

# BUXTON HELMSLEY

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VIA U.S. REGISTERED MAIL & ELECTRONIC MAIL

September 29, 2023

Board of Directors – All Members  
Fossil Group, Inc.  
901 South Central Expressway  
Dallas, TX 75080

Mr. Randy Hyne  
Vice President, General Counsel and Secretary  
Fossil Group, Inc.  
901 South Central Expressway  
Dallas, TX 75080  
randyh@fossil.com

Re: September 28, 2023 Letter to BHG – Fossil Group Inc. (the “Company” or “Fossil”)

Dear Fossil Board of Directors (the “Board”):

The Buxton Helmsley Group, Inc. (“BHG” or “we”) is in receipt of the Company’s letter dated September 28, 2023 (the “September 28 Letter”). We find it telling that the Company saw the necessity to respond to our letter within one day, but find the contents of the response stunningly abhorrent. We wonder whether Mr. Sunhil and Mr. Hyne delivered that letter without the Board’s review (we certainly hope that is the case), and – even if that is the case – you have then proven how much you are failing in your management oversight responsibilities.

We provided the Company fourteen detailed questions and you failed to answer *every single one* of them; providing us with mere references to sections of the very Company filings (with the U.S. Securities and Exchange Commission) that prompted BHG’s questions in the first place.

BHG asked questions that were as simple as quoting this Company’s stated accounting policies, and thereafter simply asking if the Company has complied with those accounting policies. Mr. Doshi apparently cannot even say “yes” when he is asked whether he follows the Company’s stated accounting policies. Such an inability to even minimally affirm his compliance with the Company’s stated accounting policies renders him worthy of Board investigation (we think, even governmental investigation), and perhaps even discipline up to termination.

BHG is well aware that this Company claims it is reporting financials in compliance with the generally accepted accounting principles of the United States (“GAAP”). We also heard that story from Mallinckrodt, which we exposed

for apparent accounting fraud, and which had re-filed for bankruptcy shortly after we published our exposé on how they apparently committed a *post-reorganization* accounting and securities fraud scheme that mirrored their evidenced *pre-reorganization* accounting and securities fraud scheme. Mallinckrodt's post-reorganization shareholders were left with zero value after we exposed how they claimed to comply with GAAP, but then soon after admitted (via bankruptcy court disclosures) how they apparently did not comply with GAAP. Even more interestingly, Deloitte was the auditor for Mallinckrodt, and it is therefore the opinion of BHG that Deloitte's "assurance" of financial statement integrity is not the least bit reliable. According to bankruptcy court filings, Mallinckrodt is also apparently under investigation by the U.S. Securities and Exchange Commission and U.S. Department of Justice.

Very simply, we believe you all fail to realize we have been around the block once or twice when it comes to apparently deceptive fiduciaries. Mr. Hyne says he would be "*pleased*" to schedule a call between BHG and Mr. Doshi. If this is the (nonexistent) content/quality of Mr. Doshi's responses, then why would we even schedule a call? Let us save the Company and BHG's time. If Mr. Doshi is not willing to put a single genuine answer in writing, then any of his verbal, off-the-record answers can be thrown in the garbage. We do not wish to hear likely fiction – we wish to hear reality.

We are going to give this Board five business days (until October 6, 2023) to decide whether it wants to answer our questions via private communications. The alternative is BHG going public with a letter to shareholders, to announce our books and records requests (including the Company's shareholder register) and begin gaining interest in calling a special meeting to materially replace this Board (or, possibly acting through written consent to do so in a more streamlined manner); using these very letters for supporting evidence as to the necessity, given this Board (and management) apparently being tongue-tied when asked to merely affirm whether it is upholding its written accounting policies and obligations under applicable accounting standards and securities laws. This Company's leadership has firmly demonstrated, through its evasiveness, both its propensity to engage in shifty accounting and that it apparently cannot be trusted. This Company's shareholders face a grave risk of financial loss when its fiduciaries refuse to affirm with even a simple "yes" as to whether or not they are upholding their written accounting policies, obligations under accounting standards, and securities laws. We will not sit idle.

You have until October 6, 2023. As of that date, we will move to demand shareholder registers. If you think we are bluffing, check our track record – we do not bluff. This will be the last private letter.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'AEP' followed by a stylized flourish.

Alexander E. Parker

Senior Managing Director

The Buxton Helmsley Group, Inc.

Fossil Group, Inc., et. al.

September 29, 2023

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Cc: Mr. Eleazer Klein  
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