

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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