarily the result of different carrying amounts in fixed assets. The differences between the provisions for pensions and the plan assets to be netted off also result in deferred tax assets. Additional deferred assets result from provisions that are not eligible for tax purposes. Deferred tax liabilities mainly arose from differing carrying amounts recorded in liabilities and intangible assets at the entities included in the Group.

Overall, there was a total deferred tax asset surplus of EUR 32,945 thousand after netting (2020: EUR 54,275 thousand). Deferred tax assets have not been recognized in accordance with the option of section 274(1) sentence 2 of the Handelsgesetzbuch (HGB -- German Commercial Code).

Deferred taxes are not included in tax expenses.

Notes to the Income Statement

12 Sales

(in EUR thousand)

2021	Collection		Sales		Total
	BOSS	HUGO	Other products	Services	
Germany	252,164	101,500	5,169	1,268	360,101
Europe ¹	417,081	90,458	9,180	152,456	669,175
Americas	96,422	19,965	1,020	20,155	137,562
Asia/Pacific	110,296	5,628	1,422	16,589	133,935
	875,963	217,551	16,791	190,468	1,300,773

¹ w/o Germany, including Middle East and Africa.

2020	BOSS	HUGO	Other products	Services	
Germany	185,970	84,648	5,031	679	276,328
Europe ¹	284,076	64,473	10,101	119,765	478,415
Americas	21,259	13,389	2,151	6,967	43,766
Asia/Pacific	80,344	4,594	2,224	8,170	95,332
	571,649	167,104	19,507	135,581	893,841

¹ w/o Germany, including Middle East and Africa.

13 Selling expenses

Selling expenses break down as follows:

(in EUR thousand)

	2021	2020
Marketing costs	23,340	14,015
Expenses for own retail business, indirect sales and marketing organization	85,558	86,091
Costs for storage and procurement	51,637	43,696
Outbound freight and license fees	102,825	68,183
	263,360	211,985

14 General administrative expenses

(in EUR thousand)

	2021	2020
Administrative expenses	104,220	93,210

General and administrative expenses costs mainly result from personnel expenses, space rental, leasing costs, depreciation and amortization and various IT expenses.

15 Other operating income

(in EUR thousand)

	2021	2020
Other operating income	53,568	39,678
thereof from FX effects	5,945	3,420

Other operating income mainly comprises income from charging costs and services to affiliated companies.

16 Other operating expenses

(in EUR thousand)

	2021	2020
Other operating expenses	52,166	65,682
thereof expenses for research and development	30,243	34,142
thereof from FX effects	4,827	5,319

17 Income from equity investments

As a rule, income from equity investments is recorded on the date on which the entitlement arose and receipt of the corresponding income can be expected with reasonable certainty applying prudent business judgement.

Income from equity investments fully relates to related companies. They mainly concern the net income of HUGO BOSS Trade Mark Management GmbH & Co. KG, Metzingen, in the amount of EUR 57,002 thousand (2020: EUR 39,317 thousand), which is credited to the loan account of HUGO BOSS AG as limited partner in accordance with the partnership agreement, as well as the dividend arrears of HUGO BOSS Textile Industry Ltd. in the amount of EUR 25,000 thousand (2020: EUR 1,688 thousand).

18 Other interest and similar income/interests and similar expenses

Other interest and similar income contains income from related parties in the amount of EUR 405 thousand (2020: EUR 1,295 thousand) as well as interest income from the reduction of the interest rate due to changes in case law (2021: EUR 1,894 thousand; 2020: EUR -2,284 thousand).

Interests and similar expenses contain expenses from addition of accrued interest of provisions in the amount of EUR 5,871 thousand (2020: EUR 4,885 thousand). In the total amount of interests and similar expenses EUR 11,316 thousand (2020: EUR 4,553 thousand) to affiliated companies were included.

19 Income from profit transfers/cost of loss absorption

Income from profit and loss transfer agreements is recorded when the income to be transferred can be specified with certainty even if the financial statements of the subsidiary have not been ratified.

There are control and profit transfer agreements with the subsidiaries HUGO BOSS Beteiligungsgesellschaft mbH, Metzingen, and HUGO BOSS Internationale Beteiligungs-GmbH, Metzingen.

20 Depreciation/amortization of financial assets and securities classified as current assets

Due to an impairment that is expected to be permanent, an unscheduled write-down was performed pursuant to section 253(3) sentence 6 of the Handelsgesetzbuch (HGB -- German Commercial Code) on shares in HUGO BOSS Textile Industry Ltd. in the amount of EUR 15,922 thousand (2020: EUR 17,291 thousand).

21 Taxes on income

Current income taxes for fiscal year 2021 included expenses relating to other periods of EUR 9,425 thousand (2020: EUR 1,835 thousand) and deductible withholding tax of EUR 1,819 thousand (2020: EUR 3,775 thousand). Expenses relating to other periods include provisions for the risk of the consequences of the external tax audits of HUGO BOSS AG for the years 2016 to 2018. The further losses carried back into 2019 in the prior year remained unchanged due to the statutory changes as part of the German Federal Government's COVID-19 relief measures.

Additional notes to the Income Statement

Cost of material

(in EUR thousand)

	2021	2020
Cost of raw materials, consumables and supplies	464,635	343,521
Cost of services purchased	120,954	98,406
Cost of materials	585,589	441,927

Personnel expenses

(in EUR thousand)

	2021	2020
Wages and salaries	223,791	202,523
Social security and other pension costs	35,174	33,845
thereof for pensions	869	1,179
Personnel expenses	258,965	236,368

Income from grants from public authorities

In fiscal year 2021, HUGO BOSS AG received refunds from the public authorities for short-time working compensation and social security contributions in connection with the use of short-time working compensation in the amount of EUR 6,328 thousand (2020: EUR 6,289 thousand). These were offset against personnel expenses. In addition, HUGO BOSS AG received fixed cost subsidies from the Federal Republic of Germany and the Republic of Austria in the amount of EUR 9,644 thousand in the past fiscal year.

Income and expenses relating to other periods

In the year under review, income relating to other periods of EUR 25,105 thousand was recognized (2020: EUR 9,089 thousand). This primarily originates from the release of provisions and intra-Group recharged expenses in the prior-year period.

Aperiodic expenses amounted to EUR 6,247 thousand (2020: EUR 7,236 thousand), originating primarily from partial disposals from applications in the ERP software that are no longer used.

Additional information

Employee numbers

Average number of employees:

	2021	2020
Industrial employees	956	987
Commercial and administrative employees	2,910	2,919
	3,866	3,906

Off-balance sheet transactions in accordance with section 285(3) of the Handelsgesetzbuch (HGB -- German Commercial Code)

HUGO BOSS uses not just its own land and buildings, but is also a tenant for several other buildings and the associated land. This use is based on real estate lease agreements (operating leases). This helps to reduce capital commitment and leaves the investment risk with the lessor. The leases have remaining terms of four to five years. The leases result in a lease expense of currently EUR 4,074 thousand (2020: EUR 4,065 thousand). The lease payments are shown in the list of other financial commitments in accordance with section 285(3a) of the Handelsgesetzbuch (HGB -- German Commercial Code). These real estate lease agreements contain buy-back options for the relevant properties.

Valuation units not included in the balance sheet pursuant to section 254 HGB (Handelsgesetzbuch -- German Commercial Code) in conjunction with section 285 (23) HGB

The Company hedges existing interest rate risks from a variable interest rate loan by using a payer swap. The interest rate hedging covers the entire volume of the bank loan on the balance sheet. The interest swap was not recognized as of the reporting date due to its designation as a valuation unit pursuant to section 254 HGB. The Company has formed a valuation unit (micro-hedge) between the loan (the underlying transaction) and the interest swap (the hedging instrument). The interest swap has a fixed interest rate of 5.77% p.a. and is used solely for the purpose of hedging the variable interest payments of the corresponding loan. The interest swap expires on December 31, 2023. As of December 31, 2021, the hedged carrying amount of the loan was EUR 5,675 thousand (previous year: EUR 6,570 thousand). The fair value of the interest swap, which is not recognized in the balance sheet as a result of the formation of a valuation unit, was minus EUR 557 thousand as of December 31, 2021 (previous year: minus EUR 954 thousand) and the nominal volume corresponds to the hedged carrying amount of the loan. The opposing cash outflows from the loan as the underlying transaction and the interest swap as the hedging instrument will be completely offset by 2023 on the basis of the hypothetical derivative method, as the respective loan was hedged immediately after it was granted using the interest swap with identical parameters (maturity, volume, interest rates and interest payment dates).

**Other financial Liabilities under section 285(3a)
of the Handelsgesetzbuch (HGB -- German Commercial Code)**

2021	Total	Tenancy and leasing contracts			thereof affiliated companies		thereof associates	
		Buildings/ real estate	Hardware/ software	Other contracts	Buildings Leasing	Other contracts	Buildings Leasing	Other contracts
(in EUR thousand)								
Due 2022	55,195	34,139	17,943	3,113	2,310	-	2,486	1,500
Due 2023-2026	81,507	73,650	1,132	6,725	3,440	-	9,895	4,500
Due after 2026	42,080	42,080	-	-	-	-	-	-
	178,782	149,869	19,075	9,838	5,750	-	12,381	6,000
Obligation from investments initiated during the year under review, due in 2022 and 2023	1,661							

2020	Total	Tenancy and leasing contracts			thereof affiliated companies		thereof associates	
		Buildings/ real estate	Hardware/ software	Other contracts	Buildings Leasing	Other contracts	Buildings Leasing	Other contracts
(in EUR thousand)								
Due 2021	53,037	33,581	17,692	1,764	2,310	-	2,496	-
Due 2022-2025	83,628	80,541	1,451	1,636	5,396	-	9,983	-
Due after 2025	52,114	52,114	-	-	-	-	4,445	-
	188,779	166,236	19,143	3,400	7,706	-	14,924	-
Obligation from investments initiated during the year under review, due in 2021 and 2022	572							

The values are quantifiable nominal amounts. In addition, there are other financial obligations from service contracts with variable compensation components that cannot be reliably estimated.

Contingent Liabilities

(in EUR thousand)	31.12.2021	12/31/2020
Contingent liabilities from guarantees	78,732	175,363
thereof affiliated companies	78,732	175,363
Contingent liabilities from the provision of collateral for third party liabilities	4,857	5,203
thereof affiliated companies	4,857	5,203
	83,589	180,566

Guarantees and collateral for third party liabilities have only been provided for the benefit of subsidiaries. According to our information, the underlying obligations can be met by the companies in question in all cases. The reduction in contingent liabilities is mainly due to the non-utilization of the syndicated loan.

Compensation of the Managing Board and the Supervisory Board

Members of the Supervisory Board and the Managing Board are listed in the corresponding passages.

Compensation of the members of the Managing Board

The total compensation of the members of the Managing Board in accordance with section 285(9a) sentence 1 to 4 of the Handelsgesetzbuch (HGB -- German Commercial Code) came to EUR 14,554 thousand in fiscal year 2021 (2020: EUR 5,402 thousand). Of this amount, EUR 3,888 thousand was attributable to basic compensation including fringe benefits (2020: EUR 2,294 thousand). In the fiscal year 2021 special remuneration of EUR 700 thousand (2020: EUR 200 thousand) was granted. An amount of EUR 4,176 thousand (2020: EUR 1,232 thousand) is accounted for by the Short Term Incentive (STI) agreed for the fiscal year 2021. The Long Term Incentive (LTI) for 2021 - 2024 relates to an amount of EUR 5.790 thousand, which results in 187,910 subscription rights in 2021.

Moreover, no loans were granted to nor contingent liabilities assumed in favor of members of the Managing Board in fiscal year 2021. Members of the Managing Board buy, as part of their other in-kind benefits granted, as well as for the personal need discounted at HUGO BOSS.

PENSION COMMITMENTS (in EUR thousand)

	Daniel Grieder Chairman of the Managing Board (from June 2021)		Yves Müller Member of the Managing Board		Dr. Heiko Schäfer Member of the Managing Board	
	2021	2020	2021	2020	2021	2020
Service cost under HGB	303	-	380	350	290	215
Pension provision under HGB	-	-	-	-	-	-
	Oliver Timm Member of the Managing Board		Ingo Wilts Member of the Managing Board		Mark Langer Chairman of the Managing Board (until July 2020)	
	2021	2020	2021	2020	2021	2020
Service cost under HGB	300	-	290	280	-	247
Pension provision under HGB	-	-	-	-	-	1,054
	Total					
	2021	2020				
Service cost under HGB	1,563	1,092				
Pension provision under HGB	-	1,054				

Compensation of former Managing Board members

In 2021, former members of the Managing Board and their surviving dependents received total compensation of EUR 2,260 thousand (2021: EUR 3,502 thousand). This includes compensation for termination of employment in the amount of EUR 1,861 thousand (2020: EUR 3,645 thousand).

Provisions for pensions obligations for former members of the Managing Board and their surviving dependents was made in the amount of EUR 44,596 thousand (2020: EUR 43,655 thousand). After netting against the reinsurance policy qualifying as plan assets, these amounted to EUR 34,915 thousand (2020: EUR 35.734 thousand).

Compensation of the Supervisory Board

The Supervisory Board received total compensation of EUR 1,204 thousand for its services 2020. For fiscal year 2021, the Supervisory Board receives a fixed remuneration of EUR 1,790 thousand.

Beyond that no significant transactions between the companies of the HUGO BOSS Group and people in key positions and their next family members took place.

In total, the members of the Managing Board and the Supervisory Board hold a little more than 1% (2020: less than 1%) of the shares issued by HUGO BOSS AG to end of fiscal year.

German Corporate Governance Code

In December 2021, the Managing Board and Supervisory Board of HUGO BOSS AG issued the declaration of compliance prescribed by section 161 Aktiengesetz (AktG – German Stock Corporation Act). It is available for shareholders on the Company's website.

Auditor's fees

In accordance with section 285(17) of the Handelsgesetzbuch (HGB -- German Commercial Code), this has not been disclosed here as this information can be found in the consolidated financial statements of HUGO BOSS AG.

Dividend and appropriation of net profit

The fiscal year 2021 of HUGO BOSS AG closed with a net income of EUR 96,406 thousand (net loss 2020: EUR 152,577 thousand). The unappropriated surplus after transfer to retained earnings amounted to EUR 83.704 thousand (2020: EUR 38,262 thousand).

In view of the strong operational and financial performance in 2021, the very solid financial position and management's confidence in the successful execution of its "CLAIM 5" growth strategy, HUGO BOSS is planning to resume dividend payments. Consequently, the Managing Board and the Supervisory Board

intend to propose to the Annual Shareholders' Meeting on May 24, 2022, a dividend of EUR 0.70 per share for fiscal year 2021 (2020: legal minimum dividend of EUR 0.04). This corresponds to an amount of EUR 48,311 thousand (2020: EUR 2,761 thousand). Furthermore, it is proposed to carry forward EUR 35,393 thousand (2020: EUR 35,501 thousand) to own account.

Subsequent events in accordance with section 289 of the Handelsgesetzbuch (HGB -- German Commercial Code)

To further advance the innovative strength and sustainability of its brands, HUGO BOSS entered into a long-term, strategic partnership with HeiQ AeonIQ LLC – a fully owned subsidiary of Swiss innovator HeiQ Plc – in early 2022. A core element of this partnership is a USD 5 million equity investment made by HUGO BOSS – the first of its kind as part of the Company's "CLAIM 5" growth strategy. The investment is supplemented by exclusive partnership arrangements of up to USD 4 million, conditional to achieving certain performance milestones. The partnership will focus on the manufacturing of a sustainable, circular, and recyclable cellulosic yarn aimed at substituting synthetic fibers such as polyester and nylon.

Chief Brand Officer Ingo Wilts informed the Supervisory Board of HUGO BOSS AG on February 23, 2022 that he will resign from his office as a member of the Managing Board for personal reasons with effect from February 28, 2022 and will thus leave the Managing Board of HUGO BOSS AG. The duties falling under the responsibility of Ingo Wilts shall be assumed by Chief Executive Officer Daniel Grieder.

At the time this report was prepared on February 24, 2022, it was not possible for the Company to predict with sufficient certainty the extent to which a further escalation of the Ukraine conflict would impact the global economy and industry growth in fiscal year 2022. Even though the global business of HUGO BOSS was not noticeably affected by the geopolitical tensions at the time this report was prepared, it cannot be ruled out in principle that a further escalation of the conflict will have a material negative impact on the net assets, financial position, and results of operations of HUGO BOSS in fiscal year 2022.

Between the end of fiscal year 2021 and the preparation of this report on February 24, 2022, there were no further material macroeconomic, socio-political, industry-related or Company-specific changes that the Management expects to have a significant impact on the Group's earnings, net assets or financial position.

Disclosures pursuant to Section 160 (1) no. 8 AktG [“Aktiengesetz”: German Stock Corporation Act]

The following is a list of notifiable shareholdings in HUGO BOSS AG as of the balance sheet date and up to February 24, 2022, of which the Company has been notified in writing pursuant to Section 33 (1) or (2) of the German Securities Trading Act (WpHG). The information was taken from the most recent notification of a notifiable party to HUGO BOSS AG.

Notified reportable shareholdings as of February 24, 2022

PFC S.r.l., Vicenza, Italy, and Zignago Holding S.p.A., Fossalta di Portogruaro, Italy, which have pooled their shares through a shareholders' agreement, notified the Company on February 13, 2020, that their joint share of voting rights in HUGO BOSS AG, held directly or indirectly, exceeded the threshold of 15% of the voting rights in HUGO BOSS AG on February 7, 2020, and amounted to 10,879,003 voting rights or 15.45% of the voting rights on that date.

AllianceBernstein Corporation, Wilmington, USA, notified the Company on March 12, 2021, that its share of voting rights in HUGO BOSS AG, held directly or indirectly, exceeded the threshold of 3% of the voting rights in HUGO BOSS AG on March 5, 2021, and amounted to 2,186,475 voting rights or 3.11% of the voting rights on that date.

Mr. Michael Ashley notified the Company on December 22, 2021, that his voting rights in HUGO BOSS AG, held directly or indirectly, amounted to 3,787,900 voting rights or 5.38% of the voting rights on December 17, 2021.

Janus Henderson Group Plc, St. Helier, Jersey, notified the Company on February 7, 2022, that its share of voting rights in HUGO BOSS AG on January 31, 2022, held directly or indirectly, amounted to 3,567,988 voting rights or 5.07% of the voting rights.

BlackRock, Inc., Wilmington, USA, notified the Company on January 13, 2022, that its share of voting rights in HUGO BOSS AG, held directly or indirectly, fell below the threshold of 3% of the voting rights in HUGO BOSS AG on January 10, 2022, and amounted to 2,377,531 voting rights or 3.38% of the voting rights on that date.

Goldman Sachs Group, Inc, Wilmington, USA, notified the Company on February 4, 2022, that its share of voting rights in HUGO BOSS AG, held directly or indirectly, exceeded the threshold of 5% of the voting rights in HUGO BOSS AG on February 2, 2022, and amounted to 3,581,347 voting rights or 5.09% of the voting rights on that date.

UBS Group AG, Zurich, Switzerland, notified the Company on February 7, 2022, that its voting rights in HUGO BOSS AG, held directly or indirectly, amounted to 4,420,135 voting rights or 6.28% of the voting rights on February 2, 2022.

Managing Board

Member of the Managing Board	Responsibility
<p>Daniel Grieder (Herrliberg, Switzerland / Metzingen, Germany)</p> <p>Chairman of Managing Board</p> <p>since June 1, 2021 Member of the Managing Board</p>	<p>Corporate Strategy, Business Unit BOSS Menswear, Business Unit BOSS Womenswear, Business Unit HUGO, Global Marketing, Corporate Communication, Licenses Management</p>
<p>Yves Müller (Hamburg/Metzingen, Germany)</p> <p>since December 1, 2017 Member of the Managing Board</p>	<p>Controlling, Finance and Tax, Internal Audit, Central Services, IT (incl. Information Security), Investor Relations, Risk and Insurance Management, Legal/Compliance/Data Protection, HR</p>
<p>Dr. Heiko Schäfer (Hamburg/Metzingen, Germany)</p> <p>since March 16, 2020 Member of the Managing Board</p>	<p>Operations, Own Manufacturing, Product Development and Sourcing, Sustainability and Quality Management, Global Logistics</p>
<p>Oliver Timm (Meerbusch/Metzingen, Germany)</p> <p>since January 1, 2021 Member of the Managing Board</p>	<p>Own Retail and Wholesale incl. E-commerce, Visual Merchandising, Retail Operations, Real Estate Management, Customer Relationship Management (CRM)</p>
<p>Ingo Wilts (Amsterdam, Netherlands / Metzingen, Germany)</p> <p>since August 15, 2016 Member of the Managing Board</p>	<p>Creative Management, Project Lead Rebranding</p>

Supervisory Board

Shareholder representatives	Employee representatives
<p>Hermann Waldemer (Blitzingen, Switzerland)</p> <p>Management Consultant, Chairman of the Supervisory Board, Member since 2015</p>	<p>Sinan Piskin (Metzingen, Germany)</p> <p>Administrative Employee/Chairmann of the Works Council (since September 2021), HUGO BOSS AG, Metzingen, Germany, Deputy Chairmann of the Supervisory Board, Member since 2008</p>
<p>Iris Epple-Righi (Munich, Germany)</p> <p>Management Consultant, Member since 2020</p>	<p>Katharina Herzog (Reutlingen, Germany)</p> <p>Senior Vice President Group Finance & Tax HUGO BOSS AG Metzingen, Germany, Member since 2020</p>
<p>Gaetano Marzotto (Milan, Italy)</p> <p>Chairman of the Supervisory Board Gruppo Santa Margherita S.p.A., Fossalta di Portogruaro, Italy, Member since 2010</p>	<p>Anita Kessel (Metzingen, Germany)</p> <p>Administrative Employee HUGO BOSS AG, Metzingen, Germany, Member since 2015</p>
<p>Luca Marzotto (Venice, Italy)</p> <p>Chief Executive Officer Zignago Holding S.p.A., Fossalta di Portogruaro, Italy, Member since 2010</p>	<p>Tanja Silvana Nitschke (Inzigkofen, Germany)</p> <p>First Authorized Representative of the German Metalworkers Union (IG Metall) Reutlingen-Tübingen, Reutlingen, Germany, Member since 2015</p>
<p>Christina Rosenberg (Munich, Germany)</p> <p>Management Consultant</p> <p>innotail, Munich, Germany, Member since 2020</p>	<p>Martin Sambeth (Tiefenbronn, Germany)</p> <p>Second Authorized Representative and Treasurer of the German Metalworkers Union (IG Metall) Karlsruhe, Germany, Karlsruhe, Germany, Member since 2016</p>
<p>Robin J. Stalker (Oberreichenbach, Germany)</p> <p>Chartered Accountant, Member since 2020</p>	<p>Bernd Simbeck (Metzingen, Germany)</p> <p>Administrative Employee HUGO BOSS AG, Metzingen, Germany, Member since 2021 (since September 1, 2021)</p>
	<p>Antonio Simina (Metzingen, Germany)</p> <p>Tailor/Chairman of the Works Council (to September 2021), HUGO BOSS AG, Metzingen, Germany, Member from 1985 until 2021 (until August 31, 2021)</p>

Additional disclosures on the members of the Supervisory Board and the Managing Board

The members of the Company's Supervisory Board are also members of a supervisor board at the following companies:¹

Iris Epple-Righi	Global-e Online Ltd.	Petah-Tikva, Israel
Katharina Herzog	HUGO BOSS Holding Netherlands B.V.	Amsterdam, Netherlands
	HUGO BOSS International B.V.	Amsterdam, Netherlands
Gaetano Marzotto	Style Capital SGR S.p.A. ²	Milan, Italy
	Golmar Italia S.p.A.	Turin, Italy
	Golmar Holding S.p.A.	Turin, Italy
	Zignago Holding S.p.A.	Fossalta di Portogruaro, Italy
	Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy
Luca Marzotto	Dimora 01	Milan, Italy
	Florence S.r.l.	Milan, Italy
	Forte Forte S.r.l.	Sarcedo, Italy
	Isotex Engineering S.r.l.	Trissino, Italy
	ITACA EQUITY Holding S.p.A.	Milan, Italy
	Multitecno S.r.l.	Fossalta di Portogruaro, Italy
	MySecretCase S.r.l.	Milan, Italy
	Santex Rimar Group S.r.l.	Trissino, Italy
	Smit S.r.l.	Trissino, Italy
	Solwa S.r.l.	Trissino, Italy
	Sperotto Rimar S.r.l.	Trissino, Italy
	Vetri Speciali S.p.A.	Trento, Italy
Zignago Vetro S.p.A.	Fossalta di Portogruaro, Italy	
Christina Rosenberg	Josef Tretter GmbH & Co. KG	Munich, Germany
	Villeroy & Boch AG	Mettlach, Germany
Robin J. Stalker	Commerzbank AG	Frankfurt, Germany
	Schaeffler AG	Herzogenaurach, Germany
	Schmitz Cargobull AG ²	Horstmar, Germany

¹The members not named have no seats on executive or supervisory boards at other companies.

² Member holds position of Chairman.

The members of the Company's Managing Board do not have any mandates in executive or supervisory bodies of other companies.

Disclosure

The Group annual report and accounts of HUGO BOSS AG are published in the electronic German Federal Gazette and on the HUGO BOSS website.

Metzingen, February 24, 2022

HUGO BOSS AG
The Managing Board

Daniel Grieder
Yves Müller
Dr. Heiko Schäfer
Oliver Timm
Ingo Wilts

1

COMBINED
MANAGEMENT REPORT

2

FINANCIAL STATEMENTS
OF HUGO BOSS AG

3

ADDITIONAL
INFORMATION

HUGO BOSS
Financial Statements 2021

CHAPTER 3

ADDITIONAL INFORMATION

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of HUGO BOSS AG, and the management report, which is combined with the Group management report, includes a fair review of the development and performance of the business and the position of HUGO BOSS AG, together with a description of the principal opportunities and risks associated with the expected development of HUGO BOSS AG.

Metzingen, February 24, 2022

HUGO BOSS AG
The Managing Board

Daniel Grieder
Yves Müller
Dr. Heiko Schäfer
Oliver Timm
Ingo Wilts

We have issued the following opinion on the annual financial statements and the management report, which has been combined with the Group management report, and on the ESEF documents:

„INDEPENDENT AUDITOR´S REPORT

To HUGO BOSS AG

Report on the audit of the annual financial statements and of the management report

Opinions

We have audited the annual financial statements of HUGO BOSS AG, Metzingen, which comprise the balance sheet as at 31 December 2021, and the income statement for the fiscal year from 1 January to 31 December 2021 and notes to the financial statements, including the accounting policies presented therein. In addition, we have audited the management report of HUGO BOSS AG, which has been combined with the management report of the Company, for the fiscal year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the non-financial statement included in the section "combined non-financial statement" of the management report or the corporate governance statement pursuant to Sec. 289f HGB ["Handelsgesetzbuch": German Commercial Code], which was published as part of the management report on the Company's website and referred to in the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Institution as at 31 December 2021 and of its financial performance for the fiscal year from 1 January to 31 December 2021 in compliance with German legally required accounting principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the statement on corporate governance or the non-financial statement referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1) Impairment testing of shares in affiliates

Reasons why the matter was determined to be a key audit matter:

Shares in affiliates as of 31 December 2021 reported in the annual financial statements of HUGO BOSS AG account for a large part of total assets. For the purpose of impairment testing, the Company determines the fair values on an annual basis using a discounted cash flow method.

The results of the valuations particularly depend on estimates of the future cash flows by the executive directors as well as the discount rate used. Due to the materiality of the shares in affiliates as well as the fact that the impairment testing of shares in affiliates involves a large degree of judgment, particularly with regard to the sustained impacts of the COVID-19 pandemic, we determined the impairment testing of shares in affiliates to be a key audit matter.

Auditor's response:

We examined the methodology and mathematical accuracy of the valuation model used. We assessed the individual components used to determine the discount rate with the support of our internal valuation experts by analyzing the peer group, comparing market data with external evidence and examining the mathematical accuracy of the calculation.

We checked on a test basis that the planning assumptions used in the business plan of the equity investments are in line with the business plan of the Company passed by the Managing Board and approved

by the Supervisory Board. In addition, we inspected the growth rates used to roll forward the budget by comparing internal and external data. We also analyzed the forecasts of individual equity investments with regard to the future development derived from findings in the past, in light of the sustained impacts of the COVID-19 pandemic, discussed this with the Company's executive directors and obtained evidence substantiating the individual assumptions of the forecasts.

Our audit procedures regarding the impairment testing of shares in affiliates did not lead to any reservations.

Reference to related disclosures:

The disclosures by the Company on the impairment of shares in affiliates can be found on page 10 et. seq of the notes to the financial statements.

2) Measurement of inventories

Reasons why the matter was determined to be a key audit matter:

HUGO BOSS is active in the high-end segment of the fashion and apparel industry and is confronted with continuously changing customer demand. A rapidly changing market leads to increased inventory risks and uncertainty in the measurement of inventories, particularly during the sustained COVID-19 pandemic.

In particular, the calculation of the write-down rates using the Company's IT-supported write-down procedure as well as, where necessary, the calculation of additional manual adjustments which are not taken into account in this write-down procedure, require the executive directors of the Company to exercise judgment, particularly during the sustained COVID-19 pandemic.

The measurement of inventories was a key audit matter due to the judgment exercised.

Auditor's response:

In our audit, we first examined the procedures established by the Company's executive directors for determining write-downs recognized for slow-moving goods and assessed the effectiveness of the controls implemented in this process.

We appraised the suitability of the IT-supported write-down procedure for the assessment of inventory risks resulting from salability, range and net realizable value, also against the backdrop of the latest developments in the COVID-19 pandemic. In this regard, we drew on internal IT experts to appraise the implementation of automated write-down procedures in the IT system, with the main focus being placed on assessing the consistency of the parameters to those used in prior years. In those cases where changes had been made to the write-down routines in the reporting year, we examined the causes and appraised their implementation. In light of past experience and taking account of the sustained impacts of the COVID-19 pandemic, we also appraised the write-down routines applied by the Company in terms of the latest sales planning by performing analytical comparisons with the write-downs performed in each country in previous years. We compared the computational logic of the model with the accounting policies used by the Company and mathematically verified it on a test basis.

We discussed additional manual adjustments, which are not taken into account in this write-down procedure, with the Company's executive directors, particularly in light of the sustained effects of the COVID-19 pandemic, verified their data basis and calculation as well as obtained supportive evidence from specialist departments and performed further substantive audit procedures.

Our audit procedures did not lead to any reservations relating to the measurement of the inventories of the Company.

Reference to related disclosures:

The disclosures by the Company on the measurement of inventories can be found on page 11 of the notes to the financial statements.

Other information

The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is a component of the corporate governance statement. In all other respects, the executive directors are responsible for the other information. The other information comprises the corporate governance statement as well as the non-financial statement referred to above. Furthermore, the other information comprises additional components to be included in the annual report, of which we obtained a version prior to issuing this auditor's report, in particular:

- all of the "Additional information" section of the annual report excluding the section "Independent auditor's report"

but not the annual financial statements, not the management report disclosures whose content is audited and not our auditor's report thereon.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the executive directors and the Supervisory Board for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities,

financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting

from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are

therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance in accordance with Sec. 317 (3b) HGB on the electronic reproduction of the annual financial statements and the management report prepared for publication purposes

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in HugoBoss_AG_EA+LB_ESEF-2021-12-31.zip (*SHA-256 checksum: a20bf91879266028f803dbccbb08830fe47c3c8471506b5c5c7f584efb4899dd*) containing the ESEF documents subject to assurance and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying management report for the fiscal year from [date] to [date] contained in the "Report on the audit of the annual financial statements and of the management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410) (October 2021). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual Shareholders' Meeting on 11 May 2021. We were engaged by the chairman of the Supervisory Board on 27 July 2021. We have been the auditor of HUGO BOSS AG without interruption since fiscal year 2012.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or entities controlled by it the following services that are not disclosed in the annual financial statements or in the management report:

- agreed-upon procedures with regard to sales generated in properties leased by third parties and
- review of the sustainability report of HUGO BOSS AG for 2020 and 2021.

Other matter – use of the auditor’s report

Our auditor’s report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the Bundesanzeiger [German Federal Gazette] – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Mr. Peter Werling.”

Stuttgart, March 3, 2022

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Werling
Wirtschaftsprüfer

Störzinger
Wirtschaftsprüfer

FORWARD-LOOKING STATEMENTS

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 or 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. HUGO BOSS does not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

FINANCIAL CALENDAR AND CONTACTS

Financial Calendar

May 4, 2022

First Quarter Results 2022

May 24, 2022

Virtual Annual Shareholders' Meeting

August 3, 2022

Second Quarter Results 2022 & First Half Year Report 2022

November 3, 2022

Third Quarter Results 2022

Contacts

Investor Relations

Phone +49 7123 94 – 80903

Email investor-relations@hugoboss.com

Christian Stöhr

Vice President Investor Relations

Phone +49 7123 94 – 87563

Email christian_stoehr@hugoboss.com

Carolin Westermann

Head of Corporate Communication

Phone +49 7123 94 – 86321

Email carolin_westermann@hugoboss.com

LEGAL NOTICE

HUGO BOSS AG

Dieselstraße 12
72555 Metzingen, Germany

Phone +49 7123 94 – 0

Fax +49 7123 94 – 80259

www.hugoboss.com

Concept and Design

Nexxar GmbH, Vienna

www.nexxar.com