



BRUNELLO CUCINELLI

PRESS RELEASE

BRUNELLO CUCINELLI: Shareholders' Meeting for the approval of the financial statements and the renewal of corporate bodies. Board of Directors meeting for the appointment of the Executive Chairman and CEOs

- The 2019 financial statements were approved, with net profit of 57.2 million, which was allocated to reserves;
- Amendments to articles 13 (Composition of the Board of Directors), 14 (Procedure for the appointment of the Board of Directors) and 21 (Procedure for the appointment of the Board of Statutory Auditors) of the Articles of Association were approved;
- The management and control bodies were appointed; Cav. Lav. Brunello Cucinelli was confirmed as Executive Chairman and Creative Director; Luca Lisandroni and Riccardo Stefanelli were appointed new CEOs.

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

*"It is with great **emotion** and **hope** that I look at the future of mankind and our industry."*

*"I envisage that these two young men in their forties, individuals of huge professional value and in love with the great universal concepts of **truth, beauty and humanity**, will be able to lead the enterprise for a long time as examples of guardianship for future generations."*

Solomeo, 21st May 2020 - Today, the Ordinary and Extraordinary Shareholders' Meeting of Brunello Cucinelli S.p.A. - Italian *maison* operating in the luxury goods sector listed on the Italian Stock Exchange (MTA) since 27 April 2012 - chaired by Chairman and CEO Cav. Lav. Brunello Cucinelli took place.

In its ordinary session, the Shareholders' Meeting resolved to approve the financial statements as at 31st December 2019 and to carry forward the profit for the year, equal to Euro 57,216,429, through allocation to the profit reserve.

In its extraordinary session, the Shareholders' Meeting resolved to approve the amendments to articles 13 (Composition of the Board of Directors), 14 (Procedure for the appointment of the Board of Directors) and 21 (Procedure for the appointment of the Board of Statutory Auditors) of the Articles of Association.



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The meeting included the presentation of the consolidated financial statements of Brunello Cucinelli S.p.A. as at 31st December 2019, which closed with net revenues of Euro 607.8 million, an increase of 9.9% compared to Euro 553.0 million in 2018, and a normalized net profit of Euro 49.3 million¹, which constitutes an increase of 7.1% compared to Euro 46.0 million in 2018.

The Shareholders' Meeting furthermore:

- approved, with a binding vote, the first section of the Report on remuneration policy and compensation paid, prepared by the Board of Directors pursuant to article 123-*ter* of Legislative Decree no. 58 of 24 February 1998, and, consequently, the remuneration policy contained therein;
- resolved, by a non-binding vote, in favor of the second section of the Report on remuneration policy and compensation paid prepared by the Board of Directors pursuant to article 123-*ter* of Legislative Decree no. 58 of 24 February 1998;
- set the number of members of the Board of Directors at 12;
- determined the term of office of the Board of Directors for the three-year period 2020-2022 and, therefore, until the Shareholders' Meeting that will be called to approve the financial statements at December 31st, 2022;
- appointed the following Directors, on the basis of the two lists that were submitted: Brunello Cucinelli (Chairman of the Board of Directors), Riccardo Stefanelli, Luca Lisandrone, Camilla Cucinelli, Carolina Cucinelli, Giovanna Manfredi, Stefano Domenicali (independent), Annachiara Svelto (independent), Andrea Pontremoli (independent), Ramin Arani (independent), Maria Cecilia La Manna (independent) taken from list no. 1 presented by the majority shareholder Fedone S.r.l., and Emanuela Bonadiman (independent) from list no. 2 submitted by a group of asset management companies and institutional investors;
- appointed Cav. Lav. Brunello Cucinelli Chairman of the Board of Directors;
- established the gross annual compensation to be awarded to each member of the Board of Directors and the attendance fee for attendance at each Board meeting;
- appointed the new Board of Statutory Auditors for the three-year period 2020-2022, which will remain in office until the Shareholders' Meeting called to approve the financial statements at December 31st, 2022. On the basis of the two submitted lists, the following were appointed: Paolo Prandi, Chairman of the Board of Statutory Auditors, taken from list no. 2 submitted by a group of asset management companies and institutional investors; Gerardo Longobardi and Alessandra Stabilini, standing auditors, taken from list no. 1 submitted by the majority shareholder Fedone S.r.l.; Guglielmo Castaldo, substitute auditor, taken from list no. 1, and Myriam Amato, substitute auditor, taken from list no. 2;
- established the gross annual compensation to be awarded to the Chairman of the Board of Statutory Auditors and the gross annual compensation to be awarded to each Standing Auditor.

¹ The "reported" net profit, which has been calculated considering the tax benefit of the "Patent Box", amounting to €5.6 million in 2019 and €5.0 million in 2018, amounted to €55.0 million, an increase of 7.7% compared to the net profit of €51.0 million in 2018.



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During today's meeting, the newly elected Board of Directors conferred powers of style, creativity and communication to Chairman Cav. Lav. Brunello Cucinelli and confirmed the latter in the role of Creative Director. Furthermore, the Board appointed Luca Lisandroni and Riccardo Stefanelli as new CEOs, imbuing Luca Lisandroni with powers regarding the area of Markets and putting Riccardo Stefanelli in charge of the area of Product and Operations.

The Board of Directors, moreover:

- confirmed Moreno Ciarapica as manager charged with preparing the company's financial reports, pursuant to articles 154-*bis* of Legislative Decree no. 58/1998 and 23 of the Company Bylaw, as it was ascertained that the requirements imposed by the applicable regulations are still met;
- ascertained that there are no grounds for ineligibility or incompatibility with regard to the twelve Directors, six of whom are independent, and that all of them meet the requirements of integrity established by the legislation in force;
- ascertained that Directors Stefano Domenicali, Annachiara Svelto, Andrea Pontremoli, Ramin Arani, Maria Cecilia La Manna and Emanuela Bonadiman meet the independence requirements established by law and by the Corporate Governance Code;
- in compliance with the recommendations of the Corporate Governance Code and considering the relevant provisions of the Articles of Association, the Board established the "Control and Risk Committee" and the "Remuneration and Appointments Committee". The "Control and Risk Committee" is composed as follows: Annachiara Svelto (Chairman), Andrea Pontremoli, Maria Cecilia La Manna; the "Remuneration and Appointments Committee" is composed as follows: Annachiara Svelto (Chairman), Stefano Domenicali, Emanuela Bonadiman. The two committees are composed exclusively of independent Directors;
- upon its appointment, the Board ascertained that the members of the Control and Risk Committee had adequate experience in accounting and financial matters as well as in risk management, and that the members of the "Remuneration and Appointments Committee" had adequate knowledge and experience in financial matters and remuneration policies;
- appointed the Independent Director, Annachiara Svelto, as *Lead Independent Director* of the Company, in compliance with the provisions of the Corporate Governance Code;
- ascertained that the Statutory Auditors meet the requirements of professionalism and integrity;
- verified that the composition of the Board of Directors and the Board of Statutory Auditors complies with the regulatory and statutory provisions in force regarding gender balance;
- in view of the recommendations contained in the Corporate Governance Code, the Board appointed Managing Directors, Luca Lisandroni and Riccardo Stefanelli, as Directors in charge of the internal control and risk management system, as well as employers pursuant to Legislative Decree no. 81/2008 with division of the scope of competence.

As far as the Company is aware, as of today, no Director holds shares in Brunello Cucinelli S.p.A., with the exception of Director Giovanna Manfredi who (through Fundita S.r.l.) holds 1,156,100 shares, equal to 1.70% of the share capital. It should also be noted that Fedone S.r.l., which holds 34,680,000 shares, equal to 51% of the Company's share capital, is managed by an administrative body of which Cav. Lav. Brunello Cucinelli is Chairman and CEO. It should be noted that the entire shareholding in Fedone S.r.l. is owned by Spafid Trust S.r.l. as trustee within the Brunello Cucinelli Trust, established on 25th June 2014 (for further information please refer to the Company's website: <http://investor.brunellocucinelli.com/en>).



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The updated composition of the Board of Directors - with a summary of the *curriculum vitae* of each director - and the Board of Statutory Auditors, is available on the Company's website (<http://investor.brunellocucinelli.com/en>).

Pursuant to and for the purposes of article 154-bis, paragraph 2, of Legislative Decree no. 58 of 1998, the manager charged with preparing the company's financial reports, Moreno Ciarapica, hereby declares that the information contained in this press release corresponds to the documented results, books and accounting records.

The minutes of the Shareholders' Meeting of Brunello Cucinelli S.p.A. will be made available to the public in the manner and within the time required by current regulations.

Brunello Cucinelli S.p.A. is an Italian maison creating luxury goods. It was founded in 1978 by the fashion designer and entrepreneur of the same name and is listed on the Borsa Italiana 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 the Created** and **Human Sustainability**.

Specialized 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**, **passion** and **human values** make Brunello Cucinelli one of the most exclusive and admired **ambassadors** of **Italian style** in the world. In fact, the brand authentically expresses the values of **tailoring** and **artisanship** that characterize **Made in Italy** production and the territory of the Umbria region in particular, combined with an eye on **innovation** and **contemporary style**.

Through **healthy, balanced** and **sustainable growth**, the company's main goal is to gain profits with **ethics, morale** and **dignity**, respecting the moral and economic dignity of the over 1,800 directly employed Human Resources and of all the company's collaborators.

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