



· SOLO MEI ·  
· AD·MCCCXCI ·

# BRUNELLO CUCINELLI

## 1Q 22 Revenues

April 13<sup>th</sup> , 2022



BRUNELLO CUCINELLI

*La Natura è una guida dolce, prudente e giusta*

MONTAIGNE



## Brunello Cucinelli

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*“This first quarter of 2022 ended with particularly positive results, and we feel that the brand is experiencing a very favourable momentum worldwide.*

*The excellent spring sell-outs and the very important order intake for the men's/women's Fall-Winter 2022 collections lead us to believe that we will deliver our idea of FY sales growth of around 12%.*

*From a human point of view, our faith in the wisdom of men is always strong and alive, hoping that the day of rediscovered peace among all human beings will be as close as possible”.*



BRUNELLO CUCINELLI

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Press Release 13<sup>th</sup> April 2022

## Acquisition of 43% of the prestigious Lanificio Cariaggi Cashmere



Brunello Cucinelli in March 2022 acquired from the Cariaggi family a 43% stake in the share capital of Cariaggi Lanificio S.p.A., with headquarters in Cagli (Pesaro and Urbino). The purchase price of the shareholding was €15.05 million. Brunello Cucinelli, Executive Chairman and Creative Director of the Casa di Moda commented:

*«It is with a great sense of gratitude that we announce that our company has acquired 43% of Cariaggi Lanificio S.p.A., of Cagli. I had the opportunity to start my own business in cashmere thanks to the human trust that the Cariaggi and Caprai families placed in me. For this, thank you very much. I have always believed that Cariaggi is perhaps one of the jewels of Italian manufacturing, with products of great quality and craftsmanship; there is no doubt that it should be counted among the first industries in the sector in the world, if not the first, and that it represents something important for our territory and its culture. In this project, I am not hiding my love for our land, as well as the great opportunity that our respective children and grandchildren will have to continue manufacturing products in this wonderful fibre that we call 'golden fleece' for decades to come, thus contributing to improving the living conditions of our people».*

It is a project imagined for the fifty years to come, where we hope that our respective children and grandchildren will find a part of their identity, perhaps in working this noble fibre that we call "golden fleece".



## Finalized the purchase of a large 8 hectare area

**Acquisition of a large 8 hectare area on the outskirts of Solomeo**, where an industrial complex built in the 1970s operated until about thirty years ago.

This area will be completely redeveloped and work has already begun, followed by the building conversion plan that will allow us to **gradually build up to approximately 40 thousand square metres** (in addition to related services and outdoor spaces)

Through this project, it will be possible to **dedicate large spaces** to our Casa di Moda, in a location strategically close to the Solomeo factory, accompanying the growth of the company in the years to come, allowing us to **expand**, as needed, "**for the next 50 years**".

We therefore believe that this project aims, in line with the company's philosophy and our idea of Humanistic Capitalism and Human Sustainability, to **enhance the area** in which we live and work, seeking an important redevelopment of what we call the "**appealing suburbs**".

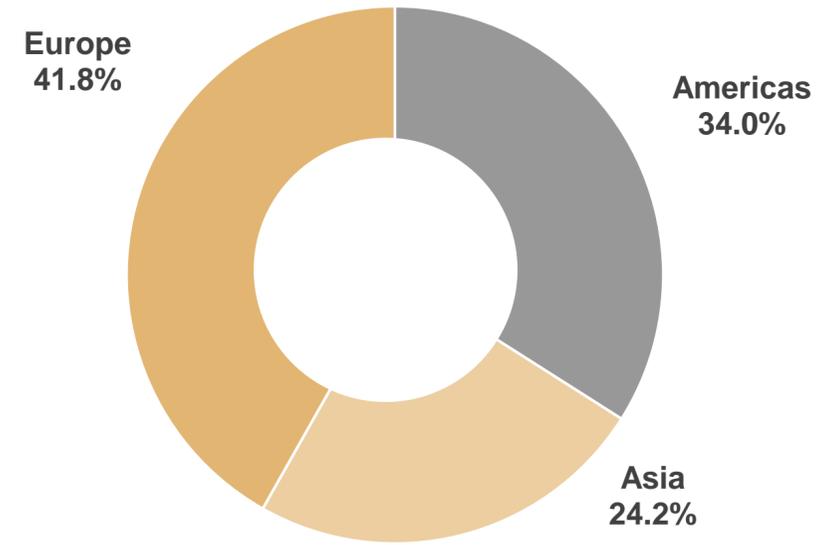




# Revenues by Region

€ mln

€ mln	1Q 21	1Q 22	YoY % Chg
<b>Net Revenues</b>	164.6	196.9	<b>+19.6%</b>
		Constant exchange rates <b>+16.7%</b>	
Europe	50.9	58.2	+14.5%
Italy	23.5	24.2	+2.8%
Americas	48.6	66.9	+37.7%
Asia	41.6	47.6	+14.5%





# Revenues Highlights

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## Europe

Elements that had characterized last year's trend contributed to the very positive results achieved: domestic connotation of the business, end-customer loyalty, new customers embracing our collection proposals, balance of presence between retail and multi-brand channels; positive trend not only the major European luxury capitals, but also the second tier cities of central-northern and Mediterranean Europe, with international tensions having an impact limited to the Russian market in the latter part of the quarter

## Italy

Demand remains solid, with results benefiting from the presence in provincial towns, thanks to the local customer who balances the lack of a recovery in international tourism

Particularly important the presence in the most important Specialty Stores, thanks to their proximity to the local customer and their contribution to the taste and appeal of the brand

## Americas

The US continues a healthy long-term growth process, with the very strong early 2022 result aided by last year's comparative base, where sales weights were proportionately higher in the second half of the year than in the early months

As in Europe, there is a good level of domestic mobility in this area, which allows us to report very interesting results in the various countries, both in large cities and in second tier cities, and even more so in resorts

## Asia

China is currently the country most affected by the pandemic, but in spite of this we closed another positive quarter confirming the solidity of the growth in demand for RTW in the absolute luxury, as well as the evolution of that type of customer approaching luxury as a personal quest for satisfaction and differentiation, and never for ostentation

Interesting results were achieved in the other areas that make up the Asian market, including Japan, South Korea and the Middle East

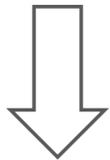




# Revenues by Distribution Channel

€ mln

€ mln	1Q 21	1Q 22	YoY % Chg
<b>Net Revenues</b>	164.6	196.9	<b>+19.6%</b>
<b>Retail</b>	73,5	100.2	<b>+36.4%</b>
<b>Wholesale</b>	91.1	96.7	<b>+6.1%</b>



**Retail**  
50.9%  
on sales



**Wholesale**  
49.1%  
on sales



# Monobrand Network



## Retail Monobrand

115 boutiques as of March '22

114 boutiques as of December '21

110 boutiques as of March '21



## Wholesale Monobrand

30 boutiques as of March '22

30 boutiques as of December '21

30 boutiques as of March '21



# Distribution Channel

## Retail Channel

Like-for-like sales and sell-outs of the spring collections show a positive trend, which is accompanied by the contribution of sales of new spaces related to the development of the network last year (including new openings, extensions of existing spaces and conversions to the direct management of spaces within Luxury Department Stores)

The first-quarter growth rate benefited from last year's comparative basis, where the impact of retail sales, as a result of pandemic-related impacts and network development dynamics, weighed more heavily in the second half of the year



## Wholesale Channel

The results of this first part of the year highlight the structural growth of the channel, with the positive contribution of the Spring Summer 2022 collections, whose very positive sell-out results confirmed the feedback we had gathered when presenting the collections.

We are very pleased with the growth reported in the wholesale channel, which is solid and sustainable, also taking into account the conversions to direct management of space in luxury department stores concentrated at the end of Q1 2021.



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# Outlook

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Business and sales trends in this first part of 2022 allow us to **fully confirm the expectations** communicated last March; we can therefore confidently expect revenue **growth of around +12% in 2022**.

The confidence with which we look at **2022**, that leads us to imagine a **very important year** for our company, is encouraged by the excellent **sell-out for the Spring Summer 2022 collections** currently being sold, and by the important **order intake for the Fall Winter 2022 collections**, which ended at the end of March with very very positive feedback.

The **positioning in the absolute luxury segment**, the **balanced presence in the geographical markets and sales channels**, as well as the **appreciation for our brand**, which we feel is experiencing a very positive moment worldwide, further support our growth expectations.

Our estimate for 2022 clearly takes into account the current conflict between Russia and Ukraine.

We have assumed that the Russian market will account for around 4% of total sales in 2022, a significant reduction compared to the results for 2021 and 2020, years that we considered extraordinary due to the pandemic . We have imagined that the weight of this market could return in 2022 to incidence values very similar to those historically reported before the pandemic.

The result for the first quarter of this year, taking into account the seasonality of deliveries and the effects of sanctions, is consistent with the year-end forecast. The current conflict has no impact on our fully Italian supply and production chains.

Together with the very interesting revenue growth estimated for **2022**, we expect the **rebalancing of margins to our pre-pandemic levels of normality**, with a significant improvement of the **net financial debt**, with **important investments in** line with the multi-year plan, plus the investment for the acquisition of the 43% share in the prestigious **Lanificio Cariaggi Cashmere**.

We are also very happy to have carried out the **acquisition of the 8 hectare of land** in the immediate vicinity of our village of Solomeo, which will allow us to plan the growth of our company for the next 50 years with confidence.

It is with equal confidence that we can finally confirm our estimate of a **balanced growth for 2023** in the region of **+10%**, continuing on the path of healthy and sustainable growth that leads us to imagine doubling the turnover initially forecast in the period from 2019-2028 as early as 2026.



# Investor Relations

## Board of Directors

<b>Brunello Cucinelli</b>	Excutive Chairman and Creative Director
<b>Riccardo Stefanelli</b>	C.E.O.
<b>Luca Lisandroni</b>	C.E.O.
<b>Camilla Cucinelli</b>	Director
<b>Giovanna Manfredi</b>	Director
<b>Carolina Cucinelli</b>	Director

<b>Andrea Pontremoli</b>	Independent Director
<b>Stefano Domenicali</b>	Independent Director
<b>Anna Chiara Svelto</b>	Independent Director
<b>Emanuela Bonadiman</b>	Independent Director
<b>Maria Cecilia La Manna</b>	Independent Director
<b>Ramin Arani</b>	Independent Director

## Investor Relations & Corporate Planning Director

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# BRUNELLO CUCINELLI

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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.