



# BRUNELLO CUCINELLI

## FY 23 Results

March 14 2024

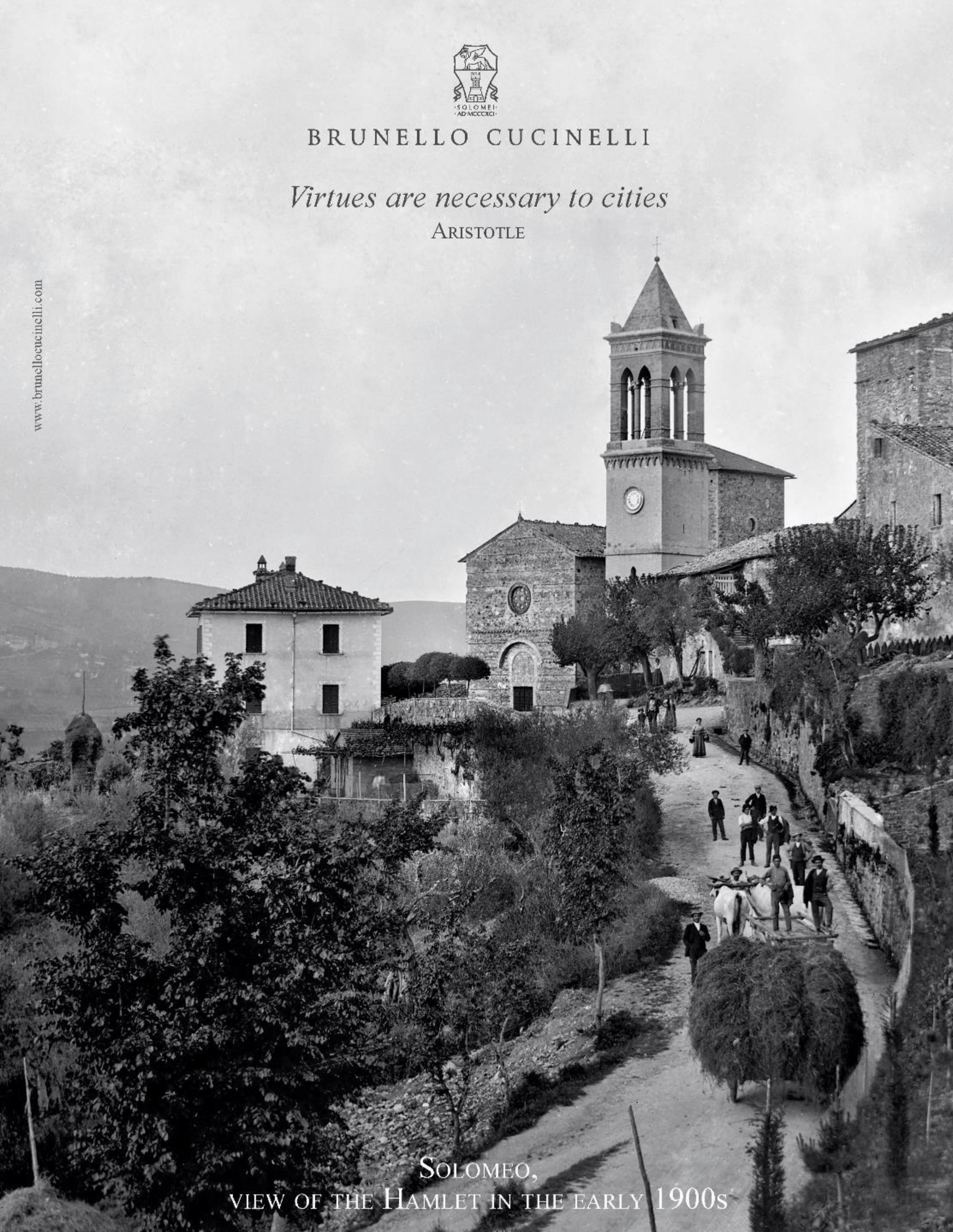


BRUNELLO CUCINELLI

*Virtues are necessary to cities*

ARISTOTLE

www.brunellocucinelli.com



SOLOMEO,

VIEW OF THE HAMLET IN THE EARLY 1900s

# Brunello Cucinelli

Brunello Cucinelli, Executive Chairman and Creative Director of the Fashion House, commented:

*"Gentle luxury, a symbol of beauty within measure"*

*A particularly noble and fine year for our Fashion House has come to an end: we delivered a 23.9% increase in turnover and a 42% rise in net profit. It has been a year in which we were awarded flattering international recognition both for our designs and for our special vision of labour, and which led us to define our style with a meaningful expression: gentle luxury, a symbol of beauty within measure.*

*Gentle luxury is a friend who welcomes you with a sincere smile, it is someone who reaches out to you, it is creativity and genius that do not cross the line, it means finding beauty in simplicity. It is welcoming to all, it is within measure and is always appreciated, as it knows the value of respecting others. This is why gentle luxury has a universal value.*

*The first quarter of this 2024 is drawing to a close with particularly pleasing results, and in view of the good order intake for Men's - Women's Fall/Winter 2024, we envisage a gracious growth in sales of around 10% for this year, resulting in healthy and balanced profits.*





# HIGHLIGHTS



# FY 2023 Financials Highlights

<b>REVENUES</b>	<b>EBIT</b>	<b>NET PROFIT</b>
€1,139.4 mln	€187.4 mln	€123.8 mln
+23.9%	+39.4%	+42.0%
+26.0% cost. curr	16.4% on sales	10.9% on sales

<b>EUROPE</b>	<b>AMERICAS</b>	<b>ASIA</b>
+16.8%	+20.8%	+40.4%
37.6% on sales	35.5% on sales	26.9% on sales

<b>RETAIL</b>	<b>WHOLESALE</b>
+30.3%	+13.3%
65.5% on sales	34.5% on sales

<b>CAPEX</b>	<b>NET FINANCIAL POSITION*</b>	<b>DIVIDEND</b>
€79.1 mln	€6.1 mln	BoD proposing €0,91 dividend equal to 50% pay-out ratio
	<small>* Lease obligations are excluded</small>	



# Excellent quantitative and qualitative growth

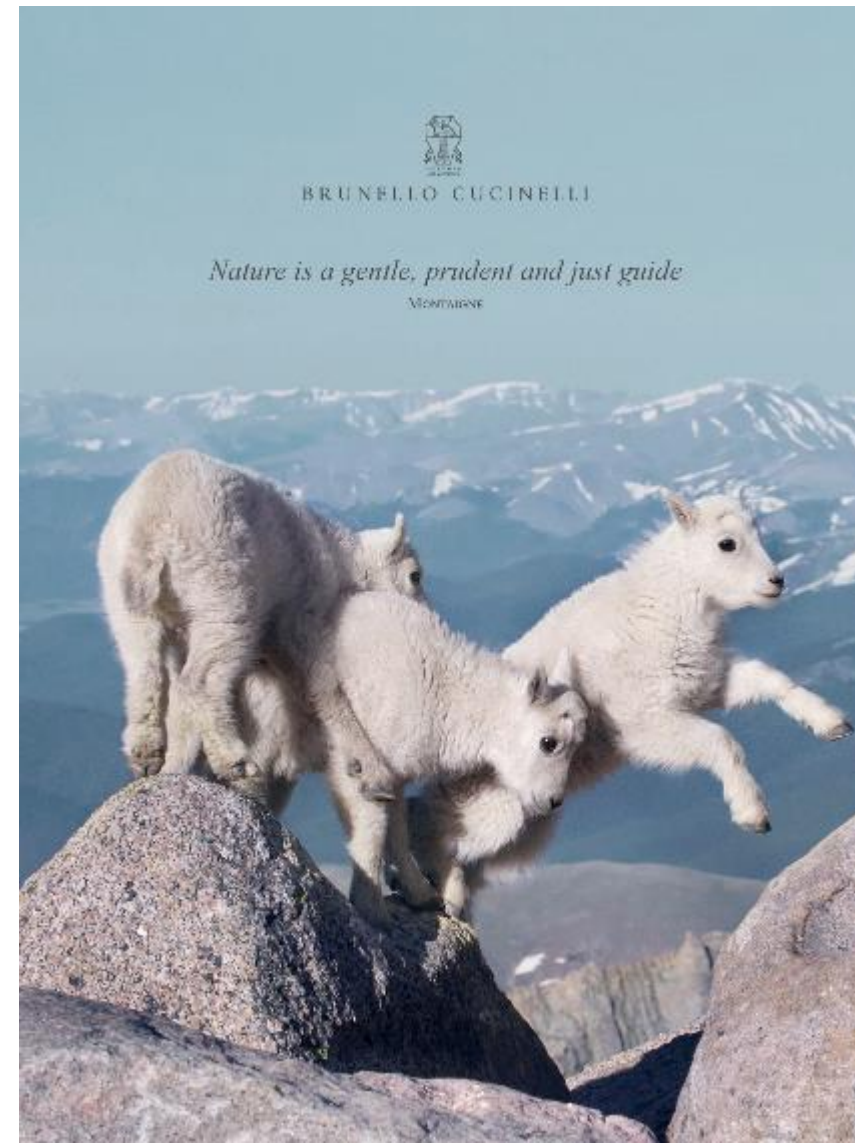
FY 2020



*"From here on, I would like to resume the journey towards Universal Humanism"*

€544 mln  
-10.5%

FY 2021



*"Nature is a gentle, prudent and just guide."*

Montaigne

€712 mln  
+30.9%

FY 2022

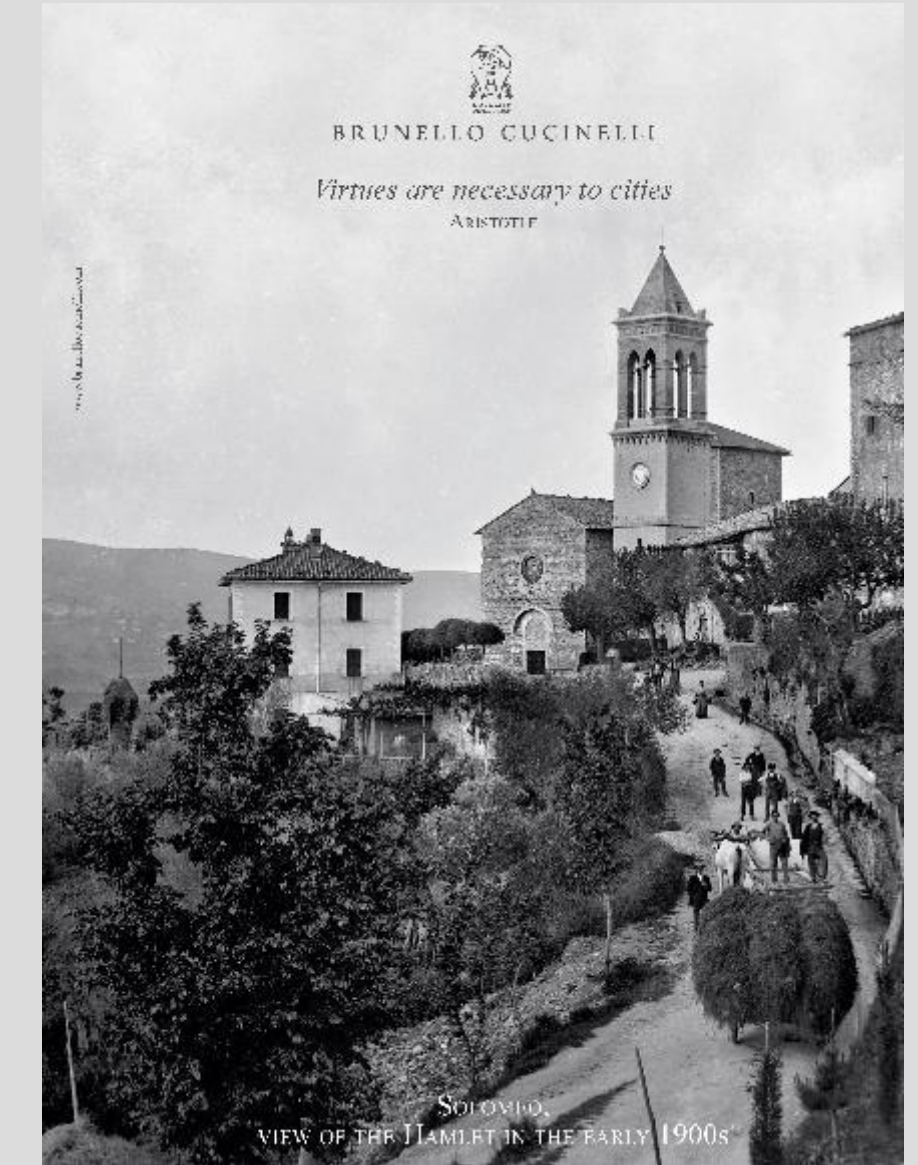


*"The eyes are the interpreters of the soul."*

Cicero

€920 mln  
+29.1%

FY 2023



*"Virtues are necessary to cities"*

Aristotele

€1,139 mln  
+23.9%

2x revenues between FY20 – FY23



# Extremely grateful for the great results achieved in 2023

*FY 23 results well beyond our initial expectations*

*Maintaining the **project of growth** and **new openings unchanged**, benefiting from **structural factors** that characterized the sector in recent years*

- *clients' desire and search for **exclusivity**, with increasing demand for rare and **very high-quality** products*
- *positioning in the highest end of the luxury sector, the **Absolute Luxury**, with an offering featured by the highest **craftsmanship** content of the products*
- *the recognition of Brunello Cucinelli as a **lifestyle brand**, with a solid foundation in Ready to Wear, an expression of a "**Gentle luxury**"*
- *the prestigious international awards we have received:*
  - "Neiman Marcus Fashion Award", a sort of "Oscar" of world fashion, presented to Brunello Cucinelli last March in Paris*
  - "GQ Designer of The Year 2023", awarded to Brunello Cucinelli in December in China "for standing out as a trendsetter in fashion and lifestyle"*



# Outlook

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*The beginning of 2024 has been very good, with significant sell-outs of the Spring-Summer 2024 collections that fully value the great feedback gathered during the presentations of the collections, from both multi-brand partners and the specialist press.*

*As for the new Fall-Winter 2024 Collection, order intake has shown decidedly satisfactory results, with highly positive notices from the specialist press for the men's presentation, first in Florence at Pitti Immagine and straight after that in Milan, as well as the women's during Milan Fashion Week in February.*

*Outstanding performance in the first few months of the year, the order intake for the Fall-Winter 2024 collections and the planning of selected exclusive openings have therefore boosted the solidity of our forecast for gracious growth in sales of around 10% for this year, resulting in healthy and balanced profits.*

*Similar sustainable growth is also expected for 2025, for which we maintain an estimate of a solid increase in turnover of around 10%.*







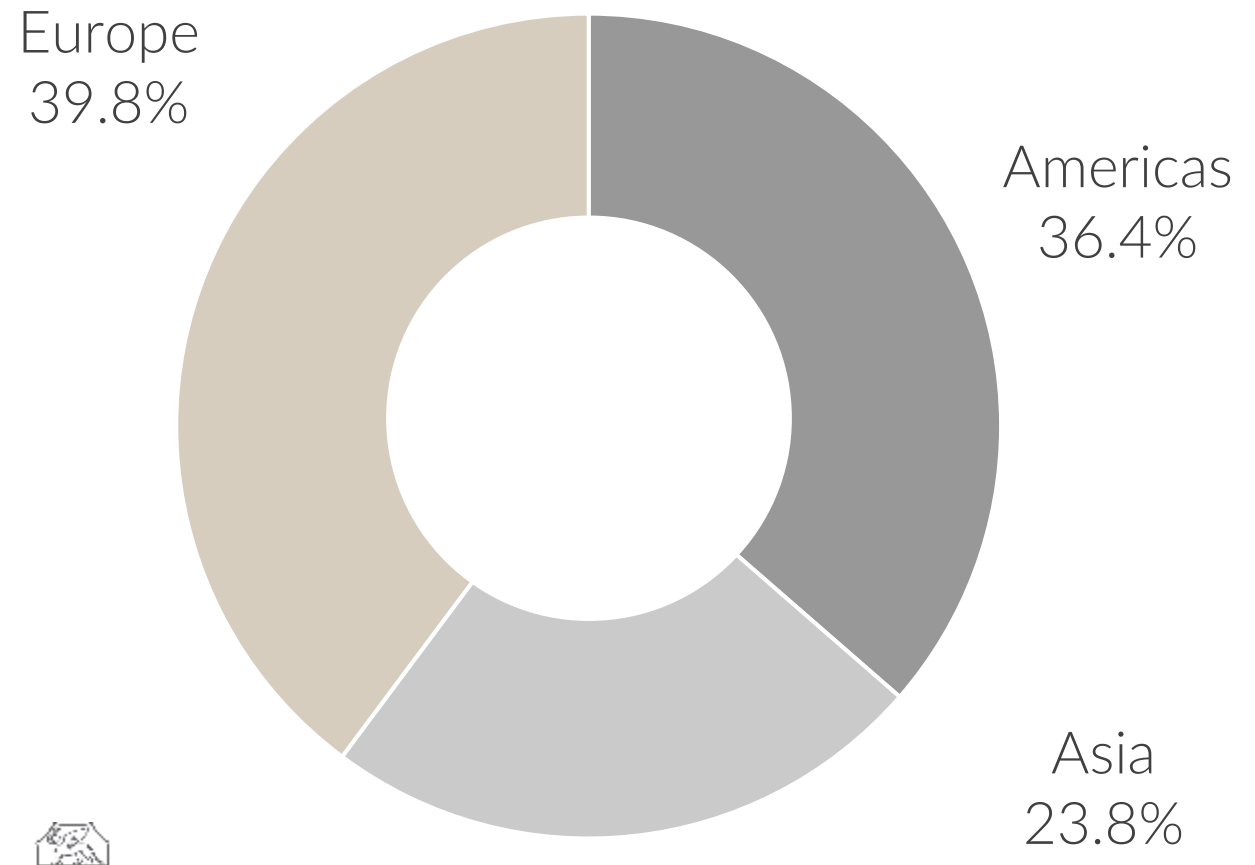


# Revenues by Region

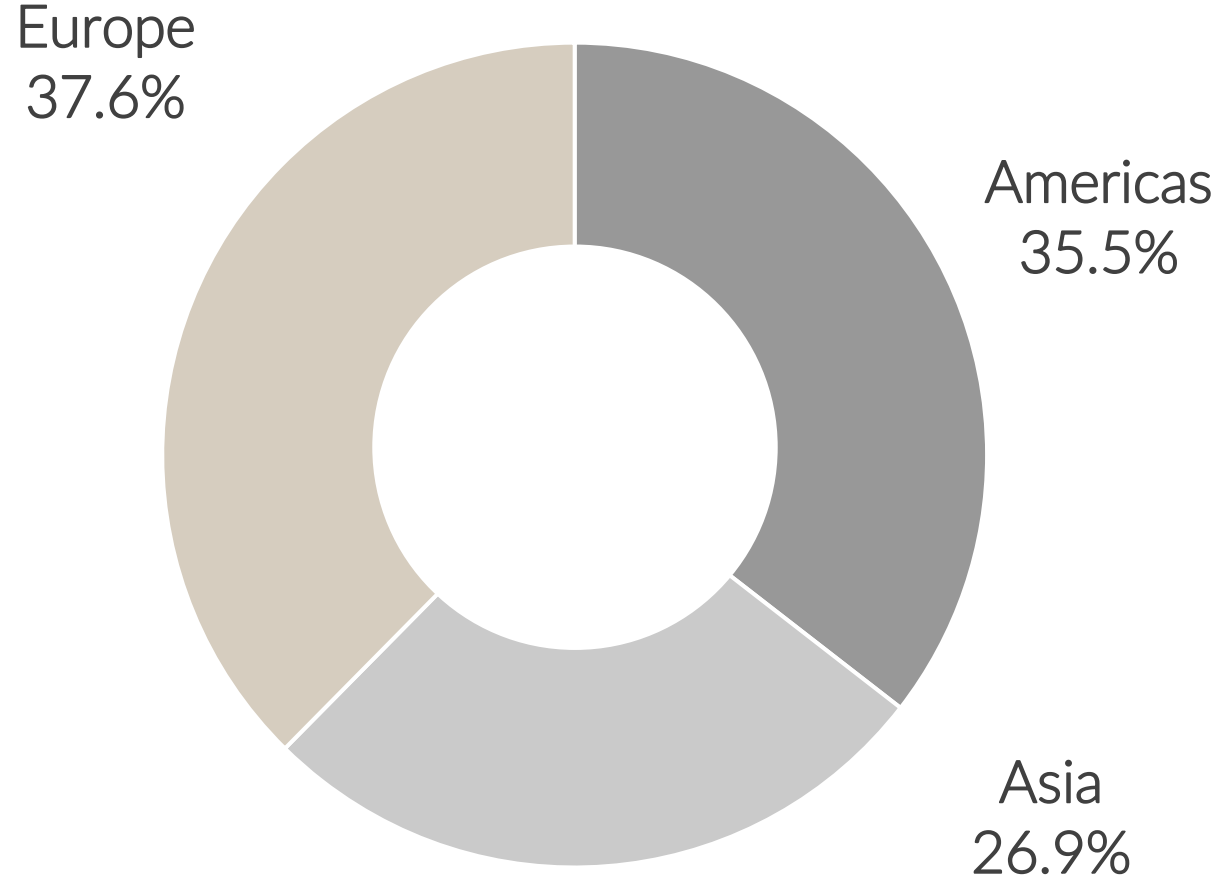
€ mln

	FY 22	FY 23	YoY % Chg
Net Revenues	919.7	1,139.4	+23.9%
		Constant exchange rates	+26.0%
Italy	102.8	128.8	+25.4%
Europe (excl. Italy)	263.8	299.4	+13.5%
<b>Total Europe</b>	<b>366.6</b>	<b>428.2</b>	<b>+16.8%</b>
Americas	334.7	404.5	+20.8%
Asia	218.4	306.7	+40.4%

FY 2022



FY 2023



# Region Highlights

## EUROPE

**Very positive** for the **entire European area**, starting from a challenging comparison base

The **loyalty of local client** and their appreciation for the product

**Very positive client's feedback** about our visual merchandising, with particular attention to the windows and the in-store presentation

Positive contribution from **high-end tourism**, particularly in the first part of the year and mainly from North America

## AMERICAS

US market **great solidity**, with very **strong demand in all major cities** on both the eastern and western seaboards

Positive results also in renowned resort locations and in “secondary” cities, with brand's presence across the most important multi-brand and Specialty Stores

**Very good results** for all major **wholesale clients**, for both the men's and women's collections

Increasing presence of **new clients**, added to **existing customers**, who are looking for garments of high value

## ASIA

**Great interest**, both in terms of the **results achieved** and the **growth potential**

**Chinese market** continues to expand significantly, showing growth in appreciation by the end customer and their loyalty

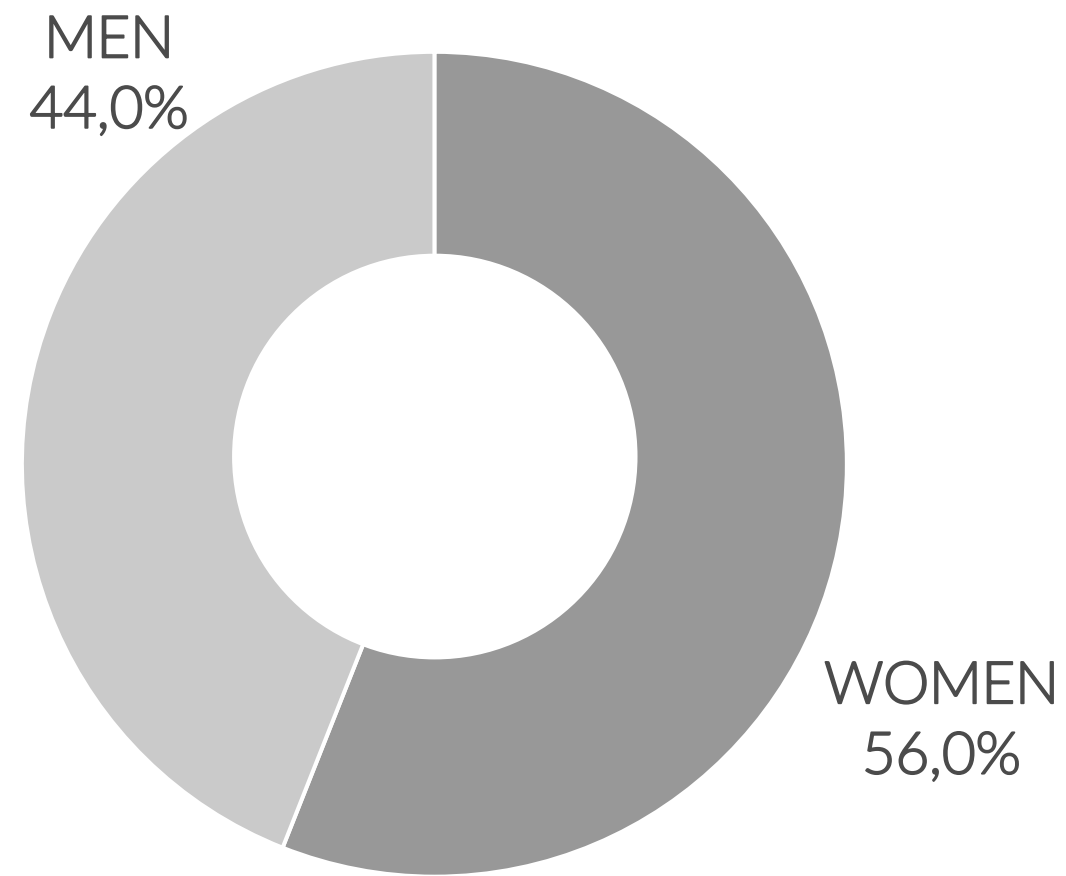
Prestigious international “**Designer of the Year 2023**” award received by Brunello Cucinelli from men's fashion magazine **GQ China in China**.

Very important growth in **Middle East**, great energy shown by **South Korea**, positive results in **Japan**

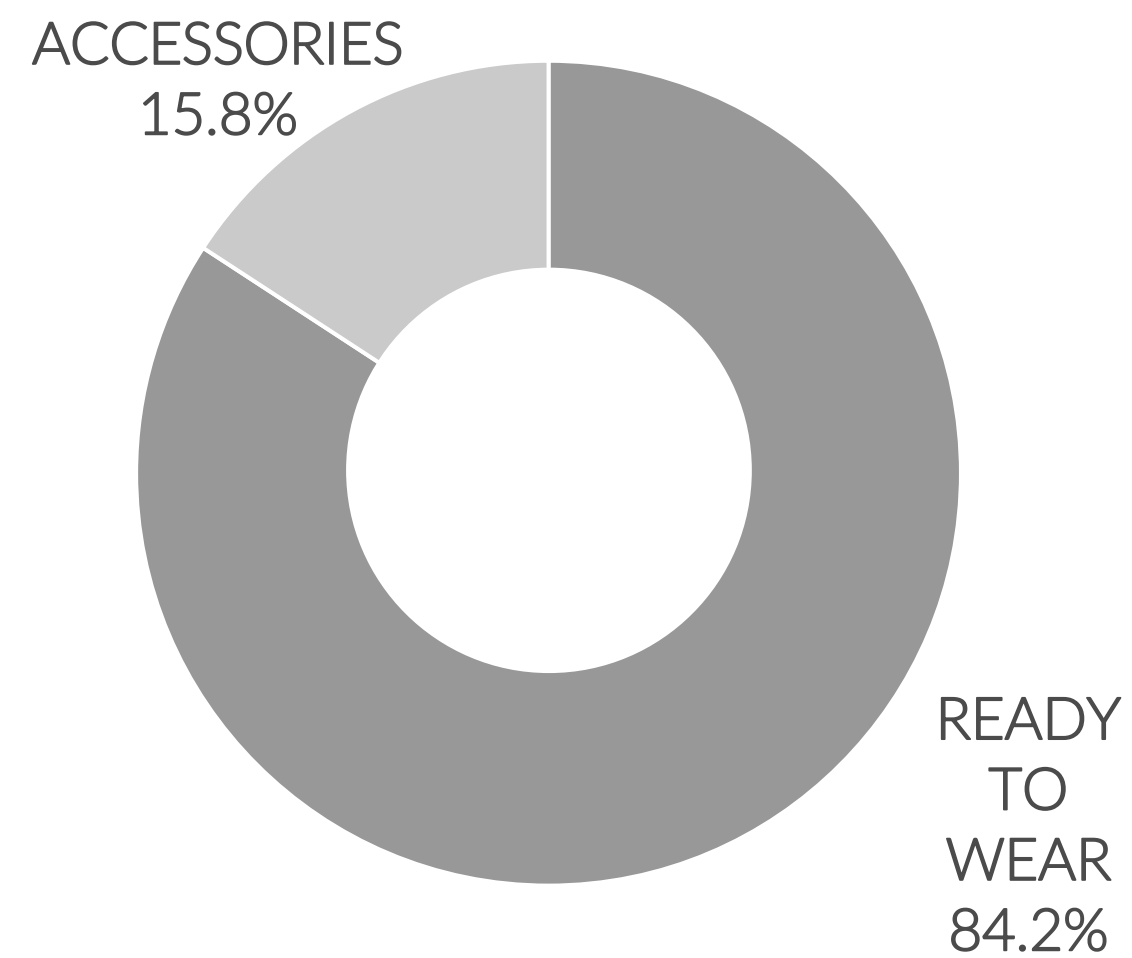
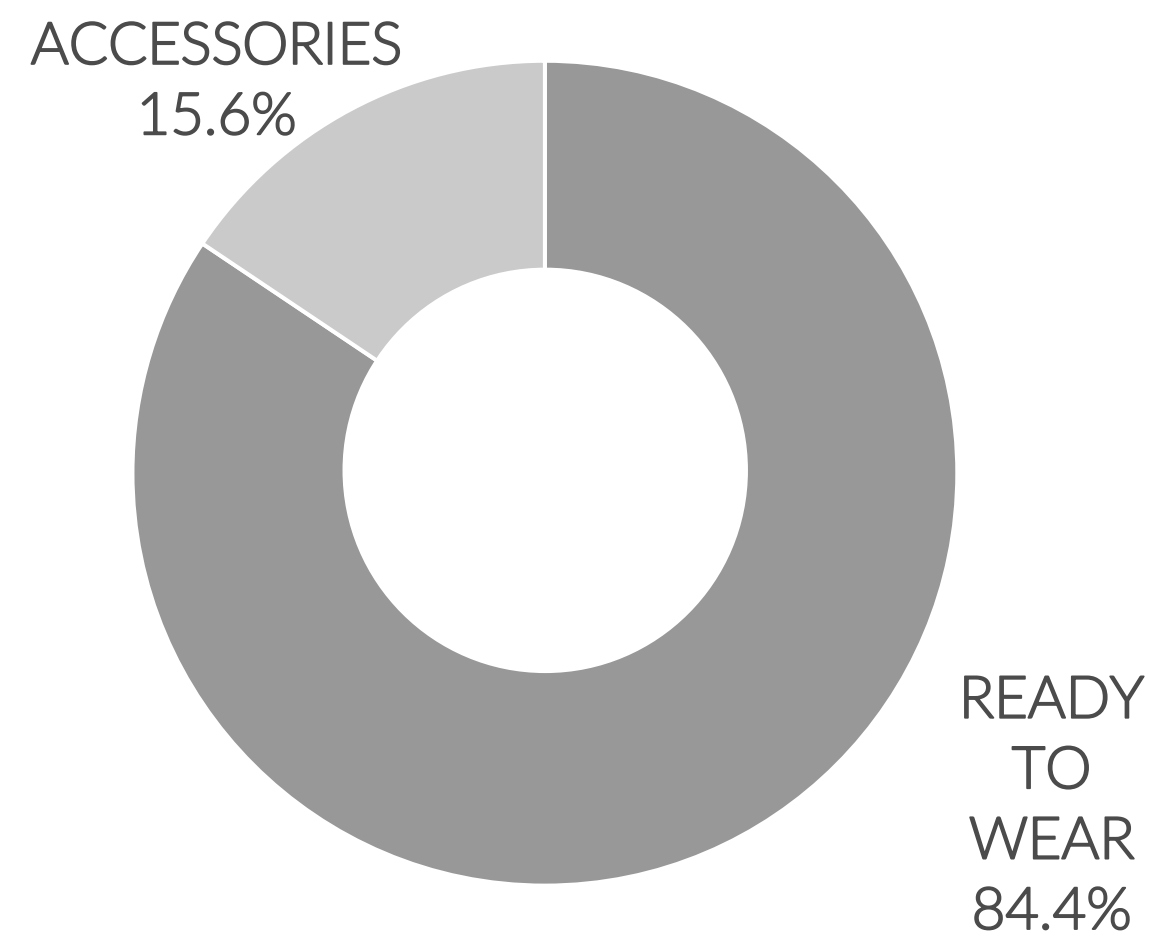
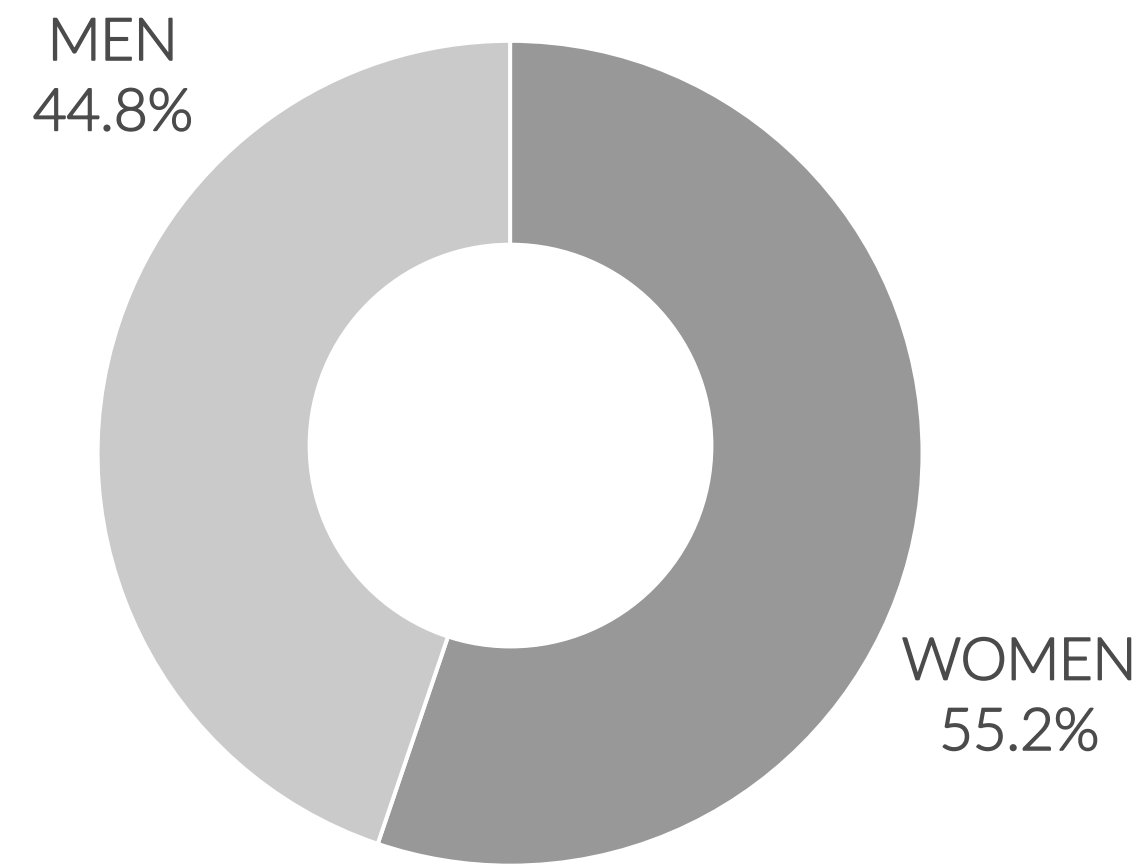


# Revenues by category

FY 2022



FY 2023



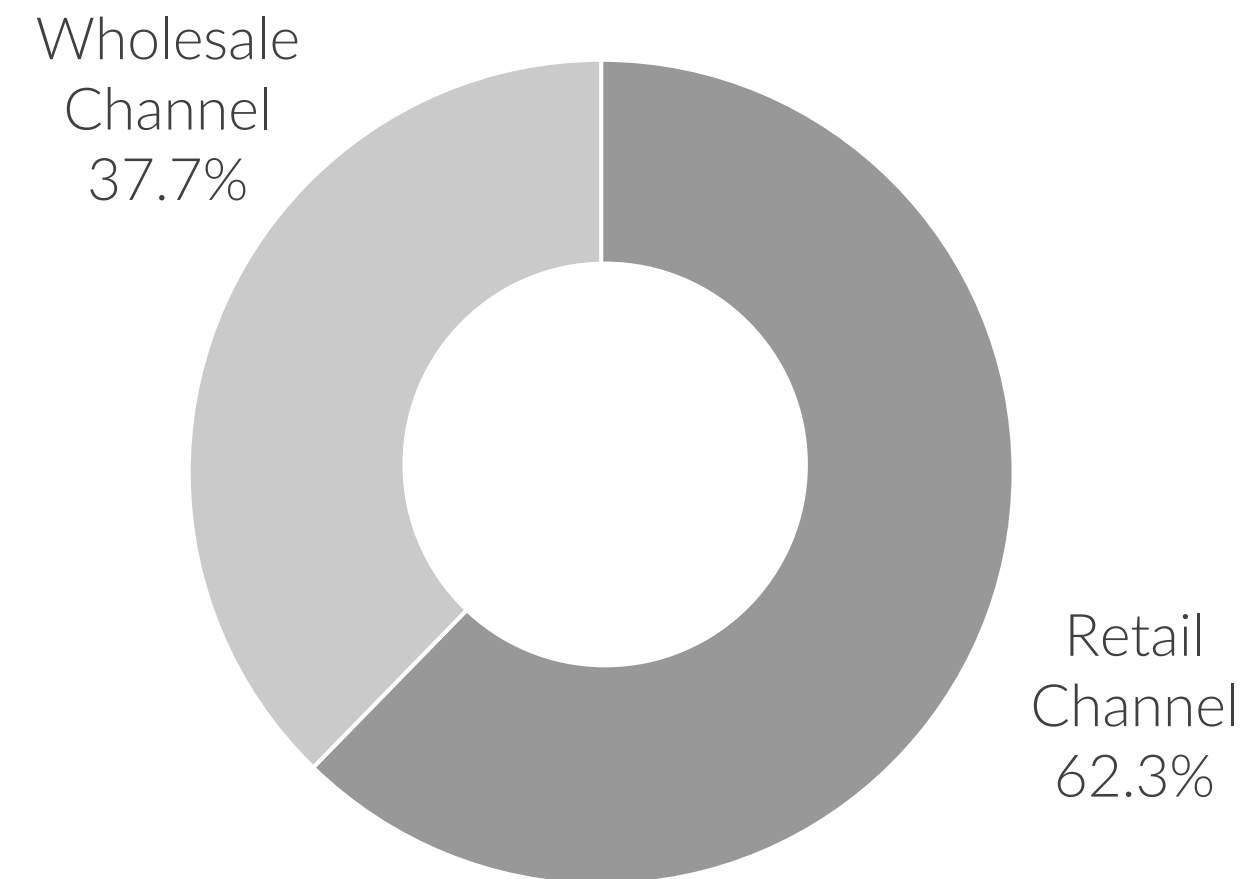


# Revenues by Channel

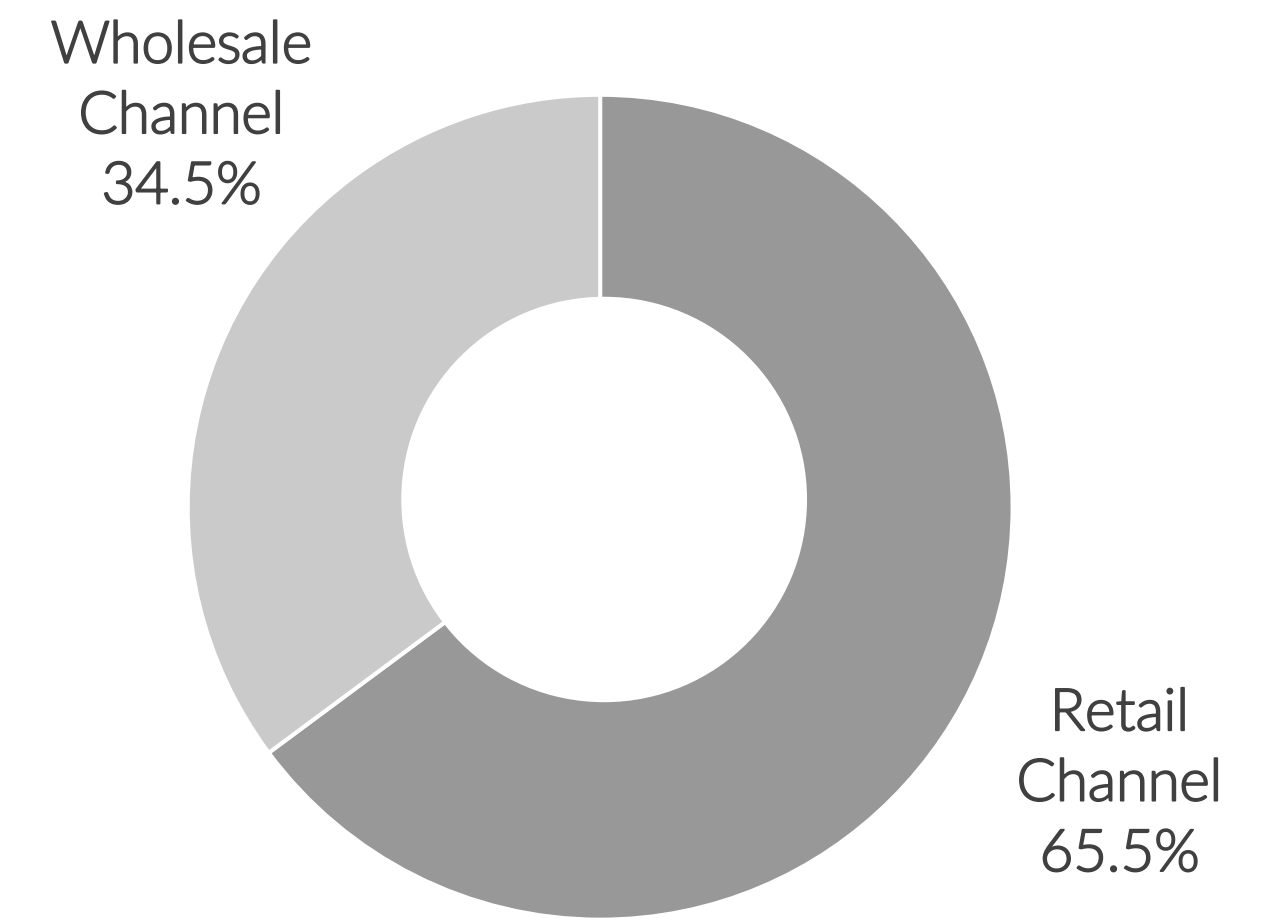
€ mln

	FY 22	FY 23	YoY % Chg
Net Revenues	919.7	1,139.4	+23.9%
Retail Channel	573.3	746.8	+30.3%
Wholesale Channel	346.4	392.6	+13.3%

FY 2022



FY 2023



# Channel Highlights

## RETAIL CHANNEL

Significant increase, thanks to the **excellent** results on a **like-for-like** basis and the **very positive sell-outs** of the collections

**Prestigious boutique openings**, together with our expansions and renovations, have made a healthy contribution to growth

Centrality of **physical retail**, with digital retail representing a multi-dimensional factor inextricably interconnected to interpretate the brand's values and identity



## WHOLESALE CHANNEL

**Excellent** collections' **results**, favored by our deliveries always on time, satisfying the **strong demand** for luxury at the **highest end** of the market

Great year for the wholesale channel, confirming channel's **strategic centrality**, with wholesale clients have long played a primary role in keeping our brand contemporary

Multibrand channel bring constantly fresh and contemporary taste to the presentation of the collections in their stunning spaces, a great source of inspiration for us



# Monobrad Network



## RETAIL MONOBRAND

125 boutiques as of December '23

124 boutiques\* as of June '23

119 boutiques as of December '22

\* Including 2 conversions from wholesale monobrand channel to Retail channel

## WHOLESALE MONOBRAND

27 boutiques as of December '23

27 boutiques as of June 23

30 boutiques as of December '22





# Style and Recognition: the brand and the philosophy



## DESIGNER OF THE YEAR AWARD

In September 2021, Brunello Cucinelli received the very important 'Designer of the Year' award from British GQ magazine in London



## NEIMAN MARCUS FASHION AWARD

Prestigious "Neiman Marcus Fashion Award" that honors the figures in the world who have most influenced Fashion



## PARTECIPATION AT G20 IN ROME

Speaker at the G20 in Rome on October 31st, 2021, with a testimony on Humanistic Capitalism and Human Sustainability



## GQ DESIGNER OF THE YEAR 2023

Very important award in China for the values of high craftsmanship and dignity of manual labour, in the name of Italian genius and the values of Humanistic Capitalism





# GQ DESIGNER OF THE YEAR 2023: VERY IMPORTANT AWARD IN CHINA

Brunello Cucinelli, among the greatest in world fashion

This authoritative award was presented to Brunello Cucinelli by the men's fashion magazine GQ China *"for standing out as a trendsetter in fashion and lifestyle"*



Brunello Cucinelli commented as follows:

*"I want to warmly thank all the GQ team [...] The past two years have been very special for our Casa di Moda [...] But I am truly touched by this wonderful award from GQ China magazine, because it honors me as a "creator of fashion and lifestyle trends" and comes from a country for which I have great respect. I dedicate this award to the young people of this world and tell them: Please, be the guardians of Creation! Don't turn your back on poverty, find the right balance between life and work and between mind, soul and body. Don't spend too much time online because it could steal the soul that Creation has given us. And as my father always told me, I urge you to be good people, balancing profit and giving back. Smile at life! When your soul is heavy, when something doesn't work for you, when someone humiliates you, go outside and gaze at the sky and stars and everything will be fine. An ancient Chinese proverb from 2500 years ago tells us: 'If you want a year's harvest, grow rice; if you want a ten-year harvest, plant an apple tree; but if you want a result lasting one hundred years, educate humanity.' I have always followed these words."*



# Contemporary licenses further enhance brand lifestyle

## CONTEMPORARY LICENSES

New way to approach and developing the “license”

Collaboration:

- since initial idea
- through all product development phases

Presence in the market identifying the most exclusive spaces

Distribution:

- across Brunello Cucinelli’s mono-brand boutiques
- in the most prestigious and specialized multibrand

## EYEWEAR

Initial successful collaboration with Oliver People

Agreement since January 1st , 2023 and run until December 31st , 2032

The first collection introduced to the market in the first quarter of FY24



## FRAGRANCES

Process that lasted over 2 years

April FY23: starting distribution in Europe

September FY23: distribution in North America

FY24: distribution in Asia



# The “Gentle” Luxury



*“Gentle luxury is a friend who welcomes you with a sincere smile, it is someone who reaches out to you, it is creativity and genius that do not cross the line, it means finding beauty in simplicity. It is welcoming to all, it pursues fairness and is always appreciated, as it knows the value of respecting others. This is why gentle luxury has a universal value”*

*Declining our interpretation of luxury, during the Women's Fashion Week in Milan last February, at a time of great attention towards an unostentatious, sober style without logos*

*Desire to reinforce the value of creativity, which expresses itself even in the smallest details, and of a craftsmanship of the highest quality, which remains an essential requirement for a truly luxurious product*

*The garments made by our skilled artisans are the fruit of unceasing innovation, research, with the aim of enhancing the qualities of the finest materials and creating something beautiful, that will last over time and that can be lived in, repaired, and handed down to future generations*





The strength of our artisanal manufacturing structure



# The strength of our artisanal manufacturing structure

*Artisanal manufacturing made in Italy*

*Creativity in house*

*Manufacturing with over 400 highest quality artisan laboratories employing ~7500 craftsmen*

*Hand workmanship for more than 50%*

*Agreement with Chanel*

*Further step in Cariaggi partnership, with a minority stake sold to Chanel*

*Common focus on the absolute quality and best working conditions*

*Updated shareholder Structure:*

*Cariaggi family 51%, Brunello Cucinelli 24.5%, Chanel 24.5%*

*New factory in Penne*

*New factory to be established employing up to 350 tailors high skilled place for artisanal men's suit*

*Production temporarily started through a 2000 sqm leased factory (75 workers and forecast of growth as early as the end of 2024).*

*Factory extension in Solomeo*

*Purchase of 8 hectares areas close to our hamlet last year*

*Beginning of the construction of the Solomeo factory extension*

*Build up to approximately 34 thousand sqm*

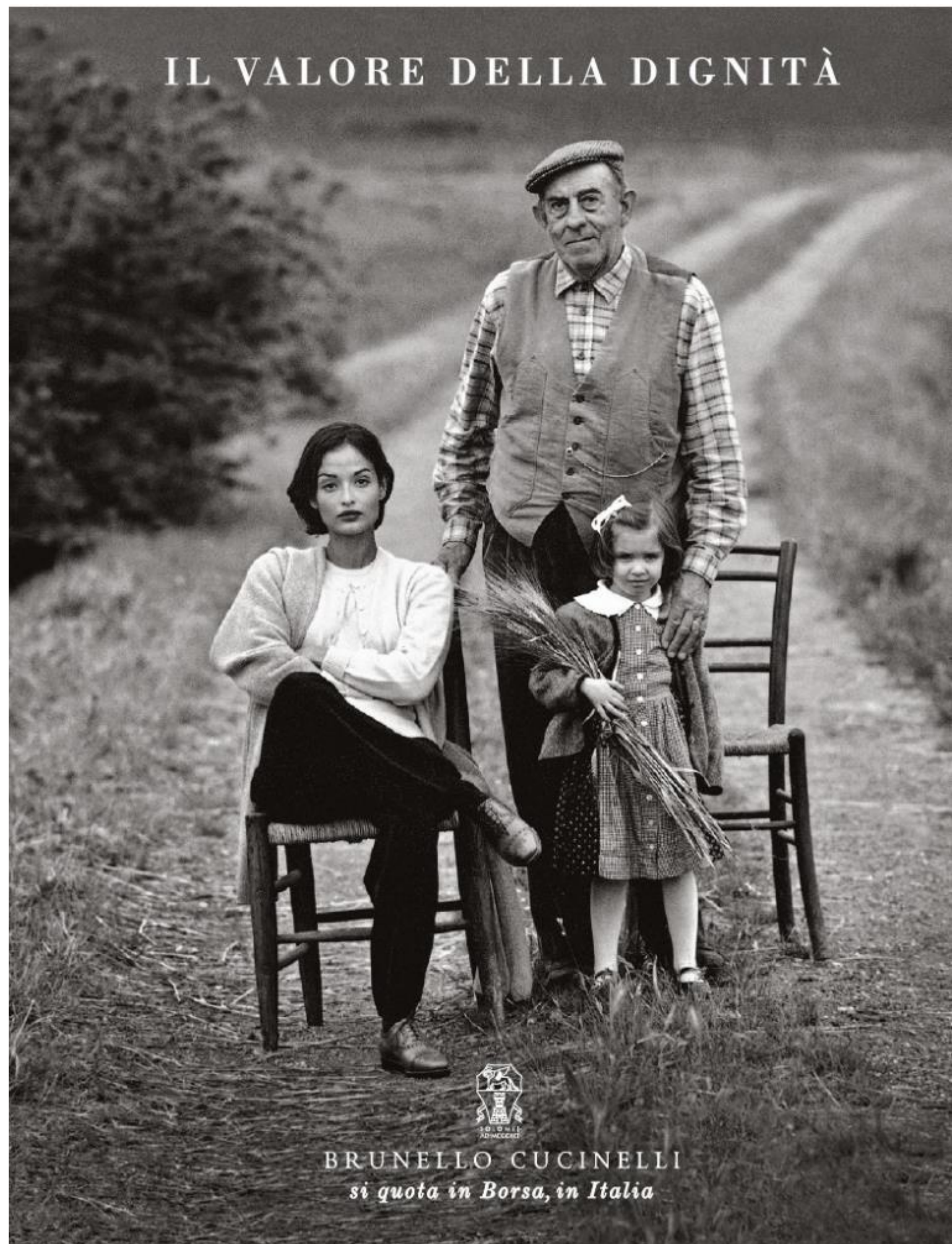




# Humanistic Capitalism and Human Sustainability



# Sustainable growth since the IPO in FY12, entering in FTSE MIB in December 2023



*Sustainable growth, remaining faithful to what Brunello Cucinelli said, in his IPO speech entitled "For fair and gracious growth".*

*My life's dream was just that: to make man's work more humane and to try to price this enterprise so that it would live the next fifty to one hundred years. [...] When there was the meeting with the investors [...] we explained to them the philosophy of the enterprise by clarifying that we wanted to seek a sustainable, garrulous profit; with the basic intention of envisioning a company that could grow without doing any harm to humanity or, at least, as little harm as possible. [...] We wanted to look for new partners, who could act as true custodians of this enterprise for the next century. [...] So, if I had to say what I think, I strongly believe in a new capitalism, a new contemporary humanistic capitalism"*

*...entering in FTSE MIB, the most important index for the Italian equity markets*

*FY 2012-2023: CAGR ~ 13%*





# The “Forms” of Sustainability





# The “Forms” of Sustainability

## *Environmental Sustainability*



## *Economic Sustainability*



## *Technological Sustainability*



## *Cultural Sustainability*



## *Spiritual Sustainability*



## *Moral Sustainability*



*Greenhouse gas emissions reduction targets (Scope 1, 2,3) validated by SBTi*

*Plastic packaging replacement with organic compounds*

*Regenerative agriculture project in the Himalayas*

*Fair and Gracious Growth*

*Economic dignity of the workers*

*Universal working conditions for the Human being and our idea of a “Bella Fabbrica”*

*Use of technology with “appropriate utility”*

*Proper connection*

*Technology as a tool to improve human life*

*Culture available for all*

*Cucinelli Theatre, Neo-Humanistic Academy, The Universal Library of Solomeo project*

*School of Contemporary High Craftsmanship and Arts*

*Respect and benevolence*

*Contact with the Beauty*

*Fair profit and healthy price*

*Balance between profit and giving back*

*An overall atmosphere of trust, esteem and serenity*



# Greenhouse gas emission reduction



Decarbonisation strategy: in-depth analysis initiated in 2019

Plan to reduce greenhouse gas emissions validated by Science Based Targets Initiative (SBTi)

Targets for the reduction of climate-changing emissions

- 70% reduction in GHG Scopes 1 and 2 emissions by 2028 compared to 2019
- reduction of GHG Scope 3 emissions by 22.5% by 2028 compared to 2019
- reduction of GHG Scopes 1, 2 and 3 emissions by 90% by 2050 compared to 2019
- achieving the net-zero target by 2050

With turnover doubling in the last 3 years, the compilation of the GHG emissions inventory showed the benefits of the actions taken so far, with an increase in GHG emissions significantly lower than the increase in turnover

Carbon Disclosure Project (CDP) Climate Change 2023: Rating: A-



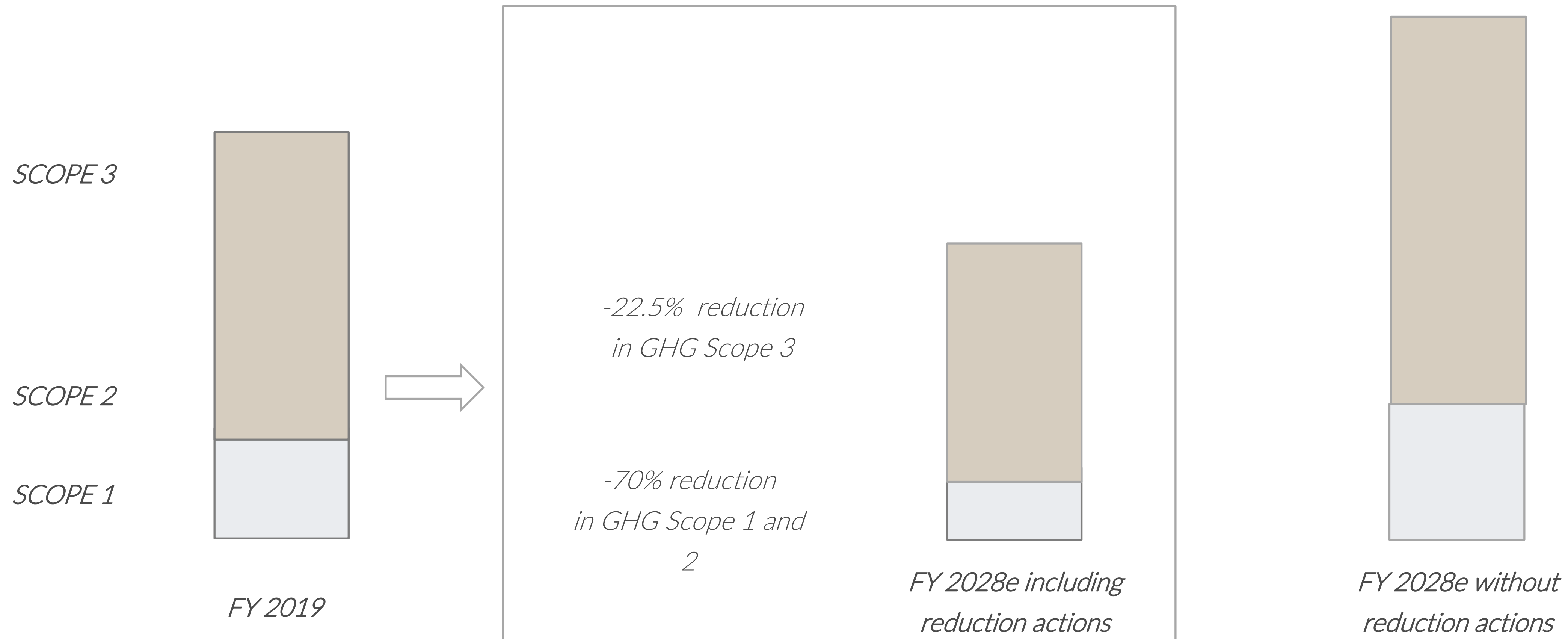
# The Greenhouse Gas Emission Reduction Plan

*Greenhouse gas emission FY 2019*

*Reduction GHG Emission  
by 2028 compared to 2019*

*Greenhouse gas  
emission by 2028e*

*Greenhouse gas emission by  
2028e without reduction actions*



# “Great Works” and estimated social return on investment (SROI)



Human Sustainability is reflected in the social and cultural initiatives that have always been carried

- social wellbeing
- enhancement of the natural landscape
- protection of the historical-artistic heritage

Social benefits for the communities:

measuring the positive impacts – in terms of concerned – generated by the initiatives implemented by our Casa di Moda that have always been carried, aware that the value goes far beyond

Social Return on Investment (SROI)

index that provides a quantitative measure of the social impacts generated against the economic value of the investments made by the company and other stakeholders involved



# Great Works and estimated social return on investment (SROI)

€ mln

SOLOMEO	SROI
Restoration and redevelopment of the Hamlet	Restoration of 51 buildings constructed between 1300 and the 2000s
Planting project	Planting of 230 thousand plants on an area 200 hectares
The Project for Beauty and the Industrial Park	Creation of 3 Parks on an area of 100 hectares; demolition of 6 abandoned facilities (totaling 413,420 cubic meters) Redevelopment of 7 industrial factories with a total area of 68,803 sqm
School of Contemporary High Craftsmanship and Arts	Handicraft skills and developing entrepreneurial skills (67 thousand hours of training), with a very high employment rate
TERRITORY	
Perugia	Restoration works: Cathedral of San Lorenzo, Municipal Theater Morlacchi, Etruscan Arch
Norcia	Reconstruction works: Civic Tower and Civic Theater
INTERNATIONAL COMMITMENT	
Malawi Project	Supporting and developing the local community by building kindergartens, hospitals and training centers
Himalaya Project	Rigenerative agriculture and enhancement of craftsmanship
Brunello Cucinelli for Humanity	Giving to the neediest people of unsold items related to pandemic closures
<b>AVERAGE SOCIAL RETURN ON INVESTMENT (SROI)</b>	<b>2,1</b>





# Financials



# Income Statement

€ mln

	FY 2022	FY 2023	Ch. %
Revenues	919.7	1,139.4	+ 23.9%
First Margin	658.0	825.8	+ 25.5%
%	71.5%	72.5%	+100 b.p.
SG&A	-391.6	-499.5	+ 27.5%
%	42.6%	43.8%	+120 b.p.
EBITDA	266.4	326.3	+ 22.5%
%	29.0%	28.6%	-40 b.p.
D&A	-131.9	-138.8	+ 5.2%
%	14.3%	12.2%	-210 b.p.
EBIT	134.4	187.4	+ 39.4%
%	14.6%	16.4%	+ 180 b.p.
Net Financial Income (Expenses)	-10.4	-14.1	
EBT	124.0	173.3	+ 39.8%
Tax Rate	29.7%	28.6%	
Net Income	87.2	123.8	+ 42.0%
%	9.5%	10.9%	+ 140 b.p.

	FY 2022	FY 2023	Ch. %
EBITDA ex-IFRS 16	172.4	230.3	+ 33.6%
%	18.7%	20.2%	+ 150 b.p.



## Income Statement Highlights

EBIT margin increased from 14.6% to 16.4%, with a balanced cost structure and the complete absorption of the transitory effects of the pandemic that had characterized previous years; 123.8 € mio NET PROFIT, with a healthy margin of 10.9%.

### First Margin

Improvement in the First Margin at 72.5% (71.5% last year)

Positive contribution of sales mix (channel, geographic areas and product)

Positive contribution of in-house production of men's outerwear and tailored suits recently started in Penne, region known as a district of excellence in men's tailoring, offset on Ebit profitability by higher operating costs related to increase in skilled craftsmen, and creation of "beautiful" working places that enhance human dignity

### Operating Cost

On top of previous commented costs, increase related the development of new initiatives, growth of the retail channel, significant investments in communication

### Human Resources Structure

Human resources structure of 2,623 FTEs compared to 2,308 last year, supporting development plans, new commercial initiatives, and the gradual increase of in-house production workforce, particularly in the specific category of men's outerwear and tailored suits





# Income Statement Highlights

## Retail Channel

Development of the retail channel:

- Selective new openings (125 DOS compared with 119 previous year, including 2 conversions from wholesale monobrand channel to Retail channel)
- Exclusive boutiques expansions
- Contribution from direct management of spaces within Luxury Department Stores (49 hard shops vs. 42 as of dec. 22)

## Rents

Increase related to development of sales spaces and new spaces dedicated to hospitality

## Communications

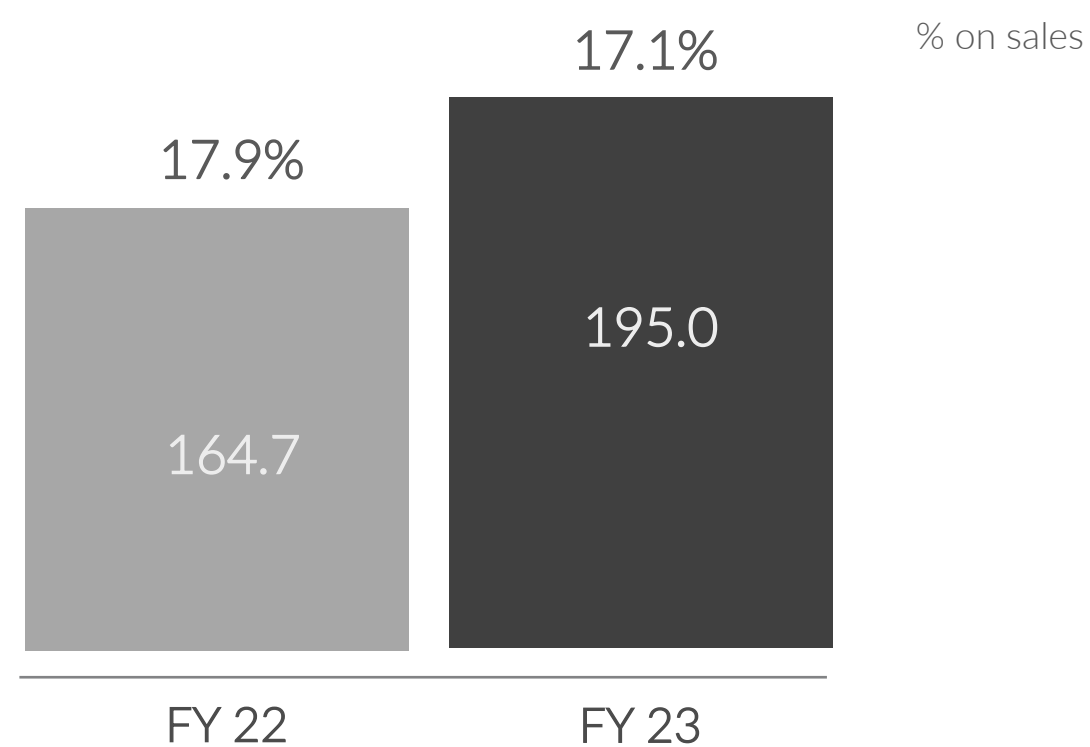
Increase mainly related by the growth of events inside the boutiques, in the spaces of Casa Cucinelli, and on the occasion of visits to our village of Solomeo, to share a strong desire for sociality and to celebrate the prestigious awards received all over the world



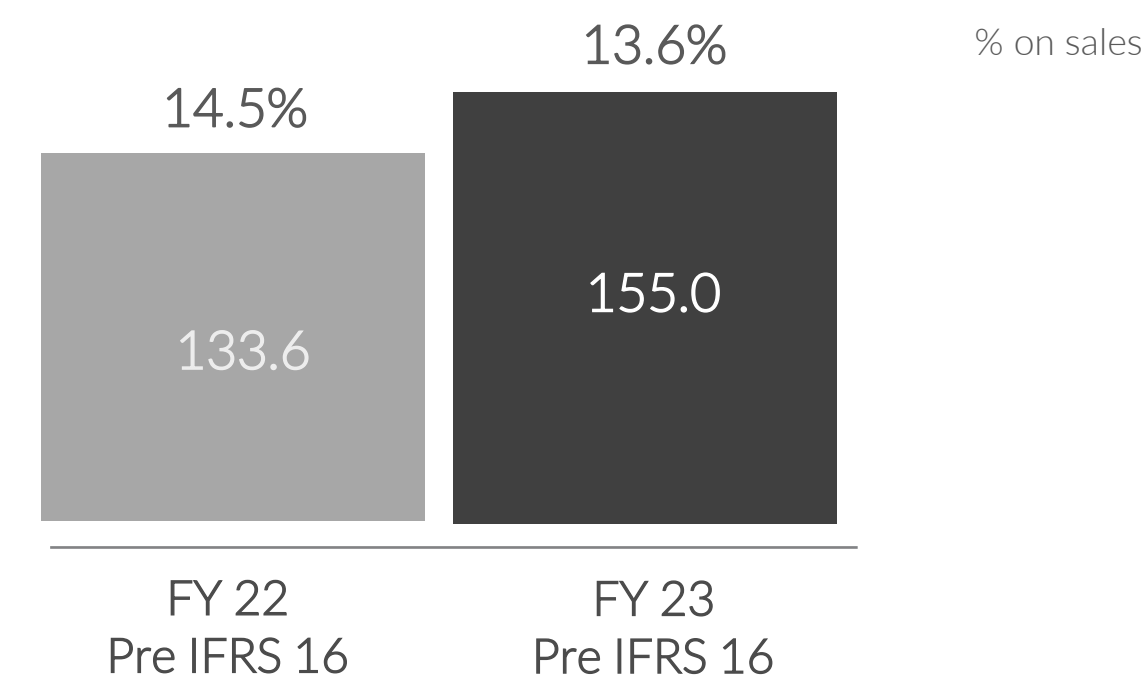
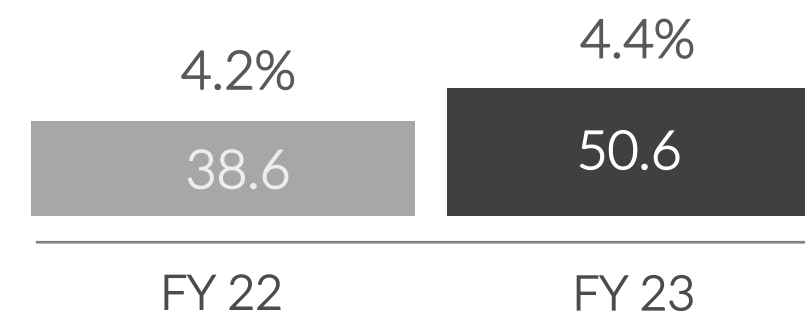
# Income Statement Highlights

€ mln

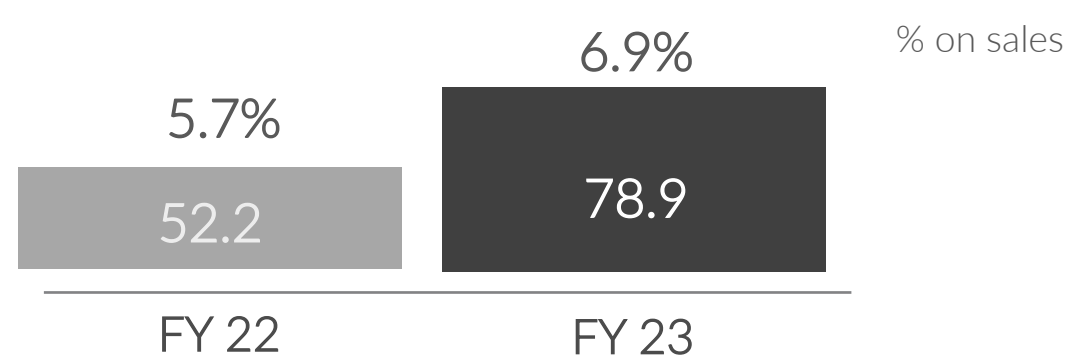
## Personnel cost



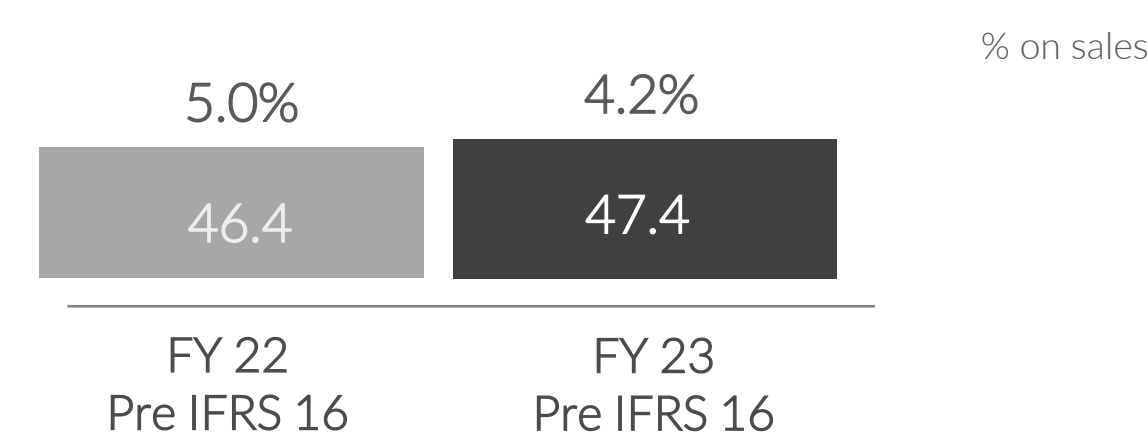
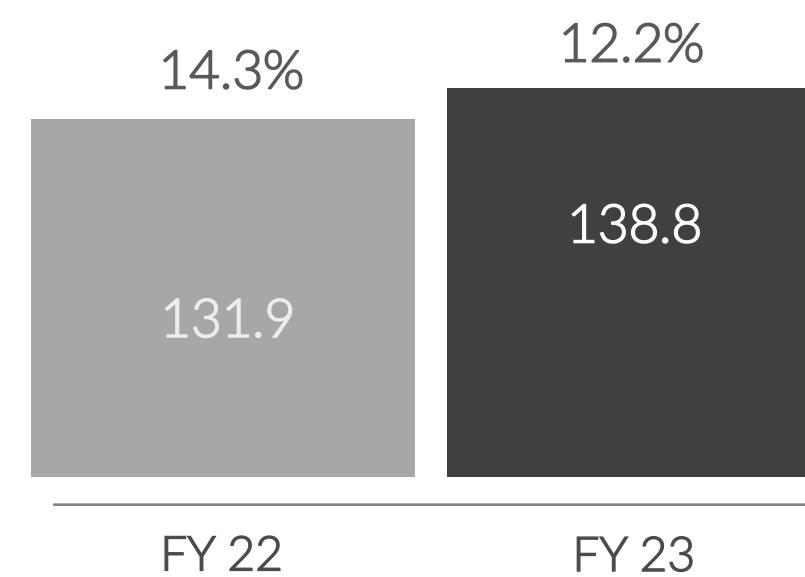
## Rent cost



## Investments in Communication



## D&A



# Total Net Financial Expense details

€ mln

	FY 22	FY 23	delta
Financial charges/(income) from ordinary operations	3.3	5.0	1.6
Financial charges/(income) from lease operations	11.7	12.9	1.2
Financial charges/(income) for adjustment to the fair value of derivatives	6.1	4.3	-1.8
Financial charges/(income) related "recurring management"	21.1	22.2	1.0
Foreign exchange losses/(gains) on leases	-2.3	6.9	9.2
Foreign exchange losses/(gains)	-1.7	3.2	4.9
Total Foreign exchange losses/(gains)	-4.0	10.1	14.1
(Gain)/Loss from Participations	-6.7*	-18.2**	-11.5
<b>Total net financial expense</b>	<b>10.4</b>	<b>14.1</b>	<b>3.7</b>

\* As of 31 December 2022, the balance of the item "(Gain)/Loss from Participations" amounted to €6.7million gain, due to valuation of 43% of the share capital acquired in the company Lanificio Cariaggi S.p.A, using the equity method

\*\* As of 31 December 2023, the balance of the item "(Gain)/Loss from Participations" amounted to €18.2 million gain, mainly due to the gain related the sale of part of the stake held in Lanificio Cariaggi to Chanel. Following this sale, our company share held in Cariaggi decreased from 43% to 24.5%



# Net Working Capital

	FY 2022	FY 2023	delta
Trade Receivables	76.6	78.2	1.6
Inventories	242.8	287.3	44.4
Trade Payables	-137.0	-166.2	-29.2
<b>Trade Net Working Capital</b>	<b>182.4</b>	<b>199.2</b>	<b>16.8</b>
<i>Incidence on Revenues</i>	<i>19.8%</i>	<i>17.5%</i>	
Other Credits/(Debts) *	-41.6	-20.9	20.7
<b>Net Working Capital</b>	<b>140.8</b>	<b>178.3</b>	<b>37.5</b>
<i>Incidence on Revenues</i>	<i>15.3%</i>	<i>15.7%</i>	



\* Other Credits/(Debts) trend mainly related to the balances of tax receivables and payables and to the fair value valuation on derivative instruments hedging currency risk

## TRADE NET WORKING CAPITAL

Trade net working capital was €199.2 million (17.5% incidence), compared to €182.4 million last year (19.8% incidence)

## INVENTORY

Increase related important growth of the business

25.2% incidence on sales as of 31 dec.'23 (26.4% as of 31 dec.'22), boosted also by significant sales

## TRADE RECEIVABLES

Extremely healthy situation, with a slight increase despite the important growth (+13.3%) in the wholesale channel

## TRADE PAYABLES

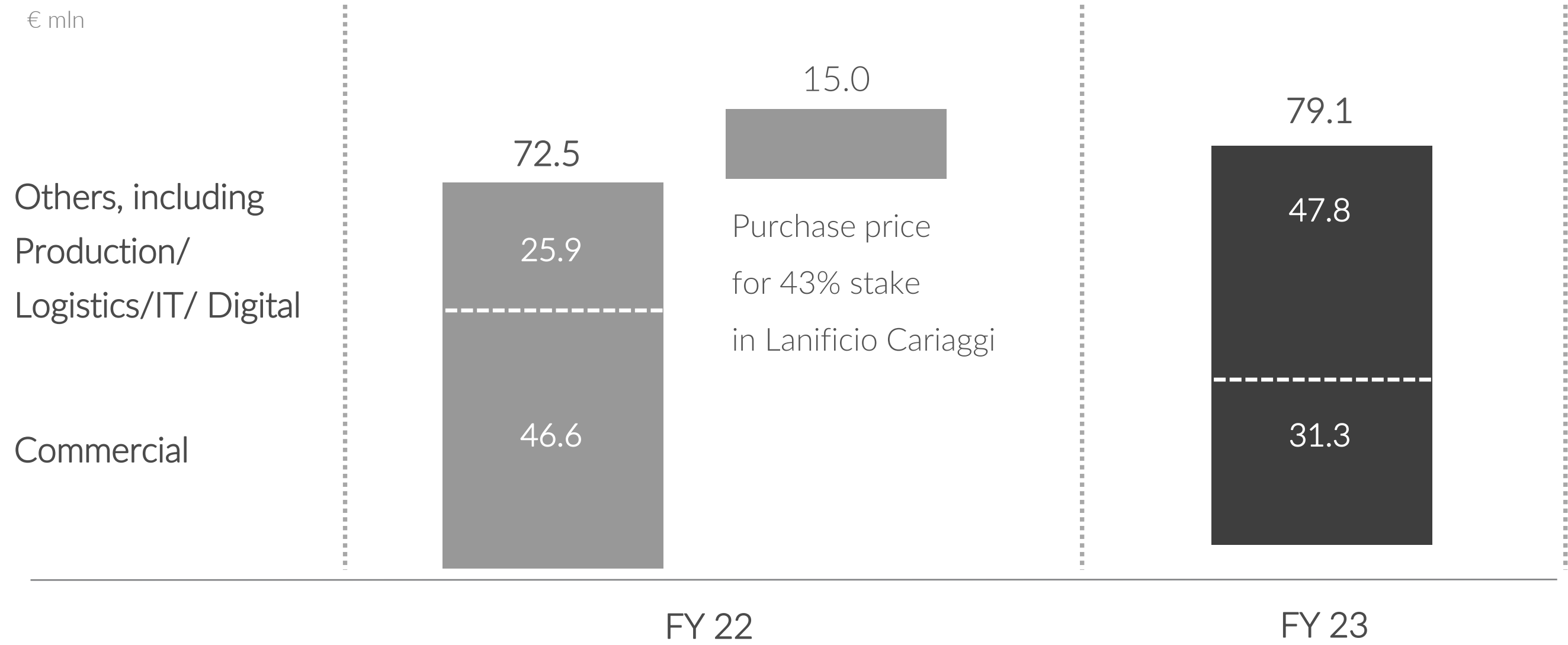
Same payment terms to suppliers, collaborators and consultants

Increase mainly related to the purchases made in the last quarter, with particular reference to raw materials and outsourced manufacturing, to support the excellent sales campaigns and related production.





# Investments



“Commercial” investments dedicated to new boutiques, the renovation and expansion of existing ones, and the care of the show-rooms and spaces of Casa Cucinelli.

“Others...” are dedicated to the industrial and production structure, the constant updating of information systems, and the development of new projects

Within industrial and production structure Capex, a primary role is dedicated to the important expansion of the Solomeo factory, and the project for the new men's tailoring factory in Penne in Abruzzo



# Characteristic Financial Indebtedness

€ mln

Characteristic  
Financial  
Indebtedness  
Pre IFRS 16\*

7.1

6.1

FY 22

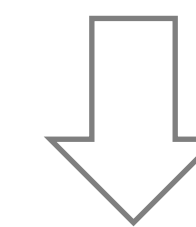
FY 23

Solidity of Corporate Structure

Positive generation of Cash Flow

Sound management of Net Working Capital

Dividend payment in FY 23 equal to €44.2 million



The characteristic Net Financial Indebtedness amounted to €6.1 million, compared to the €7.1 million of 2022

\* Net Financial Indebtedness including IFRS 16 amounted to €561.1 million as of 31 dec.'23, compared to the €569.5 million as of 31 dec.'22





BRUNELLO CUCINELLI

ANNEX

# Detailed Income Statement

€ mln

	FY 2022	FY 2023
Revenues	919.7	1,139.4
Consumption Costs	(95.5)	(114.3)
Raw Material Cost	(137.6)	(168.4)
Inventories Change	42.0	54.0
Outsourced Manufacturing	(166.2)	(199.3)
<b>First Margin</b>	<b>658.0</b>	<b>825.8</b>
Services Costs (excl. Out. Manuf.)	(206.0)	(276.4)
Personnel costs	(164.7)	(195.0)
Other operating expenses	(16.5)	(21.6)
Other income	1.9	2.4
Increase in tangible assets	2.2	2.4
Bad Debt and other provisions	(8.5)	(11.3)
<b>EBITDA</b>	<b>266.4</b>	<b>326.3</b>
D&A	(131.9)	(138.8)
<b>EBIT</b>	<b>134.4</b>	<b>187.4</b>
Financial expenses	(80.9)	(61.3)
Financial income	70.5	47.3
<b>EBT</b>	<b>124.0</b>	<b>173.3</b>
Income taxes	(36.8)	(49.5)
<i>Tax rate</i>	<i>29.7%</i>	<i>28.6%</i>
<b>Net Income</b>	<b>87.2</b>	<b>123.8</b>
Minority Interest	6.6	9.2
Group Net Profit	80.6	114.6





# Total Net Financial Expense details

€ mln

	1H 22	FY 22	1H 23	FY 23
Financial charges/(income) from ordinary operations	1.7	3.3	2.5	5.0
Financial charges/(income) from lease operations	5.5	11.7	5.9	12.9
Financial charges/(income) for adjustment to the fair value of derivatives	1.6	6.1	2.2	4.3
Financial charges/(income) related <i>"recurring management"</i>	8.8	21.1	10.6	22.2
Foreign exchange losses/(gains) on leases	-10.2	-2.3	6.7	6.9
Foreign exchange losses/(gains)	-5.8	-1.7	2.7	3.2
Total Foreign exchange losses/(gains)	-16.0	-4.0	9.4	10.1
(Gain)/Loss from Participations	-4.7	-6.7	-17.6	-18.2
<b>Total net financial expense</b>	<b>-11.9</b>	<b>10.4</b>	<b>2.4</b>	<b>14.1</b>



# Detailed Balance Sheet & Cash Flow Statement

	FY 2022	FY 2023
Trade receivables	76.6	78.2
Inventories	242.8	287.3
Trade payables (-)	(137.0)	(166.2)
Other current assets/(liabilities)	(41.6)	(20.9)
<b>Net Working Capital</b>	<b>140.8</b>	<b>178.3</b>
Intangible assets	534.0	514.9
Tangible assets	195.9	223.1
Financial assets	44.3	35.8
<b>Total Assets</b>	<b>774.2</b>	<b>773.8</b>
Other assets/(liabilities)	47.5	62.6
<b>Net Invested Capital</b>	<b>962.5</b>	<b>1,014.7</b>
Cash & Cash equivalents (-)	(120.1)	(110.8)
Short term Debt	167.1	186.5
Long term Debt	522.6	485.3
<b>Financial Indebtedness</b>	<b>569.5</b>	<b>561.1</b>
Shareholders Capital	13.6	13.6
Share-premium Reserve	57.9	57.9
Reserves	230.4	255.7
Group Net Profit	80.6	114.6
<b>Group Equity</b>	<b>382.5</b>	<b>441.8</b>
Minority shareholders	10.4	11.8
<b>Total Equity</b>	<b>393.0</b>	<b>453.6</b>
<b>Total Funds</b>	<b>962.5</b>	<b>1,014.7</b>

	FY 2022	FY 2023
Net Income	87.2	123.8
D&A	131.9	138.8
Ch. In NWC and other	(3.2)	(53.6)
<b>Cash flow from operations</b>	<b>215.9</b>	<b>209.0</b>
Tangible and intangible investments	(63.5)	(76.5)
Other (investments)/divestments	(18.1)	23.7
<b>Cash flow from investments</b>	<b>(81.5)</b>	<b>(52.8)</b>
Dividends	(32.3)	(53.1)
Share capital and reserves increase	6.0	(3.3)
Net change in financial debt	(89.4)	(107.2)
<b>Total Cash Flow</b>	<b>18.7</b>	<b>(7.4)</b>

€ mln



# The “SROI” calculation methodology

€ mln

To understand the social value that the Casa di Moda contributes to the benefit of its local area, the calculation of Social Return on Investment (SROI) was chosen as the methodology of analysis

SROI is an analysis methodology that consists of returning an economic valuation of the social benefits generated by the interventions implemented. The process directly involves relevant stakeholders at all stages of analysis

The formula used for the calculation subtracts the costs incurred (by the Casa di Moda and stakeholders) from the social value of the project, and then divides the resulting amount by the capital invested



# Board of Directors

Brunello Cucinelli	Excutive Chairman and Creative Director
Riccardo Stefanelli	C.E.O.
Luca Lisandrone	C.E.O.
Camilla Cucinelli	Director
Carolina Cucinelli	Director
Alessio Piastrelli	Director
Giovanna Manfredi	Director
Andrea Pontremoli	Director
Guido Barilla	Independent Director
Stefano Domenicali	Independent Director
Emanuela Bonadiman	Independent Director
Maria Cecilia La Manna	Independent Director
Ramin Arani	Independent Director
Chiara Dorigotti	Independent Director



Investor Relations & Corporate Planning Director

Pietro Arnaboldi

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# BRUNELLO CUCINELLI

This presentation may contain forward looking statements which reflect Management's current views and estimates.

The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements.

Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

Figures as absolute values and in percentages are calculated using precise financial data. Some of the differences found in this presentation are due to rounding of the values expressed in millions of Euro.

The Manager in Charge of preparing the Corporate accounting documents, Moreno Ciarapica, declares pursuant to and to the effects of article 154-bis, paragraph 2 of Legislative Decree no. 58 of 1998 that the disclosures included in this release correspond to the balances on the books of account and the accounting records and entries.