



# BRUNELLO CUCINELLI

1H 24 Results

August 28, 2024



BRUNELLO CUCINELLI



## GENTLE LUXURY, A SYMBOL OF TAILORED BEAUTY

1. SAPPHO POET 7<sup>TH</sup>-6<sup>TH</sup> CEN. BC | 2. THEANO PHILOSOPHER 6<sup>TH</sup> CEN. BC | 3. IAIA PAINTER 2<sup>ND</sup>-1<sup>ST</sup> CEN. BC | 4. HYPATIA PHILOSOPHER 4<sup>TH</sup>-5<sup>TH</sup> CEN.  
5. SOFONISBA ANGISSOLA PAINTER 16<sup>TH</sup>-17<sup>TH</sup> CEN. | 6. ELISABETTA SIRANI PAINTER 17<sup>TH</sup> CEN. | 7. PLAUTILLA BRICCI ARCHITECT 17<sup>TH</sup> CEN.  
8. LADY MARY WORTLEY MONTAGU POET 17<sup>TH</sup>-18<sup>TH</sup> CEN. | 9. ÉLISABETH VIGÉE LE BRUN PAINTER 18<sup>TH</sup>-19<sup>TH</sup> CEN.

# Brunello Cucinelli

*We closed the first half of 2024 with particularly pleasing results. Sales were excellent, profits were positive and balanced, the brand is fit and healthy, and the feedback on our product offering was highly favourable. We completed the 2024 summer sales very successfully, and the winter sales were off to a very good start. All of this leads us to confirm our guidance of a revenue growth for FY 2024 of around +10%, with healthy and sustainable profits.*

*We are also particularly pleased with the presentation to the world press of our new company website in July in Milan, after three years of work. This site was built together with Artificial Intelligence. We devised a website without pages, where the content flows and combines in front of the visitor, thanks to a technology that seeks to understand and follow the users' intent, creating what they see on the spot. We have named this technology Solomei AI. We believe this new website is truly very special, also thanks to the endorsement we have received from our friends in the AI world.*

*Furthermore, I am deeply grateful and moved to announce that I will be presented with the "WWD John B. Fairchild Honor" next October in New York, in memory of the legendary publisher of the magazine often referred to as the "Bible of global fashion." I am deeply honoured to be the recipient of such a prestigious award, which I consider a tribute to the dignity of work, to my people, their creative genius and industrious nature, as well as to our Umbrian land and its spirituality.*

*This new recognition and the excellent results of the Spring-Summer 2025 sales campaigns – with the men's already completed and the women's soon to conclude – allow us to reaffirm with confidence and conviction our guidance of equally beautiful growth for 2025, around +10%, as well as the plan to double our turnover by 2030.*



BRUNELLO CUCINELLI

# 1H 2024 Financials Highlights

**REVENUES**  
€620.7 mln  
+14.1%  
+14.7% cost. curr

**EBIT**  
€104.6 mln  
+19.3%  
*16.9% on sales*  
*(vs. 16.1% last year)*

**NET PROFIT**  
€66.1 mln  
+31.1%\*  
*10.6% on sales*

- Compared with Net Profit as of 30.06.23 sterilized from an extraordinary capital gain reported last year

**EUROPE**  
+9.0%  
*35.6% on sales*

**AMERICAS**  
+19.4%  
*36.4% on sales*

**ASIA**  
+14.3%  
*28.0% on sales*

**RETAIL**  
+14.7%  
*63.7% on sales*

**WHOLESALE**  
+13.1%  
*36.3% on sales*

**CAPEX**  
€44.8 mln

**NET FINANCIAL POSITION\***  
€68.7 mln  
(€ 38.6 mln as of June '23)

\* Lease liabilities are excluded





# 1H 24 – Business Update



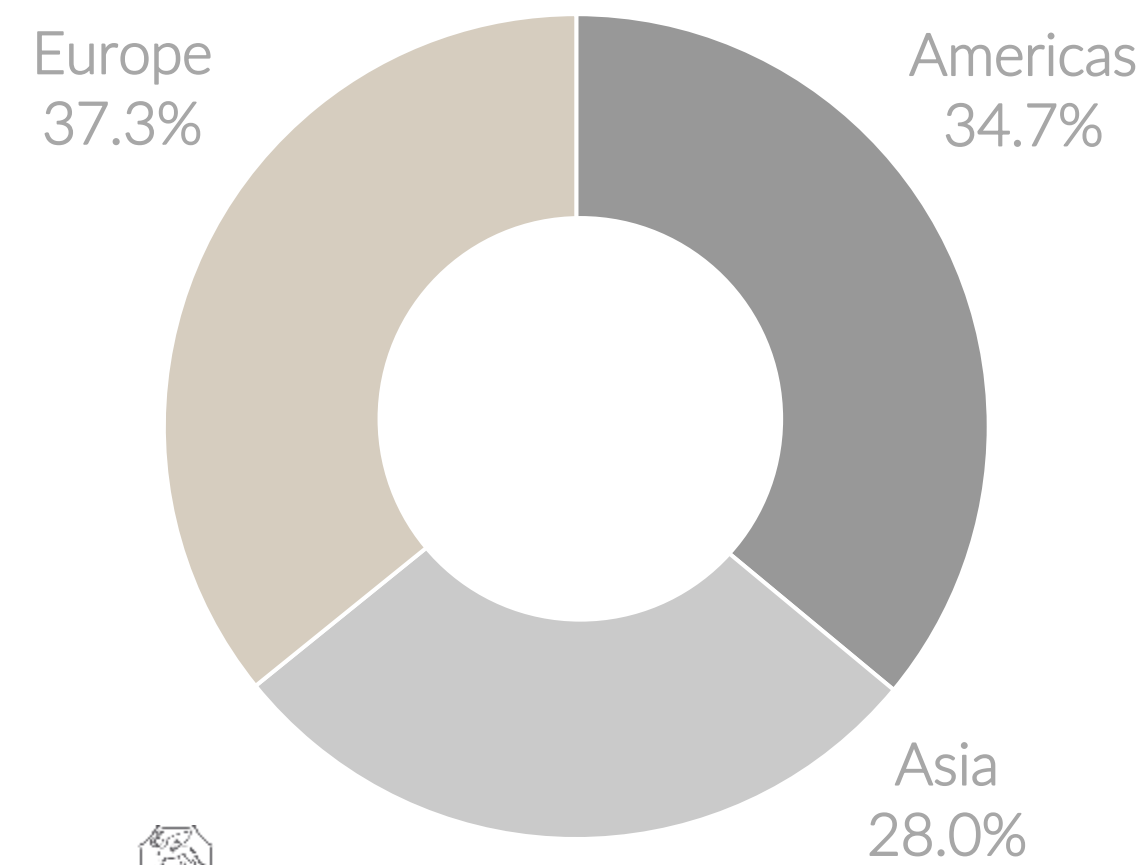


# Revenues by Region

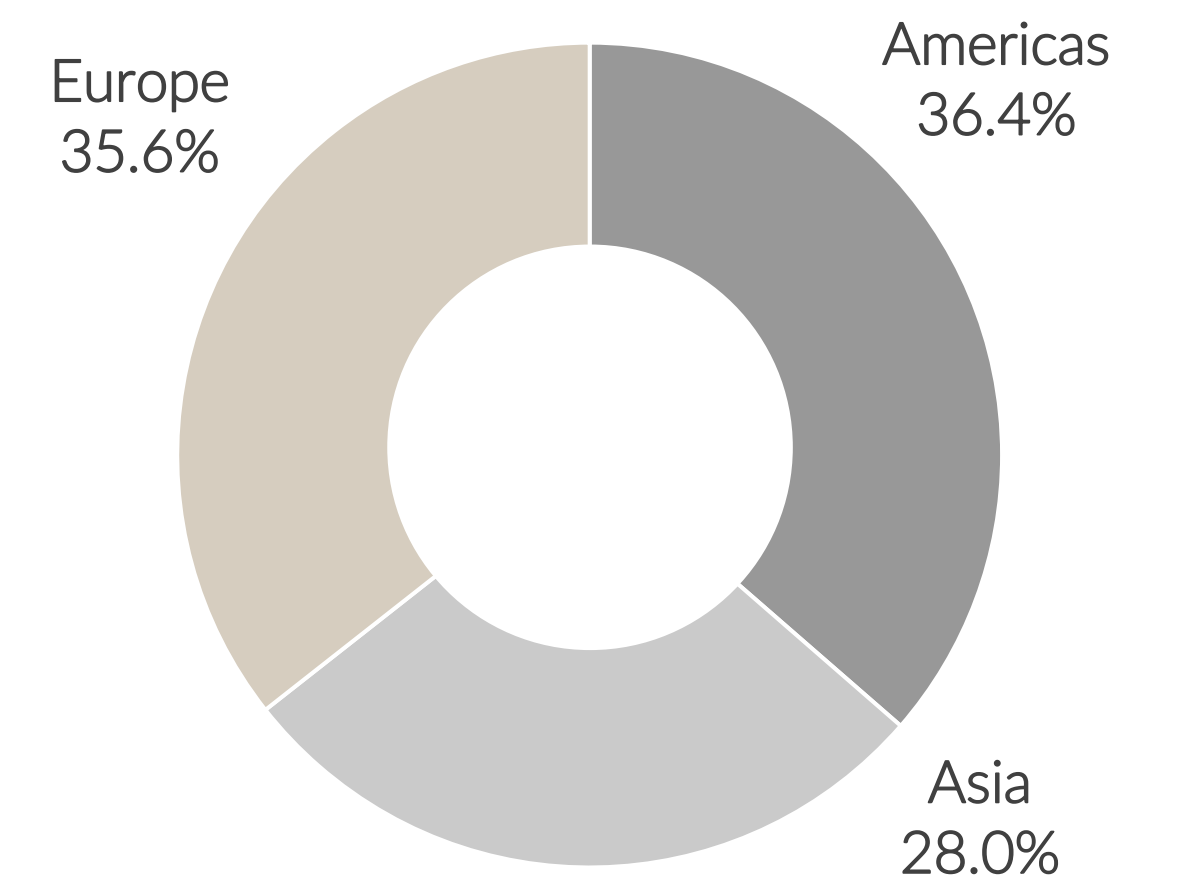
€ mln

	1H 23	1H 24	YoY % Chg
Net Revenues	543.9	620.7	+14.1%
		Constant exchange rates	+14.7%
Italy	60.9	68.1	+11.8%
Europe (excl. Italy)	141.9	153.0	+7.8%
Total Europe	202.8	221.1	+9.0%
Americas	189.0	225.6	+19.4%
Asia	152.1	174.0	+14.3%

1H 23



1H 24





# Region Highlights

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## EUROPE

SS 25 collection presentation reported very positive comments from specialized press and multibrand clients, which makes us decidedly optimistic about the closing of order intake

Strength of upper end of the luxury segment demand within all markets in Europe; constant presence of the local customer and tourism, both American and Asian, distributed as much in the main luxury capitals as in the most exclusive resort locations

## AMERICAS

The trends experienced during the period were very positive in the entire North American area; confirmation of the growing demand for exclusive products of high quality and very high craftsmanship

Positive trend in the main cities but also in resorts and 2<sup>nd</sup> tier cities; growth of clients within the exclusive Luxury Departments is particularly remarkable in the latter

## ASIA

Solid results in all areas, including China, Japan, South Korea and the Middle East; ongoing sales growth trend in China, showing an increasing relevance for our Casa di Moda

Growing Chinese customer loyalty to the taste and brand identity, identifying the Brunello Cucinelli brand as representative of the highest end of the market





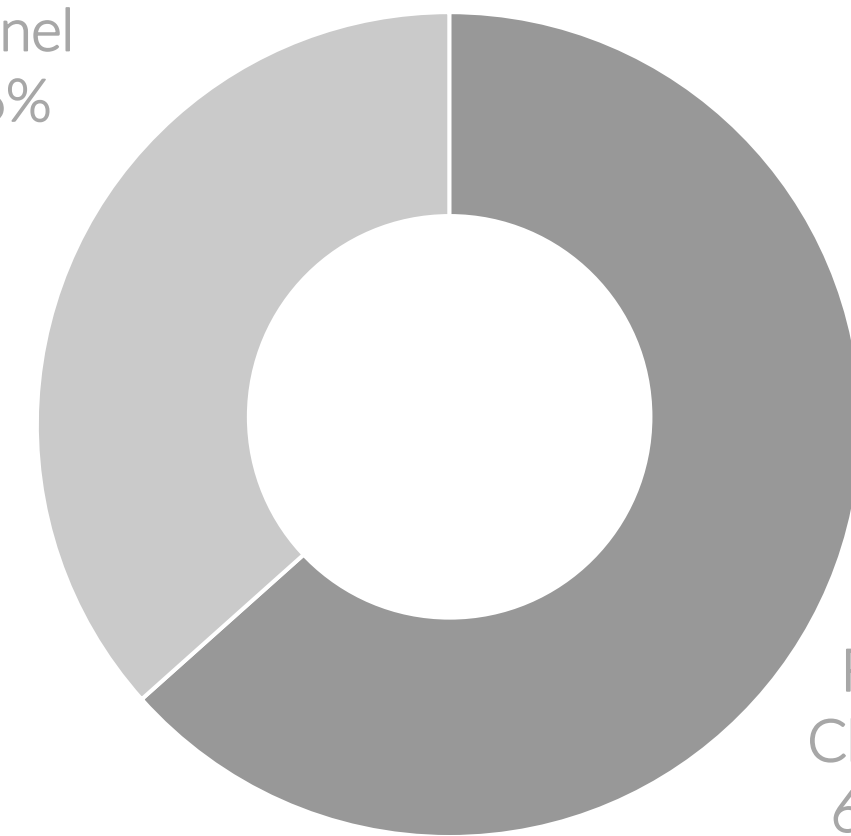
# Revenues by Channel

€ mln

	1H 23	1H 24	YoY % Chg
Net Revenues	543.9	620.7	+14.1%
Retail Channel	344.6	395.2	+14.7%
Wholesale Channel	199.3	225.5	+13.1%

1H 23

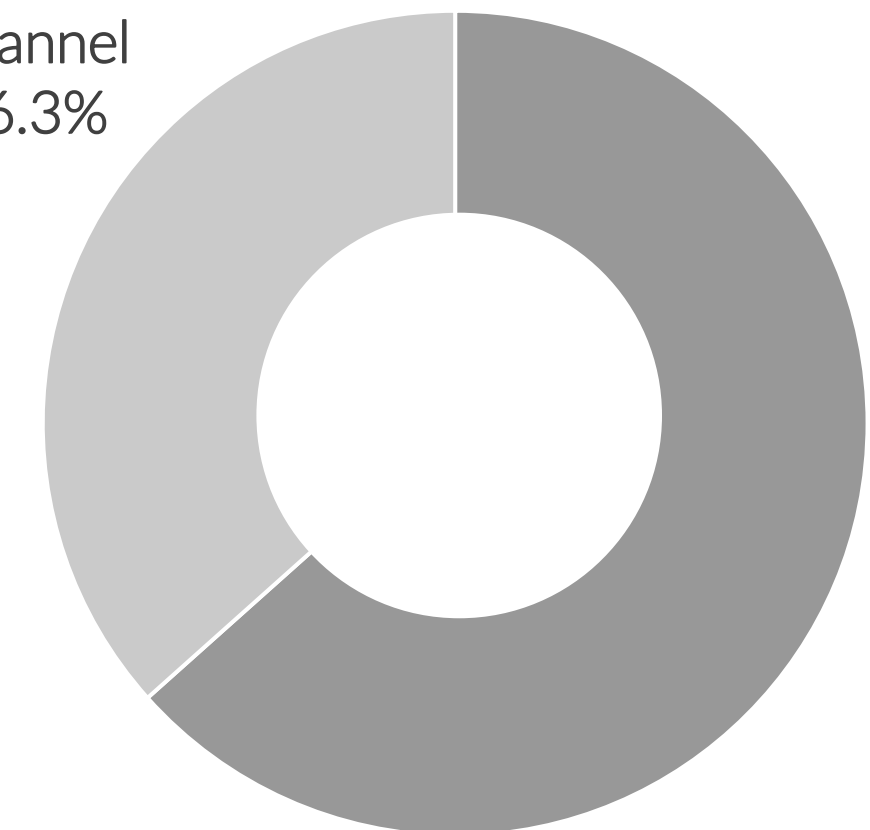
Wholesale Channel  
36.6%



Retail Channel  
63.4%

1H 24

Wholesale Channel  
36.3%



Retail Channel  
63.7%



# Channel Highlights

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## RETAIL CHANNEL

The retail channel is experiencing fair and healthy growth on a like-for-like basis, with interesting results in all geographical areas

Nice growth in the second quarter confirming the increase in the 1<sup>st</sup> quarter

Major opening in Miami Design District in May, the only new opening in 1<sup>st</sup> half 2024

## WHOLESALE CHANNEL

Very positive sales results for the entire semester; positive contribution in the second quarter from re assortments of the Spring-Summer 2024 collections

Favorable feedback from multibrand partners for the Fall-Winter 2024 season, with significant requests for delivery of winter garments

Very attractive initial sell-outs also highlight end-customer appreciation

The presentation of the Spring-Summer 2025 collection attracted very positive comments from the specialized press, which anticipated a very satisfying sales campaign for the wholesale channel





# Monobrand Network

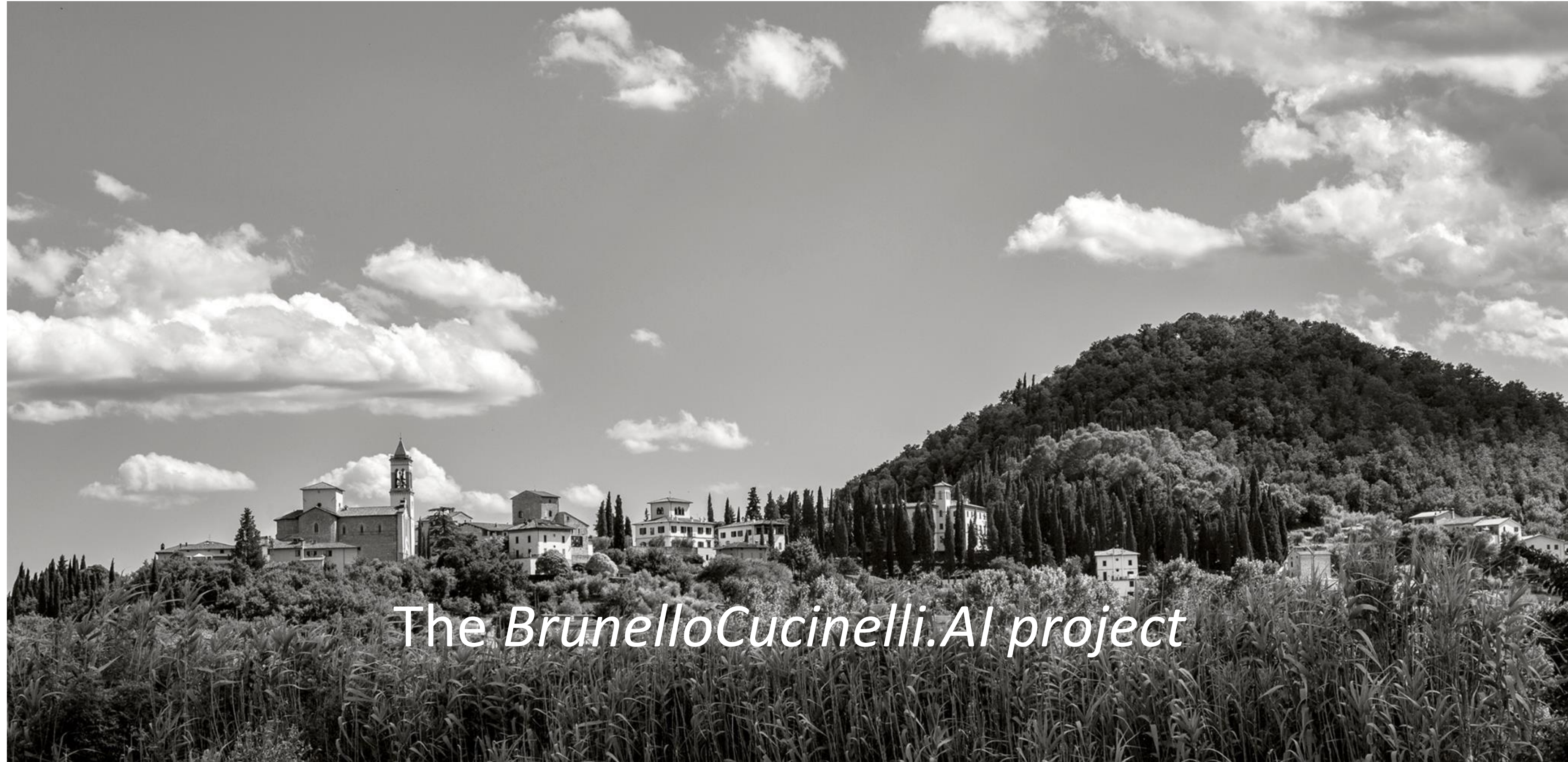


WHOLESALE MONOBRAND  
 27 boutiques as of 30 June 24  
 27 boutiques as of 31 December 23  
 27 boutiques as of 30 June 23

## RETAIL MONOBRAND

126 boutiques as of 30 June 24  
 125 boutiques as of 31 December 23  
 124 boutiques as of 30 June 23



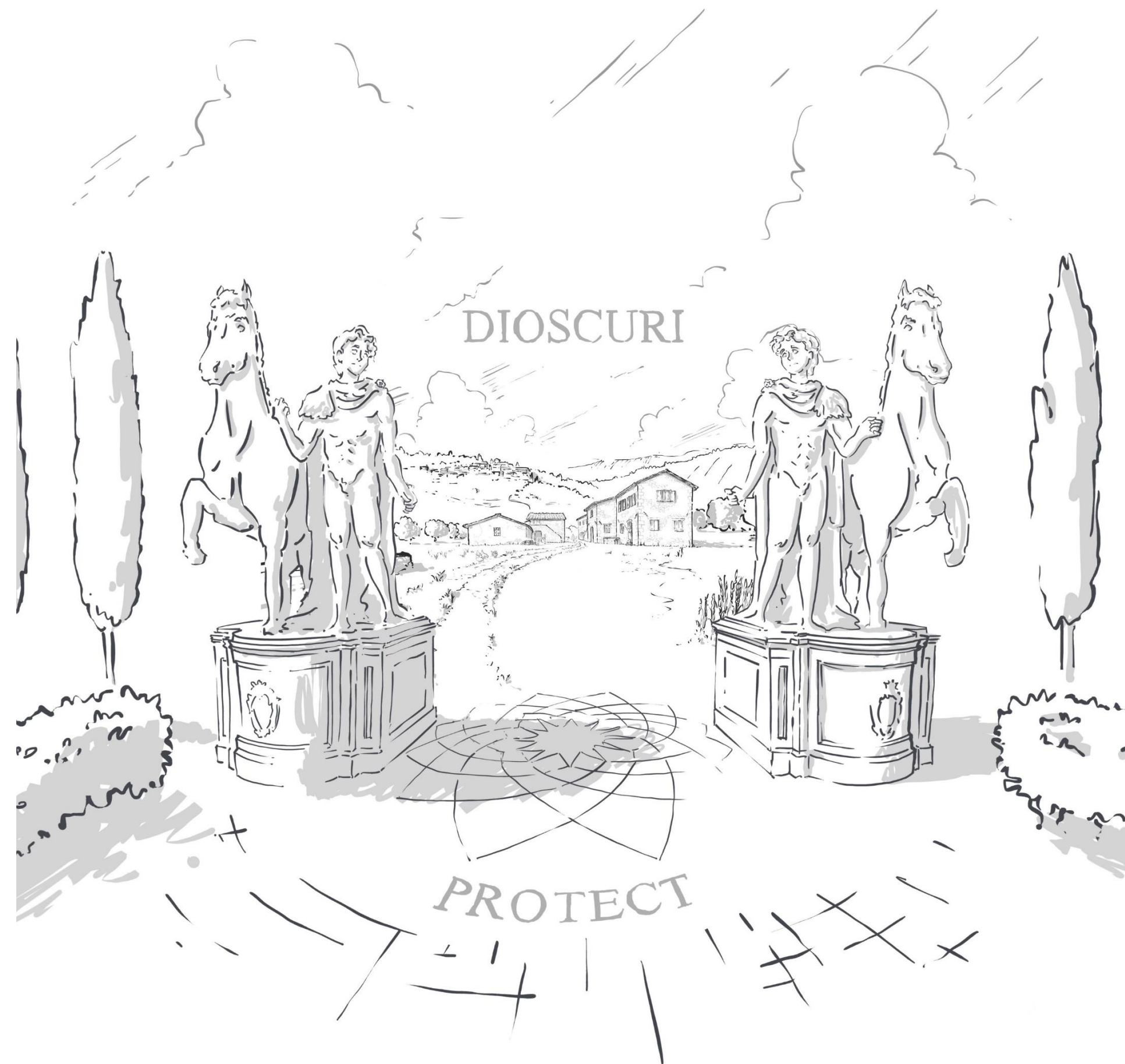


# Human Artificial Intelligence: Brunello Cucinelli's new website

Presented in mid-July the new website based on Artificial Intelligence based on the Solomei AI platform

New website resulting from the union of what human creativity can imagine and the great potential that artificial intelligence can offer

The new website does away with the concept of pages and menus and hosts content that flows and combines freely in front of the visitor



Brunello Cucinelli commented as follows:

*"We have been working on this project for almost three years, with a dedicated group of researchers from the fields of mathematics, engineering, art and philosophy. [... ]*

*As early as May 2019, we laid the foundations for a shared reflection on the topic with the world's leading AI experts thanks to the 'First Symposium on the Soul and Economics of Solomeo'. Last May, we held the second edition of the Symposium, whose highlight was the Honorary Doctorate in Human Sciences awarded by our esteemed University of Perugia to my dear friend Reid Hoffman, a genius in AI. The guiding principle of our work on Humanistic Artificial Intelligence has been and will continue to be the pursuit of a serene and hopeful attitude towards a technology that, I am certain, will bring benefits to all humanity [... ]*

*My teacher Xenophanes reminds us: 'Surely the gods did not reveal all things to mortals from the beginning, but over time, those who seek will find what is better.' I would like our young people, in their time, to confidently seek what is better."*





# Brand Image and Awards



## “WWD John B. Fairchild Award 2024”

On October 29<sup>th</sup>, Brunello Cucinelli will receive the “WWD John B. Fairchild Award” in New York during the Apparel and Retail CEO Summit.

The award has been given to many influential fashion personalities in the past, including Maria Grazia Chiuri, Ralph Lauren, Karl Lagerfeld, Leonard Lauder, Giorgio Armani, Miuccia Prada, and Tommy Hilfiger.”



Brunello Cucinelli commented as follows:

*“I am deeply honoured to receive such a prestigious award which I consider a tribute to the dignity of the work, to my people, to their creative genius and their industrious effort, as well as to our Umbrian land and its spirituality.*

*The names of those who have been honoured with the “WWD John B. Fairchild Honor” before me only add to my debt of gratitude.*

*I am immensely grateful to my esteemed Jim Fallon, a great connoisseur of beauty who not only shines a light on our work, but also elevates the spirit of man.*

*I would like to dedicate a thought of sincere esteem to the extraordinary editorial and cultural experience that is WWD, which should also be credited for having made the taste and style of Made in Italy fashion known in the United States and around the world.*

*Thank you, thank you from the bottom of my heart for this too, with the hope that beauty can open up ever new horizons before us and lead us to peace between peoples”*



# Style and Recognition: the brand and the philosophy

This prestigious award is in addition to the other beautiful ones given to Brunello Cucinelli over the past few years



## 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





# 1H 2024- Financials



# Income Statement

€ mln

	1H 2023	1H 2024	Ch. %
Revenues	543.9	620.7	+ 14.1%
First Margin	389.0	462.2	+ 18.8%
%	71.5%	74.5%	+ 300 b.p.
SG&A	-234.2	-284.4	+ 21.4%
%	43.1%	45.8%	+ 270 b.p.
EBITDA	154.8	177.8	+ 14.8%
%	28.5%	28.6%	+ 10 b.p.
D&A	-67.1	-73.2	+ 9.0%
%	12.3%	11.8%	- 50 b.p.
EBIT	87.7	104.6	+ 19.3%
%	16.1%	16.9%	+ 80 b.p.
Net Financial Income (Expenses)	-2.4 *	-9.3	
EBT	85.3 **	95.3	
Tax Rate	21.8%	30.6%	
Net Income	66.7 **	66.1	- 0.9%
%	12.3%	10.6%	- 170 b.p.

1H 24 NET PROFIT increasing 31.1% with respect to last year's Net Profit sterilized from the effects of an extraordinary capital gain related the sale of a minority stake in Lanificio Cariaggi to Chanel, on 23 May 2023

	1H 2023	1H 2024	Ch. %
Net Income	50.4	66.1	+ 31.1%
%	9.3%	10.6%	+ 130 b.p.

\* Including "(Gain)/Loss from Participations" equal to €17.6 million gain, mainly related the gain from the sale of part of the stake held in Lanificio Cariaggi to Chanel

\*\* EBT and Net Income as of 30 June '23 benefits from the important contribution of the non-recurring capital gain





# Income Statement Highlights

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1H 24 showed excellent results in terms of both revenue growth and margins, with EBIT amounting to 104.6 million euros, up 19.3% from 87.7 million euros last year, with a margin of 16.9% compared to 16.1% as of June 30, 2023

## First Margin

First Margin Improvement from 71.5% to 74.5% last year, thanks to

- positive contribution of the sales mix (distribution channels, geographic areas and product mix)
- expansion of in-house production through the opening of production facilities for men's outerwear and tailored suits in Penne in Abruzzo in the second half of 2023 and recently in Gubbio in Umbria, balanced by higher operating costs, mainly personnel costs

## Operating Cost

Increase related expansion of in-house production, selected growth of the network, expansion of business activities, major consolidated investments in communication

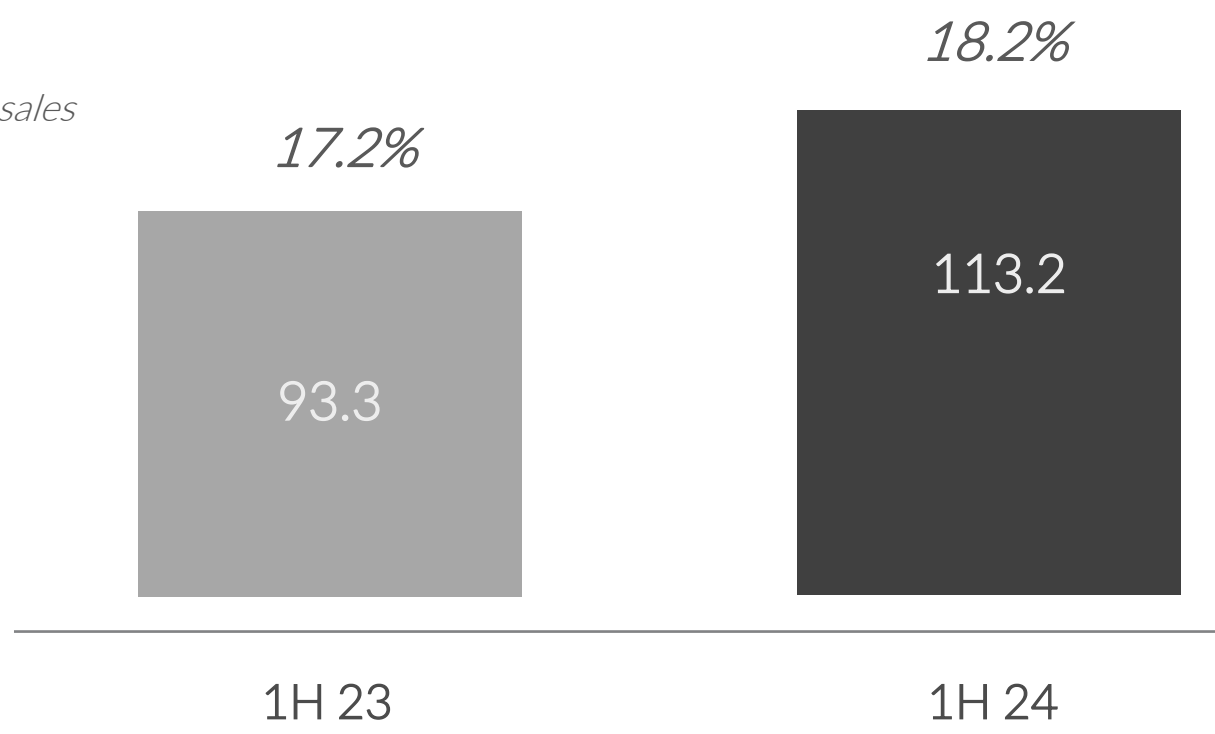


# Income Statement Highlights

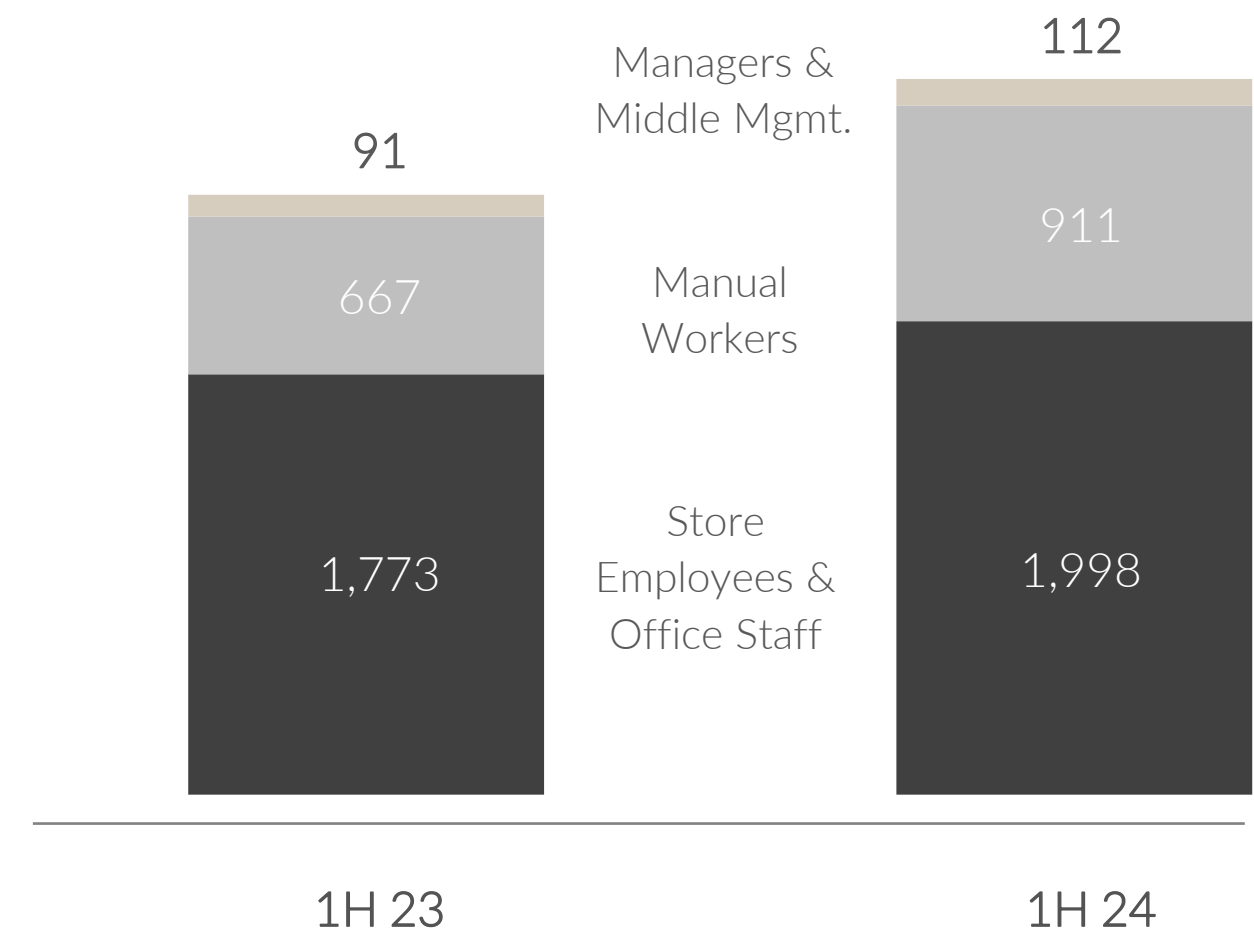
€ mln

## Personnel cost

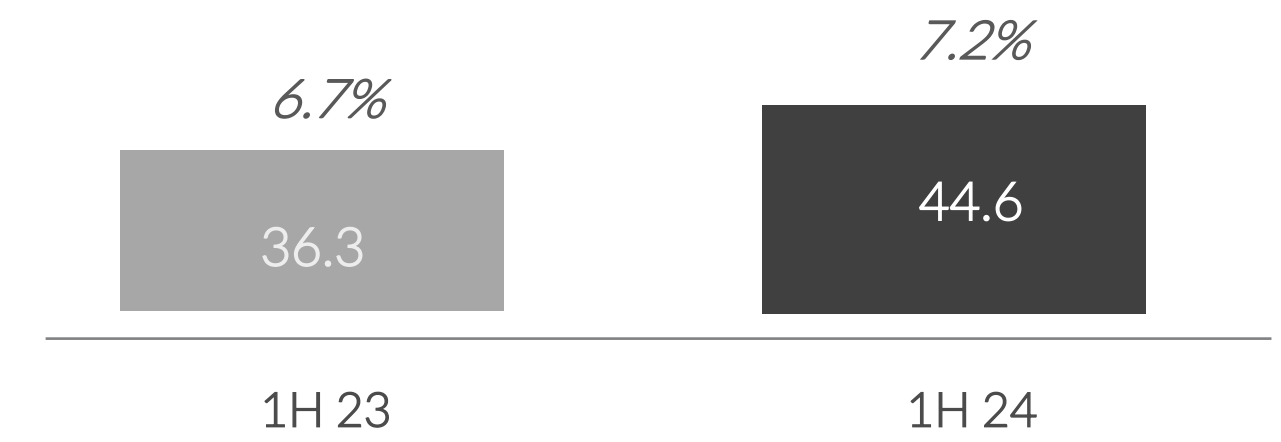
% on sales



## Total FTE

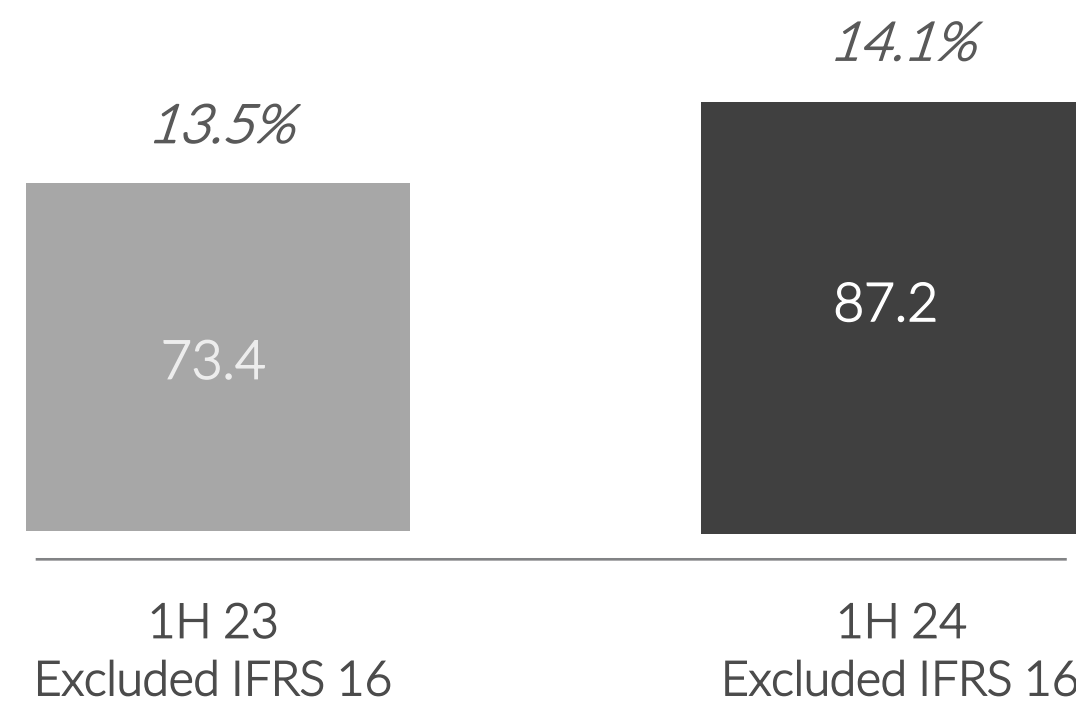


## Investments in Communication

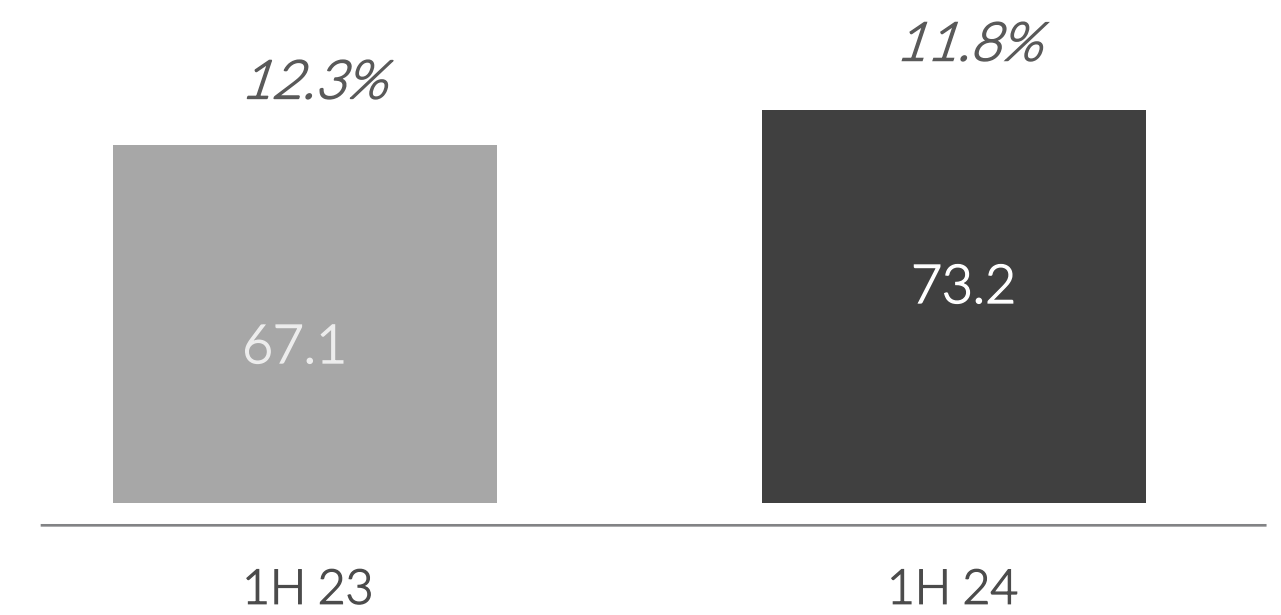


## Rent cost

% on sales



## D&A



# Total Net Financial Expense details

€ mln

	1H 23	1H 24	delta
Financial charges/(income) from ordinary operations	2.5	3.2	0.7
Financial charges/(income) from lease operations	5.9	9.2	3.3 *
Financial charges/(income) for adjustment of derivatives to fair value	2.2	0.9	-1.3
Financial charges/(income) related "recurring management"	10.6	13.2	2.6
Foreign exchange losses/(gains) on leases	6.7	-2.0	-8.7
Foreign exchange losses/(gains)	2.7	-0.2	-2.9
Total Foreign exchange losses/(gains)	9.4	-2.2	-11.6
(Gain)/Loss from Participations	-17.6 **	-1.7	15.9
<b>Total net financial expense</b>	<b>2.4</b>	<b>9.3</b>	<b>6.9</b>



\* This item represents the **ordinary and recurring** financial component that includes **payable and receivable interest**, each determined based on the leasing liabilities and assets. The increase in this item, which went from €5.9 million as at 30 June 2023 to €9.2 million as at 30 June 2024, reflects the effect of **new leases** as well as the gradual increase in the level of interest rates.

\*\* As of 30 June 2023, the balance of the item "(Gain)/Loss from Participations" amounted to €17.6 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

€ mln

	1H 2023	FY 23	1H 2024
Trade Receivables	75.2	78.2	83.3
Inventories	262.8	287.3	341.4
Trade Payables	-141.5	-166.2	-162.0
<b>Trade Net Working Capital</b>	<b>196.4</b>	<b>199.2</b>	<b>262.8</b>
<i>Incidence on 12 months rolling Revenues</i>	<i>18.7%</i>	<i>17.5%</i>	<i>21.6%</i>
Other Credits/(Debts) *	-21.6	-20.9	-62.2
<b>Net Working Capital</b>	<b>174.8</b>	<b>178.3</b>	<b>200.6</b>
<i>Incidence on 12 months rolling Revenues</i>	<i>16.7%</i>	<i>15.7%</i>	<i>16.5%</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

## INVENTORY

The incidence of inventory as of June 30, 2024 on rolling sales for the last 12 months was 28.1%, back to an ordinary level after the reduction in the previous periods (as of December 31, 2023, the incidence of inventory was 25.2%), mainly related to strong sales reported

## TRADE RECEIVABLES

Extremely healthy situation despite a major increase in wholesale channel revenues of +13.1 percent in the first half of 2024

## TRADE PAYABLES

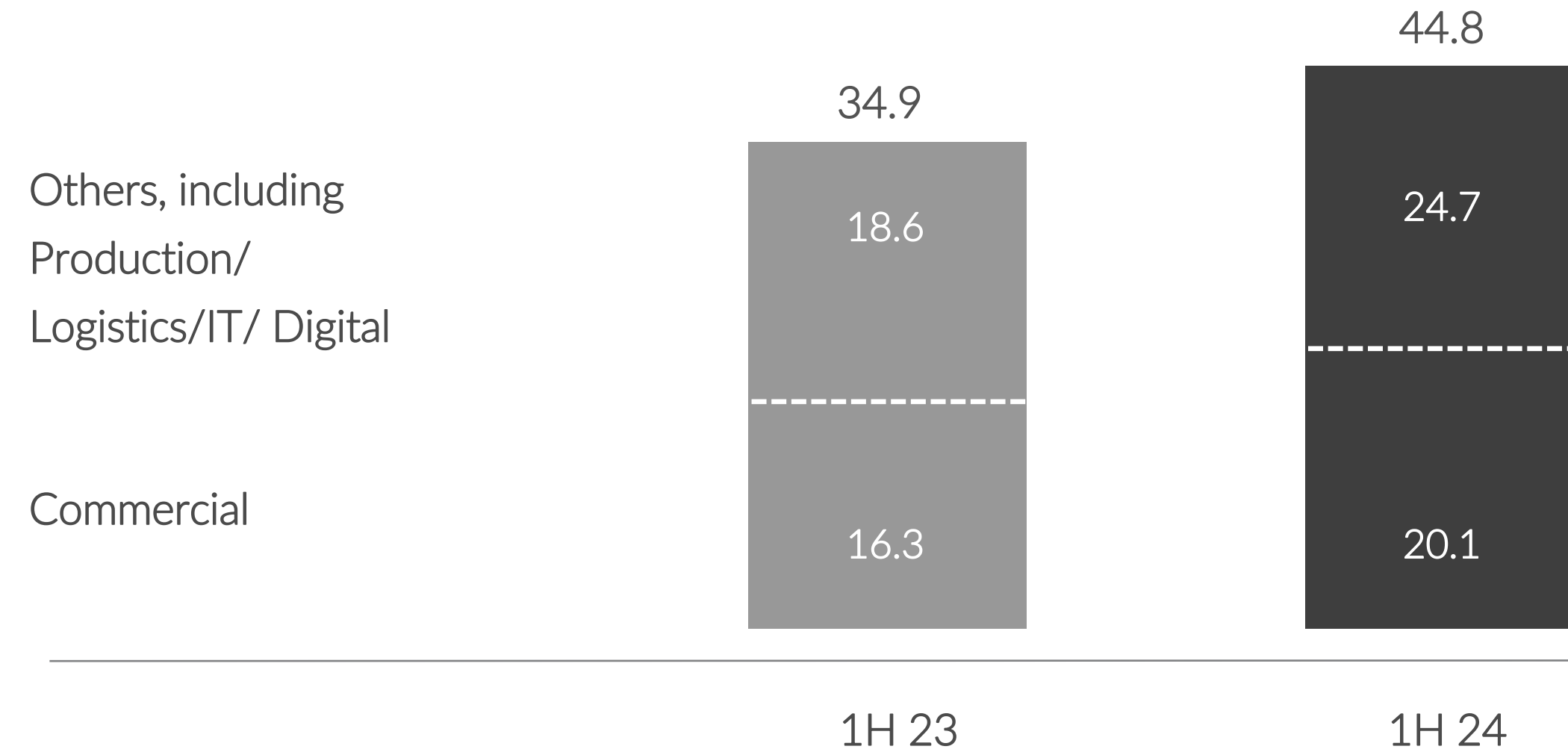
In the first half of 2024, the same payment terms to suppliers, collaborators and consultants were maintained





# Investments

€ mln



“Commercial” investments dedicated to selected openings, major boutique expansions, dedicated spaces in Luxury Department Stores, renewal and expansion of our showrooms worldwide, support of development initiatives in multi-brand stores

“Others...” mainly dedicated to the renovation of production facilities, which we keep up to date, with constant attention to the presence of comfortable working environments, the constant updating of information systems, and the development of new industrial project



# New Industrial Projects

## Doubling of the Solomeo factory

**New plant** that will rise **in our valley**, in a former industrial compendium that has been entirely reclaimed and redeveloped

**Preserve** the environment and **protect** the landscape, while fortifying the relationship with the community



## New production facilities

Opening of new production facilities in the Italian territory for the production of **men's outerwear and tailored suits**, within districts of **excellence in artisan tailoring**:

- Penne in Abruzzo
- Gubbio in Umbria



- welcoming new specialist figures in manufacturing excellence
- prerequisite to face the long-term balanced growth plan with integrity and solidity
- maintaining the essential traits that we believe distinguish us on the market
- great attention to quality, craftsmanship and taste

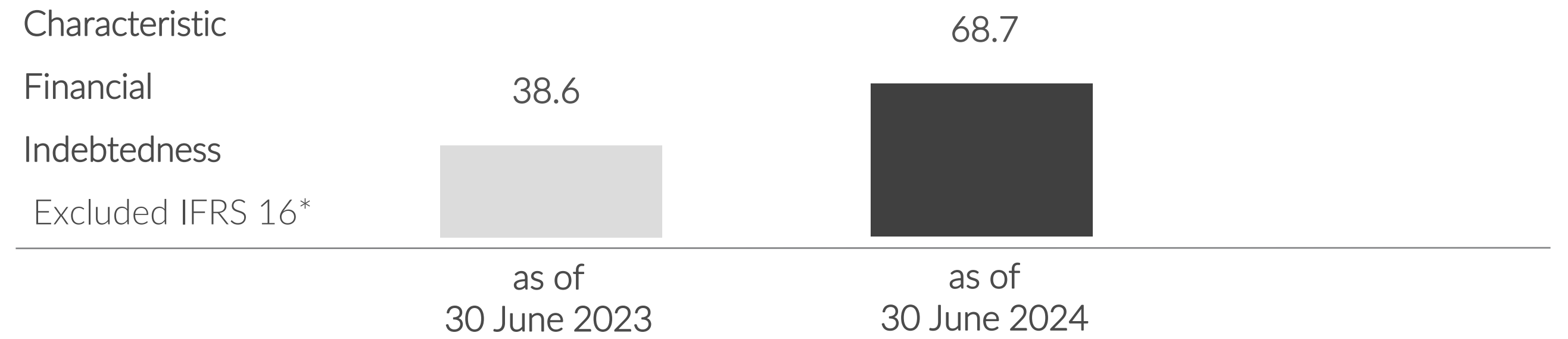


*To guarantee production capacity for the next decade and accompanying the projected doubling of revenues in 2030*



# Characteristic Financial Indebtedness

€ mln



The characteristic Net Financial Indebtedness amounted to €68.7 million, compared to the €38.6 million as of 30 June 2023

**Solidity of Corporate Structure, supported by** the positive economic performance in the last twelve months, even with the major investment plan in 1H 24 of 44.8 million euros and the payment of dividends totaling 66.1 million euros (compared with €48.1 million last year)

\* Net Financial Indebtedness including IFRS 16 amounted to €707.5 million as of 30 June '24, compared to the €580.0 million as of 30 June '23





# Outlook





# Outlook

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The high quality of the **revenues** in the **first half of the year**, the **business performance**, the very decent sales we are reporting, and the punctuality of shipments mean we can fully confirm our planned **revenue growth for 2024** of approximately **10%**, with **healthy** and **balanced profits**

The expected growth takes into account for the second part of the year the beautiful the **beautiful growths** already reported last year, and the decidedly favourable feedback from multi-brand partners for the Fall-Winter 2024 season, with significant requests for delivery of garments in the first part of 2024

The **sales campaign** for the **Spring-Summer 2025 Men's** collections is already completed with **outstanding results**, confirming the appreciation from the specialist press and multi-brand clients at the presentation in early June at Pitti Uomo in Florence and at the subsequent Milan Fashion Week

With respect to the **Spring-Summer 2025 Women's** collections presented over the last few weeks, we highlight equally positive results in the order collection, which is close to completing, and particularly positive feedback regarding the style

Considering portfolio orders, we can confirm **healthy growth of approximately 10%** again for **2025**; for the long term, we reiterate our forecast of **doubling 2023 turnover by 2030**

Our plans are accompanied by a significant investment plan to support growth and to expand artisan production facilities, with **increasing investments** focusing on **doubling the size** of our **Solomeo factory** and on new **manufacturing facilities** in Italy, guaranteeing production capacity for the next decade





# BRUNELLO CUCINELLI

ANNEX

# Detailed Income Statement

€ mln

	1H 2023	1H 2024
Revenues	543.9	620.7
Consumption Costs	(54.0)	(39.3)
Raw Material Cost	(81.4)	(89.7)
Inventories Change	27.4	50.4
Outsourced Manufacturing	(100.9)	(119.2)
<b>First Margin</b>	<b>389.0</b>	<b>462.2</b>
Services Costs (excl. Out. Manuf.)	(127.0)	(162.3)
Personnel costs	(93.3)	(113.2)
Other operating expenses	(13.6)	(10.6)
Other operating income	1.0	1.8
Cost capitalized	0.8	0.8
Impairment of assets and other accrual	(2.1)	(0.9)
<b>EBITDA</b>	<b>154.8</b>	<b>177.8</b>
D&A	(67.1)	(73.2)
<b>EBIT</b>	<b>87.7</b>	<b>104.6</b>
Financial expenses	(49.0)	(28.6)
Financial income	46.6	19.3
<b>EBT</b>	<b>85.3</b>	<b>95.3</b>
Income taxes	(18.6)	(29.2)
<i>Tax rate</i>	<i>21.8%</i>	<i>30.6%</i>
<b>Net Income</b>	<b>66.7</b>	<b>66.1</b>
Minority Interest	4.9	5.1
Group Net Profit	61.8	61.0



# Detailed Balance Sheet & Cash Flow Statement

€ mln

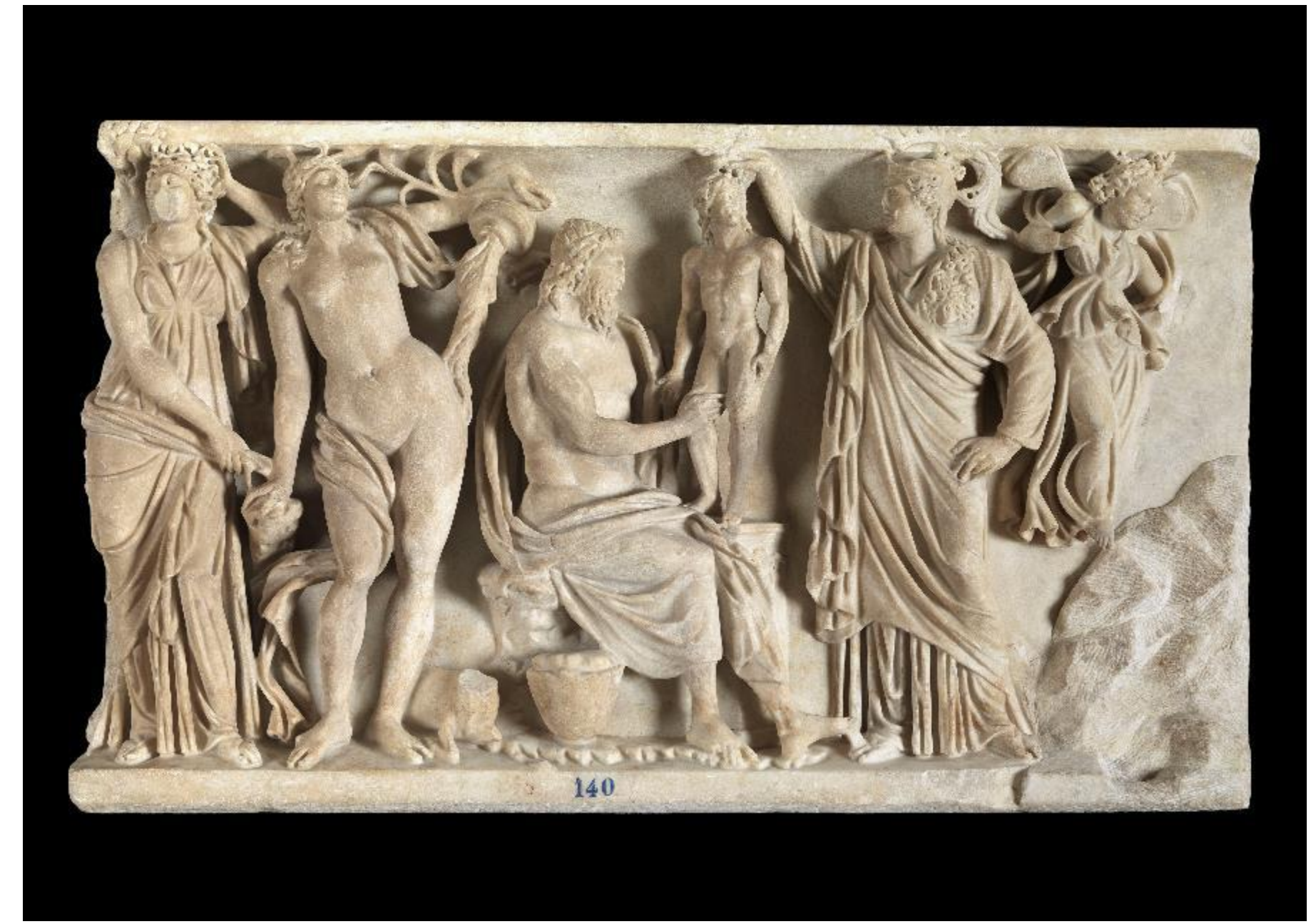
	1H 2023	1H 2024	FY 2023
Trade receivables	75.2	83.3	78.2
Inventories	262.8	341.4	287.3
Trade payables (-)	(141.5)	(162.0)	(166.2)
Other current assets/(liabilities)	(21.6)	(62.2)	(20.9)
<b>Net Working Capital</b>	<b>174.8</b>	<b>200.6</b>	<b>178.3</b>
Intangible assets	509.1	597.7	514.9
Tangible assets	204.8	242.6	223.1
Financial assets	34.9	38.7	35.8
<b>Total Assets</b>	<b>748.9</b>	<b>879.0</b>	<b>773.8</b>
Other assets/(liabilities)	59.7	77.0	62.6
<b>Net Invested Capital</b>	<b>983.4</b>	<b>1,156.6</b>	<b>1,014.7</b>
Cash & Cash equivalents (-)	(94.3)	(91.6)	(110.8)
Short term Debt	189.1	174.9	186.5
Long term Debt	485.1	624.1	485.3
<b>Financial Indebtedness</b>	<b>580.0</b>	<b>707.5</b>	<b>561.0</b>
Shareholders Capital	13.6	13.6	13.6
Share-premium Reserve	57.9	57.9	57.9
Reserves	257.5	303.5	255.7
Group Net Profit	61.8	60.9	114.6
<b>Group Equity</b>	<b>390.8</b>	<b>435.9</b>	<b>441.8</b>
Minority shareholders	12.6	13.2	11.8
<b>Total Equity</b>	<b>403.4</b>	<b>449.1</b>	<b>453.6</b>
<b>Total Funds</b>	<b>983.4</b>	<b>1,156.6</b>	<b>1,014.70</b>

	1H 2023	1H 2024	FY 2023
Net Income	66.7	66.1	123.8
D&A	67.1	73.2	138.8
Ch. In NWC and other	(54.2)	(37.1)	(53.6)
<b>Cash flow from operations</b>	<b>79.6</b>	<b>102.2</b>	<b>209.0</b>
Tangible and intangible investments	(34.0)	(40.4)	(76.5)
Other (investments)/divestments	24.8	(5.3)	23.7
<b>Cash flow from investments</b>	<b>(9.2)</b>	<b>(45.7)</b>	<b>(52.8)</b>
Dividends	(48.1)	(66.1)	(53.1)
Share capital and reserves increase	(3.3)	(5.0)	(3.3)
Net change in financial debt	(42.6)	(6.9)	(107.2)
<b>Total Cash Flow</b>	<b>(23.6)</b>	<b>(21.5)</b>	<b>(7.4)</b>



# Board of Directors

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



## Investor Relations & Corporate Planning Director

Pietro Arnaboldi

mail: [pietro.arnaboldi@brunellocucinelli.it](mailto:pietro.arnaboldi@brunellocucinelli.it)

+39 075 6970079

Viale Parco dell'Industria, 5 - Solomeo (PG) - Italia





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