



BRUNELLO CUCINELLI

Press Release

BRUNELLO CUCINELLI: the Board has examined the Preliminary Net Revenues of the first half of 2021.

Revenues for the first half 2021 compared to 30 June 2019

- Net revenues of €313.7 million, up +7.7% at current exchange rates (+10.0% at constant exchange rates) compared to June 30, 2019;
- Excellent growth in Asia (+19.7%), important increase in Europe (+9.2%) and America (+5.1%), limited decline in Italy (-7.5%);
- Very favorable results both in the retail channel (+10.3%) and in the wholesale channel (+4.9%);
- The second quarter of 2021 reported sales of €149.1 million, up +13.8% compared to the same period in 2019.

Revenues for the first half 2021 compared to 30 June 2020

- Growth compared to June 30, 2020 of +52.9% at current exchange rates: Asia +49.4%, Europe +43.4%, Americas +72.4%, Italy +42.1%, with the retail channel growing by +61.3% and wholesale by +44.6%.

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

"We are particularly pleased with the results achieved in this half-year and even more so with the great attention we are receiving for our brand.

*The sales of this **Spring Summer 2021** have been very good, and the start of the **Fall Winter 2021** season confirms the wonderful sensations that we had already felt during the collection of orders.*

*The presentation of the **Spring Summer 2022 Men's Collection** was met with enthusiastic comments from the trade press and the excellent start to the order collection confirms the customers' desire for contemporary elegance and refinement. Now we are focusing on the forthcoming presentation of the **Spring Summer 2022 Women's Collection**.*

We are very proud to have started a collaboration with Oliver Peoples, a brand of the "majestic" Luxottica, which will enable us to create our first eyewear capsule collection next October.

*All these considerations allow us to look forward to **the second half of the year** with fresh and **very confident** eyes, expecting **excellent sales growth** for the whole of **2021**, in the region of **+20%** compared to 2020, with an equally positive and balanced increase for the year **2022** of around **+10%**."*



BRUNELLO CUCINELLI

Solomeo, 13 July 2021 - The Board of Directors of Brunello Cucinelli S.p.A. – an Italian maison operating in the luxury goods sector and listed on the Electronic Stock Exchange (MTA) of Borsa Italiana – today reviewed preliminary first-half 2021 net revenues in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

Methodological note

The 2021 first half figures are commented on and compared with the same period figures for 2019 (growth of +7.7% at current exchange rates and +10.0% at constant exchange rates).

The comparison of 2021 first half with 2020 first half of +52.9% is of limited relevance; in fact, sales reported at June 30, 2020 had been heavily impacted by the closure of a significant number of boutiques worldwide, particularly in the second quarter.

As we are used to do in the communication of preliminary figures, in the absence of the conference call with the financial community that follows the communication of reported results, the dynamics and strategies are already fully analysed in the press release. Through this we would therefore like to give full evidence of the activities achieved, the market trends and the new ideas and projects that will come to life in the coming months.

Analysis of Revenues for the first half of 2021

The **excellent performance** of the first half of 2021 confirms the very favorable trend of the last 12 months, after the isolated parenthesis of the results of the second quarter of 2020.

Revenues for the first half of 2021 amounted to €313.7 million, with growth at current exchange rates of **+7.7% (+10.0 at constant exchange rates)** compared to €291.4 million as of **June 30, 2019**.

The **second quarter of 2021** reported sales of €149.1 million, **up +13.8%** compared to the same period in **2019**.

	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	95,901	30.6%	66,881	32.6%	+43.4%	87,838	+9.2%
Italy	41,030	13.1%	28,869	14.1%	+42.1%	44,340	-7.5%
Americas	99,939	31.9%	57,976	28.3%	+72.4%	95,046	+5.1%
Asia	76,839	24.5%	51,418	25.1%	+49.4%	64,188	+19.7%
Net Revenues	313,709	100.0%	205,143	100.0%	+52.9%	291,413	+7.7%
YoY Change at constant exchange rates					+57.7%		+10.0%



BRUNELLO CUCINELLI

The **European market**¹ (+9.2% compared to the first half of 2019) reports an excellent result, of absolute importance for us given the relative weight on our total sales (43.7% including Italy), and the guiding role in defining fashion trends.

In the markets and cities characterized by the presence of the **local customer**, sales were particularly strong; sales therefore reported considerable increases in the **Russian Federation**, in **Central-Northern Europe** and in general in 2nd tier cities throughout Europe.

In all European cities, as already happened in China and then in the USA, we perceived a **strong desire to return to the physical experience of shopping**, an expression of the natural desire of human beings to meet and socialize. This return was greatly encouraged and supported by the organization of a series of very exclusive events in several of our boutiques around the world.

The main **European cities and capitals** showed a marked improvement in the second quarter, partly thanks to reopenings after periods of closure, with a partial recovery in regional tourism flows; in the case of **London and Paris**, we were very pleased with the positive contribution of the major expansions that took place last year.

Italy (-7.5% compared to the first half of 2019) reports a significant improvement in performance in the second quarter, thanks also to the **reopening of boutiques** and the **increased presence of customers in the main cities**. The **multibrand channel** contributes in particular to the results in provincial cities, confirming the strategic importance of the complementarity between the monobrand and multibrand channels and the great territorial rooting of specialty stores.

The **American market** (+5.1% compared to the first half of 2019, with even more positive growth at constant exchange rates), continues to demonstrate the strength of **local demand** and the convinced **return of customers to purchasing in physical spaces**, to which is added the type of tourism that favors "**domestic**" resort locations.

After the gradual return of many people to their main residences, the desire for "rediscovered" normality and social relations has, in fact, led customers to resume travel within their own country, favored by the personal perception of greater security compared to international travel.

The marked growth in traffic and results in **Luxury Department Stores** in major American cities is certainly to be considered very positive, accompanying the increases in sales that had already characterized the trend in **Specialty Stores** of the preceding months.

The **Asian market** (+19.7% compared to the first half of 2019), which overall weighs 24.5% of the company's total revenues, continues its excellent growth path, with even stronger increases in **Mainland China**.

Growth in domestic China, whose potential is of primary interest in our long-term plan, is favored both by purchases by **traditional customers** and by **new customers**, who approach our brand guided by the evolution of their taste, interest in the product and adherence to the values that our brand expresses.

Macao's results for the first half of the year were also positive; there was a marked improvement in performance in **Hong Kong**, where we expect a gradual return to normality only after the reopening of borders.

¹ Starting from the Q1 2021, sales will be presented by market based on the geographical affiliation (Europe, Americas, Asia) of the different countries that the Group operates in, maintaining a specific focus on Italy. This mode of presentation makes it possible to give greater emphasis to the weight that each geographical area holds for the Group. In this regard, sales in countries that were previously included in the "Rest of the World" category were allocated to the specific geographical areas of reference.



BRUNELLO CUCINELLI

In the rest of the Asian continent, the **Korean market** showed positive vitality, whilst in **Japan** the half-year was less linear and still penalized by the instability of traffic in the main Department Stores.

Revenues by Distribution Channel

	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	165,330	52.7%	102,517	50.0%	+61.3%	149,947	+10.3%
Wholesale	148,378	47.3%	102,627	50.0%	+44.6%	141,466	+4.9%
Net Revenues	313,709	100.0%	205,143	100.0%	+52.9%	291,413	+7.7%

In the **first half of 2021**, the **retail channel** achieved **+10.3% growth compared to the first half of 2019**, slightly increasing its relative weight from 51.5% to 52.7%, and with an increase in sales of **+16.6% in the second quarter** compared to the same period in 2019.

The **Retail network** totalled 112 boutiques as of June 30, 2021, compared to 107 boutiques as of June 30, 2020, with the prestigious boutique expansions in London, Paris, St. Petersburg, Shanghai, Tokyo, and the conversion of two wholesale monobrand boutiques, including the important space in Dubai Mall.

We are very pleased with the **climate of faith** that is increasingly consolidating inside our stores, with an atmosphere of **renewed energy** and a strong **desire to return to normality**, which we have tried to intercept by organizing, with imagination and creativity, moments to be together with our customers.

The **wholesale channel** grew by **+4.9% compared to the first half of 2019**, with a relative weight of 47.3% (48.5% in the first half of 2019).

The continuity over time of the positive results of the wholesale channel certifies, in our opinion, the full **health of the distribution network**, which reports **positive sell-outs**, also thanks to the **punctuality and quality of deliveries** guaranteed by our company.

We are very satisfied with the reported result, also in consideration of the 10 conversions to direct management in the luxury Department Stores, occurred in the first 6 months of 2021.

This choice confirms the flexibility with which we are able to operate within the luxury Department Stores. In fact, we can manage the spaces in which we are present both through a traditional wholesale relationship, in those realities with a buying team capable of representing our collections in a unique and fascinating way, and directly, where market conditions and the very characteristics of our partner make it appropriate.



BRUNELLO CUCINELLI

In recent weeks the activity of our **Vaccine Center**, which we created here in Solomeo, in the Park of Beauty, has proceeded with great vigor.

This activity, which started in the first days of April following the health protocols and priority rules defined by the institutions, has given us the opportunity to contribute to the coverage of the **community** and our **human resources**.

It is therefore with great pride and satisfaction that we can say that we have concluded the vaccination campaign for the people of our company, thanks to the operation of the vaccination center on the basis of three daily shifts and the availability of everyone to vaccinate at any time of day or night.

Outlook

Sales for the **Spring Summer 2021** season are very meaningful, and the initial sell-outs for the **Fall Winter 2021** season show equally positive signs.

The order collection for the **Men's** collections for the **Spring Summer 2022 season**, presented during Milan Fashion Week and Pitti, has also started very well, and we are preparing with great enthusiasm the next presentation of the **Women's Spring Summer 2022 collection**.

Within the **retail channel**, we appreciate the solid trend of like-for-like sales, which accompanies the careful development of the network, with exclusive openings and surface expansions.

We can therefore imagine for the 2021, the **year of rebalancing**, an **excellent growth** around **+20% compared to 2020**, with an increase of about **+10% compared to 2019**.

These elements lead us to estimate very nice growth for **2022** as well, which we think it could be around **+10%**.

We also expect to continue our **healthy development** path in **2023**, fully realigning with the objectives of the first five-year period (2019-2023) of the **2019-2028 10-year plan**, which should lead us to **double our revenues** to around **€1.1 billion in 2028**.



BRUNELLO CUCINELLI

Our first 6 months of the year: qualitative analysis

There are several elements that determine our full satisfaction with the results achieved in the first half of 2021.

The first, and perhaps the most important, is the result achieved: growing in the double-digit range at constant exchange rates compared to the first half of 2019 fully enhances the **careful planning work** that has involved the entire **company** and our **external collaborators** over the past year.

Secondly, we would like to underline once again the **balance** that characterizes our sales: **growth** in both the **retail** and **wholesale channels**, and the **positive performance** of all **geographies**.

In the growths we find a strong reflection of the **loyalty** of our end customers, the predominant **domestic nature** of our business in many markets and the contribution of **new customers**.

It seems to us that at this moment our proposal is particularly appreciated at each level of the **product, taste and brand articulation**.

We believe that the result for the first half of the year is particularly supported by certain specific **factors**, which we analyze below.

The centrality of the product and the production structure

Our company is founded on the **product**, an essential premise in the vision of our solid positioning in the **absolute luxury**.

The **product is at the center** of all company processes. The special attention, focus and search for creativity, with which all our collections have been developed during the difficult months of the pandemic, has allowed us to continue to offer in our stores and showrooms a product judged by customers and journalists as **fresh, young, authentically new, contemporary and attractive**.

In the first half of the year, sales of the **Spring Summer 21** collection supported the excellent results of the retail network and the multi-brand sell-out.

In the last few weeks the contribution of the **Fall Winter 21** collection was very appreciable, with end customers confirming the high level of appreciation from international buyers and the specialized press, collected at the beginning of the year during the presentation of the collections.

The **timeliness** and **quality** of the **deliveries** confirm the value and the precious contribution of the **solid productive structure** of our company, with more than **350 artisan laboratories**, all based in Italy, able to guarantee at the same time a **manual component of more than 50%** in our collections, and a modern and reliable work organization.

This organization has already allowed us in recent months to return perfectly in line with the ideal timing of production, with a very important **advantage in deliveries**.

In fact, we have already delivered the first **assortments** on the **Fall Winter 2021** collections, which have brought us very useful information on the models particularly appreciated by the end customers.

At the beginning of June we started the sales campaign of the Men's **Spring Summer 2022** collection: the first comments and, even more concretely, the first orders received, are very very positive.

The presentation of the Spring Summer 2022 women's collection will begin in the coming weeks, and we are looking forward to it with great confidence.



BRUNELLO CUCINELLI

The Men's market

During the first half of 2021, the Men's market highlighted some elements that we consider very significant.

For what is concerning revenues, we have **reported very positive results** both in the **retail and wholesale channels**; in particular, the direct channel has shown a strong acceleration in sales of men's collections, showing an even faster recovery compared to women's purchases.

The **men's Fall Winter 2021 collections** are already showing **very interesting sell-out figures**, which we could consider somewhat "surprising" at this time of the year.

The comparison with our multi-brand customers confirms this **great desire for novelty on the part of the male clientele**, which is often described to us as "disoriented" in the face of a growing fashion component of the market offer.

In our discussions with important journalists during the **Men's Fashion Show in Milan** and during Pitti, we had the clear impression that our idea of focusing on a **proposal of "modern Elegance"** can satisfy the search for a **modern look** that is **appropriate in any context**.

In this renewed desire for elegance, we believe that the collection proposal should synthesize balance, essentiality and sobriety, values that have always inspired the creativity of our Style Office.

The beginning of the year was marked by what esteemed journalists have called a "denim cycle"; we believe that this phase is now over, and that today men in many cities are looking for an **even more sophisticated look**, in which jackets are once again playing a primary role.

We imagine that the **pleasure of dressing well** will start again also from the **suit**, symbol of elegance by definition, but we believe that it must be **reinterpreted in a modern key**, casual and free from the previous formal canons.

We have always firmly believed in the importance and great potential of a **Ready to Wear for luxury and non-fashion men**, and the first results of this semester seem to reward our taste and our positioning.

The "taste" and the brand identity

The strong discontinuity brought about by the pandemic has opened a phase of great dynamism within the luxury pyramid.

We are noticing a positive fervour in the market brought about by new ideas of stylistic development, accompanied by clear choices on geographical priorities and strategies for approaching sales channels.

The careful analysis we are conducting on all these contextual factors leads us to the desire to strongly reaffirm some of the convictions about the **identity of our brand**.

Our **first conviction** is that the development strategy of the various product categories must always be consistent with our "reference **taste**".

We feel that we have been able so far to reconcile coherence and innovation in the development of the collections, achieving a double objective: to be **recognizable** and **contemporary**.

The absence of the logo testifies to the fact that **recognizability is entrusted** to a single intangible but very important element: "**taste**".

This word - "so difficult to define" - represents one of our highest goals and we believe it is proving decisive in the results achieved.



BRUNELLO CUCINELLI

The strong consensus that we breathe around our brand has recently translated into **important awards** that honor our company, our culture, our land and all of us.

Among these, we would like to mention the most recent: the recognition of the Telegraph UK, which defined **Brunello Cucinelli as "The most stylish man of the last ten years"**.

Our **second cornerstone** is represented by our **positioning**; we continue to believe in **absolute luxury** as our only area of action, imagining that the opportunities for growth in this market segment can be more than congruent with our company's development expectations.

Finally, we believe that our brand can already be defined as a **lifestyle brand**, built around **Ready To Wear**, which represents and will continue to represent **the heart of our brand**.

Therefore, we would like the progressive growth of new categories, such as **homewear** or **eyewear**, to have as its first goal the completion of the lifestyle idea, while continuing to maintain the same positioning.



BRUNELLO CUCINELLI

New Projects

Brunello Cucinelli & Oliver Peoples: collaboration for the launch of the first eyewear capsule

Last week we announced the start of the **collaboration with Oliver Peoples** for the **launch of the first Brunello Cucinelli eyewear capsule**, within the wider offer of the Californian brand.

This partnership is primarily based on a great **affinity of taste** and a shared passion for a **handcrafted, high quality, logo-free product**.

We strongly believe that the glasses that will be born from this very pleasant collaboration will represent an additional element of **value** for our brand.

We are honored by this **collaboration with the majestic Luxottica**, owner of the Oliver Peoples brand, and see in this partnership further proof of the health and attractiveness of our brand.

The eyewear will be available as early as October, and will bear the **Brunello Cucinelli & Oliver Peoples** logo, testifying to the strong commitment of both companies to this project; the first release will feature 5 models, sun and prescription, for a total of approximately 25 combinations.

We are very happy with the association between the two brands, which in their respective categories have a very similar positioning, a special sensitivity in the search for **color**, a common predilection for **shapes and simplicity**.

The link with Oliver Peoples allows us to **enter the world of eyewear** by immediately positioning ourselves **at the top end of the market** through a **product** with a strong implicit value and **100% made in Italy**.

Through this collaboration we also benefit from the highest guarantee of technical quality of the product, as well as the punctuality and efficiency of Luxottica's own after-sales service.

As far as distribution is **concerned**, in addition to the presence in our **monobrand boutiques** and in those of **Oliver Peoples**, we will also be able to count on a platform of **beautiful multi-brand optics**, which will allow us to be present in the **highest end of the specialized channel**.



BRUNELLO CUCINELLI

Solomeo

New project for the next thousand years

We have always imagined that the identification of a brand is inextricably linked to its territory and its people, especially when we speak of **true luxury**. We believe in some way that our medieval village with its buildings, its stones, its epigraphs, will remain in the centuries to come as a testimony of this enterprise, but also of the way of behaving and of that idea of **humanistic capitalism** in which we believe so much. **Solomeo** has its heart in the medieval part of the hill, with the Castle, the Church and the Forum of the Arts, composed by the Theater, the amphitheater, the Garden of the Philosophers and the Library. The medieval part of the village harmoniously echoes the lower part with the Park of Beauty, the Monument to the Dignity of Man, the Winery, an authentic monument to the Earth. The realization of this fascinating new project will contribute more and more to the moral, civil, spiritual, cultural and economic growth of Brunello Cucinelli in the times to come.

Starting from this basic idea "for our vision of the future of humanity", we have tried, always with our family foundation, to make ourselves custodians of these places and to embellish them as much as we can. This new project, which has always fascinated us, will be presented to the international press between October and November and its aim is to contribute in the times to come to the moral, ethical, spiritual, cultural and economic growth of the company, its territory and its people.



BRUNELLO CUCINELLI

Pursuant to and in accordance with article 154-bis, paragraph 2 of Italian Legislative Decree no. 58 of 1998, the financial reporting officer, Moreno Ciarapica, declares that the disclosures included in this press release correspond to the documented results and the accounting records and entries. The sales figures included in this release have not been audited.

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

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 €544 million in revenues 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