



BRUNELLO CUCINELLI

Press Release

CASA DI MODA BRUNELLO CUCINELLI: the Board of Directors examined the turnover figures for operations as at 30/09/2023

- Revenues amounted to €818.4 million, a very significant growth of +27.5% at current exchange rates (+28.8% at constant exchange rates) compared to the first 9 months of 2022;
- Geographical areas were all very positive and well distributed: Americas +21.7%, Europe +18.3%, Italy +24.5% and Asia +49.7%;
- Well balanced sales channels showed very significant growth: retail +34.6% and wholesale +17.1%;
- The excellent result of the first 9 months of the year, the very positive response to the collections, and the focus on the exclusiveness and rarity of the high-quality, handcrafted ready-to-wear offer, lead us to predict a splendid growth in revenues for 2023 of between +20% and +22%, compared to the previous estimate of +19%.

Brunello Cucinelli, Executive Chairman and Creative Director of the Casa di Moda commented:

In the first nine months of this particularly good year, we have achieved significant growth in sales and image; given the high quality of sales, we envisage a nice, healthy profit as a result. We see there is a robust demand for high-quality, hand-crafted garments that epitomise an idea of "quiet, precious luxury" that reflects our personality.

Based on the above, we have chosen to raise our year-end sales growth estimates from 19% to an increase of between 20% and 22%.

Furthermore, given the excellent sellout rate of the Fall-Winter 2023 season and the exceptional order intake for the Spring-Summer 2024 one, we are very confident in our balanced growth project for 2024, which we have estimated at around 10%.

And in these days of distressing news, I call upon the world's great men – the temporary guardians of Creation – with all my soul, with all my mind, so that they may be enlightened and shed light themselves on the darkness of war, and find the path of peace for so many suffering human beings.



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Solomeo, 19 October 2023 – The Board of Directors of Brunello Cucinelli S.p.A. – an Italian Casa di Moda operating in the luxury goods sector, listed on the Italian Stock Exchange (now, Euronext) – today reviewed its turnover as at 30 September 2023, in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

The **excellent results** achieved in the first 9 months of 2023 leave us **extremely satisfied**.

Revenues in the first **9 months of 2023** are up **+27.5%** (+28.8% at constant exchange rates).

The **third quarter** reported revenues of €274.4 million, with an absolute value in line with the first and second quarter sales, and a **very important growth** of **+21.1%** at **current exchange rates**.

Sales in all geographical areas and channels clearly show the strong demand for **high quality, handcrafted ready-to-wear** items, with a focus on the **exclusiveness** and **rarity** of these articles.

The **Americas** (+21.7% revenues in the first 9 months of 2023), **Europe** (+20.2%) and **Asia** (+49.7%) show the “structural” increase in demand for this type of offer, confirming the solidity of the growth we had already reported in the first part of the year.

Equally positive were the dynamics broken down by channels, with **retail** (+34.6% growth in the first 9 months) and **wholesale** (+17.1%) highlighting the particularly positive trend for the highest luxury segment.

Supporting our sales since the beginning of the year and far exceeding our initial expectations were:

- the affirmation of **quiet and precious luxury** as the new direction of taste;
- the great recognition of the value of **exclusiveness** and **rarity**;
- the excellent appreciation by end customers of the **creativity** of our collections, the quality of our **craftsmanship** and the **wearability** of our products;
- the great international prominence of the “**Neiman Marcus Fashion Award for Distinguished Service in the field of Fashion**”.

We therefore imagine that **2023** could be an **extremely positive year**, with final growth expected to be between +20% and +22%, compared to the previous estimate of an increase of around +19%, and a very high perception of the **lifestyle** and **allure** that our brand expresses.



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Revenues by Geographical Area

	9 months '23	% on	9 months '22	% on	YoY
	Eur '000	Revenues	Eur '000	Revenues	Change %
Italy	97,184	11.9%	78,032	12.2%	24.5%
Europe (excl. Italy)	217,945	26.6%	184,174	28.7%	18.3%
Total Europe	315,129	38.5%	262,206	40.9%	20.2%
Americas	284,683	34.8%	233,850	36.4%	21.7%
Asia	218,567	26.7%	145,970	22.7%	49.7%
Revenues	818,379	100.0%	642,026	100.0%	27.5%
YoY Change at constant exchange rates					28.8%

Europe – revenues of €217.9 million, an increase of +18.3% compared to the first 9 months of 2022, and a relative weight of 26.6%

Demand from the **local customer** shows solid and **sustainable** growth, with a **noteworthy increase** above double digits also in **Q3**.

We are therefore very satisfied with the results achieved, to which the presence of **high-end tourism**, particularly in the **first part of the year**, mainly from North America, contributed.

Italy – revenues of €97.2 million, up +24.5% year-on-year, with a weight of 11.9%.

There were **various events** throughout the year where we aimed to strengthen the "**special**" bond we seek with our clients, fostering social gatherings that serve as invaluable moments that seek to **forge** this relationship and help it **endure**.

Americas – turnover of €284.7 million, up +21.7% compared to the first 9 months of 2022, with a sales weight of 34.8%.

Very positive results were achieved in **both sales channels** in **North America**, where there is still a **solid** and **growing demand** for **absolute luxury** clothing, oriented towards **special garments** with a **high craftsmanship content**.

In the **retail channel**, sales grew in all our boutiques and geographical areas, with a network of exclusive shops and a steadily increasing presence of **new clients**, added to **existing customers**, who are looking for garments of high value.

In the **multibrand channel**, after the **excellent close** of the sales season for the **Spring-Summer 2023** collection, the **winter season** got off to a **very good** start.

All of which we believe contributed in a very positive way to the order campaign for department stores for the upcoming **Spring-Summer 2024** season, which ended with **very good results** for all major wholesale clients, for both the **men's** and **women's** collections.



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Asia – revenues of €218.6 million, up +49.7% compared to last year, accounting for 26.7% of sales.

The **growth in all Asian markets was very significant**, with **China** now accounting for about half of the total business in the region, confirming the **impressive growth** that had already characterised the first part of the year.

We are convinced that the Chinese customer increasingly appreciates the purely “silent” taste of our collections, rewarding their **exclusiveness** and positioning at the **very top end** of the market, with a particular focus on **clothing**.

Hong Kong's results were very interesting, with a strong component of foreign visitors coming mainly from China and other Asian regions.

Positive outcomes were attained in **Japan** and **South Korea**, primarily due to domestic demand and the contribution of tourism. Finally, the growth in **Middle East** benefited from purchases made by both local and foreign clients, whose interests and activities are based in the Gulf countries.

Revenues by Distribution Channel

	9 months '23	% on	9 months '22	% on	YoY
	Eur '000	Revenues	Eur '000	Revenues	Change %
Retail	510,729	62.4%	379,396	59.1%	34.6%
Wholesale	307,650	37.6%	262,630	40.9%	17.1%
Revenues	818,379	100.0%	642,026	100.0%	27.5%
YoY Change at constant exchange rates					28.8%

Retail channel – sales of €510.7 million, up +34.6% compared to the first 9 months of 2022, with a relative weight of 62.4%.

Excellent increase in like-for-like sales. **Superb** initial **sell-outs** for the **Fall-Winter 2023** collection, also considering **increasing comparative base in 2022**, where the relative weight of the retail channel had increased significantly in the second half of the year.

Particularly important **investments** have been made to keep our **shops up-to-date** and welcoming, with a network of **124 boutiques** as at 30 September 2023, unchanged from 30 June 2023.

The **events** organised within the brand locations are also a very important element for our Casa di Moda. Through them we can **communicate** the brand in a “**silent**” way, in an **intimate, exclusive and friendly atmosphere** that is perfectly in line with the quest for a relationship that aims to be “special”.



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Wholesale channel – revenues of €307.7 million, up +17.1% over last year, with a relative weight of sales of 37.6%.

The results of the **Fall-Winter 2023** collections were **excellent**, confirming the success of the previous **Spring-Summer 2023** one, with deliveries always on time, and satisfying the strong demand for luxury at the highest end of the market.

This confirms the **relevance** of Specialty and Luxury Department Stores as a **strategic channel** for our particular line of goods. We continue to hold the opinion that these locations serve as "**guardians**" of **taste**, managing to update the selection each season by fusing and enriching the various brands that are present therein.

Outlook

We foresee a **stupendous result** for **2023**, with an **expected growth in revenues of between +20% and +22%**, compared to the previous estimate of +19%, a **healthy marginality** in line with the first half of the year, and a **very positive increase in profits**.

We believe that these expectations of ours are extremely concrete, based as they are on the 9-month results and considering the excellent customer appreciation for the Fall-Winter 2023 collections currently in shops with very interesting sell-out figures.

For **2024** and **2025**, we envision a **healthy and balanced growth** in the region of **+10%**, while maintaining our focus on style, elegance, rarity, and brand exclusiveness.

Thanks to the **excellent order collection** completed for the **Men's and Women's Spring-Summer 2024**, we are certain that our **visibility** on the **2024** growth project is now "**more than good**".

Finally, as far as **2025** is concerned, we have "**good**" **visibility**, supported by the **structural characteristics** of **high-end luxury demand**, the **potential for growth** in **all markets** and in **both channels**, and the **selected** ongoing boutique **opening project**.

The manager in charge of preparing the company's financial reports, Dario Pipitone, declares, pursuant to and in accordance with article 154-bis, paragraph 2, of Legislative Decree no. 58 of 1998, that the information contained in this press release corresponds to the document results, books and accounting records. Please note that the sales figures in this press release have not been audited.

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



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Brunello Cucinelli S.p.A. is an Italian Casa di Moda founded in 1978 by the eponymous designer and entrepreneur and is listed on the medium and large companies stock exchange (MTA) of Borsa Italiana. Long rooted in the mediaeval Umbrian hamlet of Solomeo, the company is guided by an entrepreneurial philosophy that focuses on the major themes of "Harmony with Creation," respect for the dignity of every living being, and the pursuit of balanced growth in full accordance with the ethical values embodied in the founding principle of "Humanistic Capitalism and Human Sustainability".

Initially specialising in the production of cashmere of the highest quality, the brand has expanded to include ready-to-wear and casual chic accessories, expressing a refined, discreet, yet versatile and everyday style. The collections seek to interpret the most authentic spirit of the Italian way of life, recreating with passion and ethics a taste perpetually balanced between elegance, creativity, contemporaneity and craftsmanship, one rooted in the values of tailoring and high craftsmanship peculiar to the Italian tradition and the Umbrian region, and deftly combined with an emphasis on innovation and contemporary style.

Through a path of healthy, fair and sustainable development, the company seeks to generate profits with integrity and harmony, while respecting the moral and economic dignity of its more than 2,500 direct employees and all of its collaborators.

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