

Retailer Stockmann Buys Hugo Boss Russia

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A security guard stands in front of a Hugo Boss store at a Mega mall in Moscow. **Maxim Shipenkov / EPA / TASS**

German fashion house Hugo Boss has closed a deal to sell its Russian division to the retailer Stockmann, coming more than two years after it suspended operations in the country over the full-scale invasion of Ukraine.

In April, Hugo Boss [agreed](#) to sell its Russian business to its wholesale partner, Stockmann — which [was sold](#) by its Finnish owners to local buyers in 2014 after Moscow annexed Crimea.

“We can confirm that our Russian subsidiary has been sold to Stockmann JSC — a company belonging to one of Hugo Boss's long-standing wholesale partners in the country,” Reuters quoted Hugo Boss as saying.

The terms of the deal have not been disclosed.

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Since the full-scale invasion of Ukraine, Western corporate exits have become constrained by a mandatory 50% discount on assets sold from countries Russia deems “unfriendly,” including Germany.

Potential sell-off deals also need approval from the Russian government, which [demanded](#) that Hugo Boss retain jobs after the sale.

Russia’s corporate database shows that Stockmann acquired Hugo Boss Rus on Aug. 2 and now owns 100% of its nominal value of 40 million rubles (\$470,588), according to Reuters.

Hugo Boss stores are expected to [reopen](#) sometime in the third quarter of 2024, according to the state-run Interfax news agency.

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