



BRUNELLO CUCINELLI

Press Release

BRUNELLO CUCINELLI: The BoD has approved the 2021 Half-Yearly Financial Report

- Revenues of €313.8 million, up +7.7% at current exchange rates (+10.0% at constant exchange rates) compared to June 30, 2019 and +52.9% at current exchange rates (+57.7% at constant exchange rates) compared to June 30, 2020;
- The second quarter of 2021 reported revenues of €149.2 million, up +13.8% compared to the same period in 2019;
- EBITDA of €80.6 million (25.7% margin) compared to -€3.4 million last year and €79.2 million as of June 30, 2019;
- EBITDA excluding IFRS 16 impacts of €39.9 million (incidence of 12.7%) compared to -€14.1 million as of June 30, 2020¹ and €49.9 million as of June 30, 2019;
- EBIT of €25.3 million (incidence of 8.1%), compared to -€53.3 million as of June 30, 2020 and €39.1 million as of June 30, 2019;
- Net income of €21.9 million (incidence of 7.0%), compared to a loss of -€47.7 million in the first half of 2020 and a profit of €25.0 million in the first half of 2019.
- Significant ongoing investment program of €29.9 million in the first half of 2021, within a multi-year project confirmed even in the presence of the effects of the pandemic, and supported by the solid capital structure;
- Characteristic Financial Indebtedness² of €96.3 million, compared to €136.5 million as of June 30, 2020.

Brunello Cucinelli, Executive Chairman and Creative Director of the Company, commented as follows:

“The first half of 2021 closed with very, very interesting results. Sales of the Fall Winter 2021 collections got off to a very good start, and the brand seems to be gaining broad consensus both in its stylistic expression and in the way it relates to the local community and to humanity as a whole.

*Order intake for the Spring Summer 2022 Men's and Women's collections, now almost at an end, was excellent. All this prompts us to envisage a strong rise in turnover of around 20% for the current year, and to view this time as a sort of year of **rebalancing**, and for 2022 we expect a return to a healthy growth of 10%”.*

¹ EBITDA as at 30/06/2020 equal to -€14.1 million is the normalized value, obtained by sterilizing not only the accounting effects of the application of IFRS 16 but also the extraordinary provision of €30.0 million related to the "Brunello Cucinelli for Humanity" project for the allocation of surplus garments that were generated due to the emergency situation from Covid-19 and the consequent temporary interruption of sales.

² Financial payables for leases are excluded; therefore, the figure reported has been determined without the application of IFRS 16.



BRUNELLO CUCINELLI

Solomeo, 26 August 2021 - The Board of Directors of Brunello Cucinelli S.p.A. – an Italian maison operating in the luxury goods sector and listed on the Borsa Italiana Electronic Stock Exchange (MTA) – today examined and approved the Half-Yearly Financial Report 2021 (data subject to limited audit), in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

Net Revenues³ are in line with the preliminary figures communicated last July 13, and the dynamics that determined these results confirm what has already been widely commented on that occasion.

	First Half 2021	%	First Half 2020	%	YoY Change %	First Half 2019	Var. %
	Eur '000		Eur '000		First Half '21/ First Half '20		First Half '21/ First Half '19
Europe	95.894	30,6%	66.807	32,6%	+43,5%	87.871	+9,1%
Italy	41.038	13,1%	28.943	14,1%	+41,8%	44.308	-7,4%
Americas	99.983	31,9%	57.976	28,3%	+72,5%	95.046	+5,2%
Asia	76.849	24,4%	51.417	25,0%	+49,5%	64.188	+19,7%
Revenues	313.764	100,0%	205.143	100,0%	+52,9%	291.413	+7,7%
YoY Change at constant exchange rates					+57,7%		+10,0%

	First Half 2021	%	First Half 2020	%	YoY Change %	First Half 2019	Var. %
	Eur '000		Eur '000		First Half '21/ First Half '20		First Half '21/ First Half '19
Retail	165.468	52,7%	102.517	50,0%	+61,4%	149.946	+10,4%
Wholesale	148.296	47,3%	102.626	50,0%	+44,5%	141.467	+4,8%
Revenues	313.764	100,0%	205.143	100,0%	+52,9%	291.413	+7,7%

Income statement

In the first half of 2021, we chose to preserve the soundness of our corporate structure, confirming all the activities and investments planned before the start of the pandemic, with the aim of fully realigning ourselves already in 2023 with the objectives of the first five years (2019-2013) of our 10-year plan 2019-2028.

In the analysis of the Income Statement, the direct comparison of the results of the first 6 months of 2021 with the figures at June 30, 2020, which were strongly influenced by the pandemic, is of limited relevance; on the other hand, the comparison of the first half of 2021 with the first half of 2019 must

³ It should be noted that as of June 30, 2021 the Income Statement line "Other revenues", amounting to €2,162 thousand, has been classified under "Total operating costs", rather than being posted under "Revenues from sales and services" as in the previous interim period. For the sake of uniformity and comparability of data, the same reclassification, amounting to €1,347 thousand, has also been made in the Income Statement as of June 30, 2020.



BRUNELLO CUCINELLI

take into account both **the continuation of the effects related to the pandemic in the first 6 months of this year**, and the dynamics related to the **commercial initiatives** and **network development** operated in the first part of 2021.

With reference to the development of the network, the first 6 months of 2021 include in fact the costs related to the expansion of sales spaces, new boutique openings and new hard shops managed directly within the luxury Department Stores, while the related benefits on sales and results will be progressively visible in the coming periods.

Analyzing the details of the Income Statement, production costs at June 30, 2021 amounted to €104.3 million, with a **First Margin** of 66.8%, substantially in line with the marginality of the first half of 2020 and slightly improved compared to June 30, 2019 (marginality of 66.5%).

As of June 30, 2021, **personnel** costs amounted to €61.5 million (€57.5 million as of June 30, 2020 and €53.8 million as of June 30, 2019), with a FTE number of 2,127, up from 2,026 FTE as of June 30, 2020 and 1,842 FTE as of June 30, 2019.

The **gradual increase in our human resources** stems primarily from our network growth and development projects (analyzed in detail below), as well as growth in the digital world.

Rental costs net of IFRS 16⁴ effects amounted to €54.4 million, compared to €44.7 million last year and €39.8 million at June 30, 2019.

This increase is substantially related to the **network development**, in the presence of the new openings of direct boutiques (112 boutiques at June 30, 2021 compared to 102 boutiques at June 30, 2019), the 12 conversions to the direct management of hard shops in luxury Department Stores, carried out in the last 12 months, and the important expansions of some sales spaces.

Investments in communication, amounted to € 14.4 million as of June 30, 2021 (€13.3 million last year and €16.2 million as of June 30, 2019), against the decision to favor the planning of events and activities with customers in the second half of 2021, in the presence of the protracted impacts of the pandemic in the first 6 months of 2021; the growth trend of **digital communication activities**, as an increasingly important and strategic communication vehicle, continues also in the first 6 months of 2021.

As of June 30, 2021, **EBITDA** amounted to €80.6 million, compared to a loss of €3.4 million last year and a positive result of €79.2 million as of June 30, 2019.

EBITDA excluding IFRS 16 impacts was €39.9 million⁵ as of June 30, 2021, compared to €49.9 million as of June 30, 2019⁶; normalized EBITDA as of June 30, 2020 reported a loss of €14.1 million⁷.

EBITDA margin excluding IFRS 16 impacts reported at June 30, 2021 was 12.7%, compared to 17.1% at June 30, 2019, in the presence of the impacts of the pandemic that continued in the first 6 months of 2021, and the presence of costs, commented above, whose benefits on sales and results will be progressively visible in the coming periods.

Depreciation and amortization, excluding those related to right of use⁸, amounted to €19.0 million, compared to €15.7 million last year and €13.9 million at June 30, 2019.

⁴ The cost of rents net of IFRS 16 effects includes total rents. On the other hand, the cost of rents including the application of IFRS 16, which mainly relates to leases with variable consideration, amounted to €12.9 million at 30/06/2021 compared to €4.7 million at 30/06/2020 and €10.3 million at 30/06/2019.

⁵ EBITDA excluding IFRS 16 impacts as at 30/06/2021 sterilizes the accounting effects of the application of IFRS 16, amounting to €41.5 million referring to the item "Rent payable" and €0.5 million referring to the item "Other revenues".

⁶ Normalized EBITDA as at June 30, 2019 neutralizes the accounting effects of the application of IFRS 16, amounting to €29.5 million relating to the item "Rental expense" and €0.2 million relating to the item "Other revenues".

⁷ The normalization of the figures as at 30 June 2020 refers to the sterilization of the accounting effects relating to the application of IFRS 16 and the sterilization of the accounting effects relating to the extraordinary provision of €30.0 million relating to the item "Inventories".

⁸ Amortization and depreciation including that relating to usage rights amounted to €55.3 million as of 30/06/21, compared to €49.9 million as of 30/06/2020 and €40.1 million as of 30/06/2019.



BRUNELLO CUCINELLI

EBIT amounted to €25.3 million, compared to an operating loss of €53.3 million last year and a positive result of €39.1 million as of June 30, 2019.

The result from financial operations was negative and equal to €6.2 million as of June 30, 2021, compared to €11.0 million last year and in line with the €6.5 million as of June 30, 2019.

Excluding the effects related to the application of **IFRS 16** related to leases, the balance of **financial expenses** was negative and equal to €2.3 million as of June 30, 2021, compared to €4.2 million last year and €2.9 million as of June 30, 2019, also in the presence of the volatility of the effects related to interest and exchange rate hedging transactions.

Net Income amounted to €21.9 million as of June 30, 2021⁹, compared to a loss of €47.7 million last year and €25.0 million as of June 30, 2019¹⁰.

Balance Sheet

Net working capital, including "Other net assets/liabilities"¹¹, amounted to €186.1 million compared to €195.0 million in the previous year.

Inventory amounted to €208.8 million, in line with the figure as of December 31, 2020 and down from €218.1 million as of June 30, 2020.

Inventory dynamics show the complete recovery of the increase reported as of June 30, 2020, mainly related to the lockdown period, with deliveries of Fall Winter 2020 collections that had slipped slightly and efficiently recovered in the second half of 2020.

The inventory balance is also influenced by business development, including the expansion of the network of directly managed spaces, with 5 new openings and 10 hard shop conversions in the first 6 months of 2021, the expansions of some existing boutiques, and the development of new initiatives related to the "Kids" collections and the "Sartoria Solomeo" project, as well as the expansion of the digital channel business.

Trade receivables amounted to €75.7 million, compared to €72.4 million as of June 30, 2020, with a dynamic related to the growth of the wholesale channel and the gradual return to ordinary conditions in the payment terms of some wholesale customers¹².

Trade payables amounted to €76.3 million, up slightly from €74.1 million as of June 30, 2020; payment terms to its suppliers, collaborators and consultants remained unchanged during the first 6 months of 2021.

⁹ Net Income as of June 30, 2021 benefits from the recognition of deferred tax assets, for a total amount of approximately €9.2 million, calculated on the equity balance of the inventory write-down provision for the "Brunello Cucinelli for Humanity" project, not recognized as of December 31, 2020. As of June 30, 2021, the Group has decided to record the deferred tax assets mentioned above, in view of the positive results achieved in the first half of the year, the macroeconomic scenario in further positive evolution as well as important tax clarifications in the second quarter of the year, which also made it possible to launch the garment donation program, in compliance with current tax regulations.

¹⁰ The tax benefits of the Patent Box accounted for as of June 30, 2019 amount to €2.5 million. Recall that the Patent Box was related to the agreement signed with the Inland Revenue to define the methods and criteria for calculating the economic contribution to the production of business income of intangible assets; the benefits the tax benefits of the "Patent Box" ended on December 31, 2019, with a total value for 2019 of €5.7 million.

¹¹ "Other net assets/liabilities" were negative by €22.2 million as of June 30, 2021, compared to €21.4 million as of June 30, 2020, with dynamics essentially related to the valuation of fair values on foreign exchange hedging derivatives.

¹² These payment extensions were granted in the aftermath of an event of such great tension as the pandemic. Following emergency events and high tension, we have always undertaken with the customers, healthy and selected, a relationship of extreme collaboration and mutual availability, returning in the short term to ordinary conditions. The situation of past due receivables as of June 30, 2021, amounting to €13.7 million compared to €24.7 million as of June 30, 2020 reflects what has been commented and testifies to the validity of an elastic and positive management of receivables over the years.



BRUNELLO CUCINELLI

Investments and characteristic Financial Indebtedness

In the **first half of 2021** the **level of investments remained very high**, including those aimed at opening new boutiques in the most important world centers, and updating the company's digital image and production/logistics infrastructure.

Investments were made possible by the **solid corporate structure**, in the conviction that the **search for innovation** and the offer of a **contemporary image** is now, more than ever, a decisive factor in keeping the **company modern and growth sustainable in the long term**.

In detail, **investments** as of June 30, 2021 amounted to **€29.9 million**, compared to €22.4 million invested as of June 30, 2020; **€22.5 million were commercial investments**, while other investments were allocated to **production, logistics, IT and digital services**.

Commercial investments favoured the development of the network of directly managed retail spaces. There were 112 retail boutiques, compared to 107 boutiques at December 31, 2020 (including the conversion of two wholesale monobrand boutiques, including the important space in the Dubai Mall).

The number of directly managed hard shops within Department Stores totalled 41 compared to 31 hard shops as of December 31, 2020, following the 10 conversions to direct management made in the first six months of the year.

Significant investments in the retail channel also made possible a program of prestigious boutique expansions between the second half of 2020 and the first half of 2021, including those in London, Paris, St. Petersburg, Shanghai and Tokyo.

In terms of **digital investments**, we have renewed our online presence, with our website to offer a browsing, knowledge and shopping experience that is always fresh, contemporary and appealing.

Finally, we continue to support investments aimed at the **renewal of production facilities**, the evolution of **logistics structures**, and **ICT investments**, including new technological platforms, IT security and new application software.

The **characteristic Financial Indebtedness**¹³ as of June 30, 2021 is equal to **€96.3 million**, compared to €136.5 million as of June 30, 2020, which had been impacted by the effects of the pandemic, resulting already as of December 31, 2020 in a significant improvement equal to €93.5 million.

It should be noted that the Financial Indebtedness reaches its usual peak between June and September, related to the seasonality of sales, and then declines in the last part of the year.

¹³ Lease payables, not included in the characteristic Financial Indebtedness, amounted to €543.6 million as of June 30, 2021 compared to €485.4 million as of June 30, 2020.



BRUNELLO CUCINELLI

Outlook

Sales of **Spring Summer 2021** were very very positive, and we are absolutely satisfied that the trend of the **Fall Winter 2021** season will show a similarly favourable result.

In the last few weeks we have presented our **Spring Summer 2022 Men's, Women's and Kid's collections**, receiving very positive feedback from multi-brand customers and from the specialized press, with an order collection that is achieving very interesting results.

We are therefore very confident to continue the growth path that has characterized the first part of the year, expecting for the **second half of 2021** a further **acceleration** of growth compared to the results reported in the first six months of the year.

In the coming months we also expect to be able **to fully benefit from the sales space development plan** that has characterized recent quarters.

The important investment plan will continue, identifying the absolute luxury as our exclusive scope of reference.

We are increasingly confident in achieving in **2021**, the "year of rebalancing", a growth around **+10% compared to 2019**, with an **increase of around +20% compared to 2020**, and continue this development path in **2022**, with a **growth of +10% compared to 2021 and healthy margins**.

We believe that all this makes it very concrete to **realign with the objectives of the first five-year period (2019-2023)** of the 10-year plan ending in **2028**, the year in which we expect to **double the 2018 turnover** and reach **€1.1 billion**.

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 press release correspond to the balances on the books of account and the accounting records and entries.

We hereby inform that the Analyst Presentation of results as at 30 June 2021 can be consulted in pdf format in the section "Presentations" on the corporate website: <http://investor.brunellocucinelli.com/ita/presentazioni/>.

This document contains forward-looking statements on future events and operating results, as well as economic and financial results, regarding the Brunello Cucinelli S.p.A. Group. By their very nature, these statements contain an element of risk and uncertainty as they depend on the occurrence of future events and developments.

The Company announces that the Half-Yearly Financial Report as at 30 June 2021, approved by the Board of Directors on 26 August 2021, will be made available to the public from 27 August 2021 at the Company's registered office in Viale Parco dell'Industria, 5, Solomeo (Perugia), at the storage mechanism managed by Spafid Connect S.p.A. "eMarket Storage" (www.emarketstorage.com) and can also be consulted in the section "Results - Financial Reports" of the Company's website (investor.brunellocucinelli.com).



BRUNELLO CUCINELLI

Brunello Cucinelli S.p.A. is an Italian maison that produces luxury goods. It was founded in 1978 by the fashion designer and entrepreneur of the same name and is listed on the Italian Electronic Stock Exchange. The Company has always been **rooted in the medieval hamlet of Solomeo** and it is considered an authentic expression of the concept of "Humanistic Capitalism" since it can match constant, sound growth with an entrepreneurial philosophy addressing the major issues of **Harmony with Creation** and **Human Sustainability**.

Specialised in cashmere, the **brand** is currently believed to be **one of the most exclusive brands in the chic prêt-à-porter sector**, an expression of everyday lifestyle worldwide. The combination of **modernity** and **craftsmanship, elegance** and **creativity**, and **passion** and **human values** make Brunello Cucinelli one of the world's most exclusive and admired **ambassadors of Italian style**. In fact, the brand authentically expresses the values of **tailoring** and **craftsmanship** typical of products **Made in Italy** and the territory of the Umbria region in particular, combined with a focus on **innovation** and **contemporary style**.

Through **healthy, balanced** and **sustainable growth**, the company's main goal is to earn profits with **ethics, morality** and **dignity**, respecting the moral and economic dignity of the over 2,000 directly employed Human Resources and all those who work with them. In 2020 the company reported revenues for €544 million through a selective market presence, with 138 monobrand boutiques and the most prestigious spaces in the world's leading multibrand stores.

Contacts: **Investor Relations & Corporate Planning**

Pietro Arnaboldi

Brunello Cucinelli S.p.A.

Tel. 075.69.70.079

Media

Vittoria Mezzanotte

Brunello Cucinelli S.p.A.

Tel. 02.34.93.34.78

Corporate website: www.brunellocucinelli.com

The financial statements are attached.



BRUNELLO CUCINELLI

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2021

<i>(Euro/000)</i>	June 30, 2021	<i>related parties</i>	December 31, 2020	<i>related parties</i>
Non-current assets				
Goodwill	7,045		7,045	
Right of use	500,259	4,932	470,197	5,193
Intangible assets	12,959		12,136	
Property, plant and equipment	156,389	12,288	150,254	17,487
Investment property	5,465		4,179	
Non-current financial assets for leases	5,574		402	
Other non-current financial assets	12,676	32	11,039	32
Deferred tax asset	50,317		35,368	
Total non-current assets	750,684		690,620	
Current assets				
Inventories	208,841		208,347	
Trade receivables	75,673	7	78,871	51
Tax receivables	2,057		3,871	
Other receivables and other current assets	16,854		20,068	
Current financial assets for leases	2,671		173	
Other current financial assets	71		11	
Cash and cash equivalents	63,187		72,834	
Current derivative financial instruments	273		4,935	
Total current assets	369,627		389,110	
Total assets	1,120,311		1,079,730	

<i>(Euro/000)</i>	June 30, 2021	<i>related parties</i>	December 31, 2020	<i>related parties</i>
Shareholders' equity				
Shareholders' equity attributable to parent company shareholders				
Share capital	13,600		13,600	
Share-premium Reserve	57,915		57,915	
Reserves	188,085		220,670	
Net income for the period	20,347		(33,216)	
Total shareholders' equity attributable to owners of the parent	279,947		258,969	
Shareholders' equity attributable to non-controlling interests				
Capital and reserves attributable to non-controlling interests	2,194		988	
Net income for the period attributable to non-controlling interests	1,507		1,147	
Total shareholders' equity attributable to non-controlling interests	3,701		2,135	
Total shareholders' equity	283,648		261,104	
Non-current liabilities				
Employees termination indemnities	3,011		3,108	
Provisions for risks and charges	2,280		937	
Non-current payables towards banks	47,169		60,133	
Financial liabilities for non-current leases	465,637	4,854	436,956	5,115
Other Financial liabilities	1,123		-	
Other non-current liabilities	949		60	
Deferred Tax liabilities	7,024		6,402	
Non-current derivative financial instruments liabilities	104		217	
Total non-current liabilities	527,297		507,813	
Current liabilities				
Trade payables	76,306	463	91,412	550
Current payables towards banks	110,140		105,007	
Financial liabilities for current leases	80,587	525	75,412	516
Current financial liabilities	778		799	
Income tax payables	8,327		2,621	
Current derivative financial instruments	2,320		491	
Other current liabilities	30,908	490	35,071	2,552
Total current liabilities	309,366		310,813	
Total liabilities	836,663		818,626	
Total equity and liabilities	1,120,311		1,079,730	



BRUNELLO CUCINELLI

CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2021

<i>(Euro/000)</i>	June 30, 2021	<i>related parties</i>	June 30, 2020	<i>related parties</i>
Revenues	313,764	3	205,143	4
Costs of raw materials and consumables	(46,926)	(20)	(10,657)	(25)
Costs for services	(122,541)	(2,033)	(107,154)	(1,065)
Payroll costs	(61,491)	(1,004)	(57,483)	(565)
Other operating expenses	(3,983)		(4,294)	
Other operating income	2,162	4	1,347	3
Costs capitalized	1,355		1,414	
Depreciation and amortization	(55,261)		(49,851)	
Impairment of assets and other accruals	(1,745)		(31,740)	
Total operating costs	(288,430)		(258,418)	
Operating Income	25,334		(53,275)	
Financial expenses	(18,897)		(26,521)	
Financial income	12,697		15,519	
Income before taxation	19,134		(64,277)	
Income taxes	2,720		16,620	
Net income for the period	21,854		(47,657)	
Net income for the period attributable to owners of the parent	20,347		(47,520)	
Net income for the period attributable to non-controlling interests	1,507		(137)	
Base earnings per share	0.29922		(0,69882)	
Diluted earnings per share	0.29922		(0,69882)	

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

<i>(Euro/000)</i>	June 30, 2021	June 30, 2020
Net income for the period (A)	21,854	(47,657)
<i>Other items of comprehensive income:</i>		
Other items of comprehensive income that will later be reclassified on the income statement:	602	1,570
Cash flow hedge	(4,279)	2,277
Tax effect	1,027	(546)
Effect of changes in cash flow hedge reserve	(3,252)	1,731
Translation differences on foreign financial statements	2,746	79
Profit / (Losses) on net investment in a foreign operation	1,458	(315)
Tax effect	(350)	75
Other items of comprehensive income that will not later be reclassified on the income statement:	21	(15)
Remeasurement of defined benefit plans (IAS 19)	28	(20)
Tax effect	(7)	5
Total other comprehensive income, net of tax (B)	623	1,555
Total comprehensive income net of tax (A) + (B)	22,477	(46,102)
<i>Attributable to:</i>		
Shareholders of parent company	20,962	(45,970)
Non-controlling interests	1,515	(132)



BRUNELLO CUCINELLI

CONSOLIDATED STATEMENT OF CASH FLOWS AT 30 JUNE 2021

<i>(Euro/000)</i>	June 30, 2021	June 30, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period	21,854	(47,657)
<i>Adjustments to reconcile net income for the period to the cash flows generated by (used in) operating activities:</i>		
Income tax	(2,720)	(16,620)
Depreciation and amortization	55,261	49,851
Provisions for employees termination indemnities	39	40
Provisions for risks and charges / inventory obsolescence / doubtful accounts	1,745	31,630
Change in other non-current liabilities	889	(252)
(Gain)/Loss on disposal of Fixed assets	11	110
Other non-monetary items IFRS 16	(1,044)	(850)
Interest expense	659	1,068
Interest on lease liabilities	5,128	5,491
Interest income	(10)	(17)
Interest on lease activities	(10)	(9)
Termination indemnities payments	(105)	(31)
Payments of Provisions for risks and charges	-	(639)
Net change in deferred tax assets and liabilities	(13,390)	(21,138)
Change in fair value of financial instruments	2,099	(2,001)
<i>Changes in operating assets and liabilities:</i>		
Change in trade receivables	3,474	(14,764)
Change in inventories	3,936	(45,130)
Change in trade payables	(18,332)	(15,045)
Interest expense paid	(671)	(1,068)
Interest on the lease liabilities paid	(5,128)	(5,491)
Interest income cashed	10	17
Interest on lease activities cashed	10	9
Income tax paid	(3,661)	(2,510)
Change in other current assets and liabilities	13,649	31,179
Net cash provided by/(used in) operating activities	63,693	(53,827)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(18,922)	(14,755)
Additions to intangible assets	(7,274)	(4,615)
Additions/(disposals) of financial assets	(1,336)	(1,900)
Additions to investment property	(1,286)	(1,109)
Investment/Disinvestments in financial assets held for trading	-	9,120
Acquisition of Brunello Cucinelli Middle East, net of cash acquired	(1,669)	-
Proceeds from disposal of property, plant and equipment	826	353
Net cash provided by/(used in) investing activities	(29,661)	(12,906)
CASH FLOW FROM FINANCING ACTIVITIES		
Medium/Long-term loans received	5,080	151,729
Repayment of medium/long-term loans	(28,912)	(22,859)
Net change in short-term financial debt	15,898	15,793
Net change in long-term financial debt	1,111	-
Repayment of lease liabilities	(38,501)	(33,811)
Receipts of financial assets for leasing	592	137
Dividends paid	-	(1,076)
Share capital and reserves increase	-	23
Net cash provided by/(used in) financing activities	(44,732)	109,936
TOTAL CASH FLOW FOR THE PERIOD	(10,700)	43,203
Effect of exchange rate changes on cash and cash equivalents	1,053	(353)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	72,834	68,932
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	63,187	111,782