



# BRUNELLO CUCINELLI

**BRUNELLO CUCINELLI S.P.A.**

**Registered office: 5, Viale Parco dell'Industria, Solomeo, Corciano (PG), Italy**

**Fully paid-up share capital: Euro 13,600,000**

**Tax code/VAT code and registration number with the Register of Companies of Umbria 01886120540**

**R.E.A. no. 165936**

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL RELATING TO THE FIRST AND ONLY ITEM ON THE AGENDA OF THE EXTRAORDINARY PART OF THE SHAREHOLDERS' MEETING CONVENED, IN SINGLE CALL, FOR 23 APRIL 2026.**

*Extraordinary agenda item – Proposal to increase the share capital free of charge, pursuant to Article 2442 of the Italian Civil Code, up to a total amount of Euro 200,000,000 through the transfer to share capital of Euro 186,400,000 taken from reserves recorded in the financial statements, allocation to the legal reserve in accordance with the law and consequent amendment of Article 6.1 of the Company's Bylaws. Resolutions pertaining thereto and resulting therefrom.*

Dear Shareholders,

the Board of Directors of Brunello Cucinelli S.p.A. ("**BC**" or the "**Company**") has convened an extraordinary meeting on 23 April 2026 in order to submit for your approval the proposal to (i) increase the share capital free of charge, pursuant to Article 2442 of the Italian Civil Code, up to a total amount of Euro 200,000,000 (the "**Transaction**"), (ii) allocate to the legal reserve, pursuant to Article 2430 of the Italian Civil Code, an amount equal to Euro 37,280,000 (iii) consequently, amend Article 6.1 of the Company's Articles of Association (the "**Articles of Association**") currently in force (collectively, the "**Proposal**").

This report (the "**Report**") has been prepared pursuant to Article *125-ter* of Legislative Decree no. 58/1998 (as subsequently amended) ("**TUF**") in order to illustrate the proposed amendments to the Articles of Association.

### **1. Purpose of the Transaction**

On 18 February 2026, upon approval of the draft financial statements for the financial year ended 31 December 2025 (the "**Draft Financial Statements**"), the Board of Directors decided to submit to you a proposal to allocate part of the available reserves resulting from the aforementioned Draft Financial Statements to share capital, in order to bring the Company's share capital to Euro 200,000,000 (the "**Post-CapInc. Share Capital**"). The Draft Financial Statements show available reserves totalling Euro 473,807,000. It should also be noted that the approval of Item 4 on the agenda of the ordinary Shareholders' Meeting, concerning the authorisation to purchase and dispose of treasury shares pursuant to Articles 2357 and *2357-ter* of the Italian Civil Code, Article 132 of the TUF and Article 144-bis of the Consob Regulation adopted by Resolution no. 11971 of 14 May 1999, would not prejudice the successful completion of the Transaction, given that the available reserves are more than sufficient for this purpose. Upon completion of the Transaction, no new shares of the Company will be issued.

### **2. Economic, financial and legal effects of the Transaction**

The Transaction (i) does not involve any outlay of financial resources by the Shareholders; (ii) ensures that the proportionality between the Shareholders is fully preserved, without any alteration of their administrative and property rights; (iii) does not change the total net equity of the Company; and (iv) means that the amount used for the share capital increase is no longer freely distributable as a dividend. The Transaction requires the amendment of the provision in the Articles of Association concerning the amount of share capital, namely Article 6.1 of the Articles of Association.

### **3. Reasons for the Transaction**

The Board of Directors' decision to submit the Proposal for your approval responds to medium- to long-term

needs, aimed at creating sustainable value for all *stakeholders*, in line with the principles of Humanistic Capitalism and Human Sustainability, which inspire the Company. In particular, the Transaction pursues the following objectives:

- i. to structurally strengthen the Company's financial position by increasing the stable and non-distributable risk capital component;
- ii. improve the Company's resilience to uncertain macroeconomic and market scenarios, in support of its industrial and sustainable growth plans;
- iii. confirming the long-term commitment to financial stability and transparency, while preserving investment capacity and operational flexibility.

#### 4. Legal reserve

The Draft Financial Statements show that the legal reserve amounts to Euro 2,720,000, equivalent to one fifth of the share capital currently subscribed and fully paid up. If the Transaction is approved, pursuant to Article 2430 of the Italian Civil Code, in the coming financial years the Company would be required to allocate to the legal reserve an amount corresponding to at least one-twentieth of the annual net profits, until such reserve reaches one-fifth of the Post-CapInc. Share Capital, equal to Euro 40,000,000. However, it is proposed to allocate an amount of Euro 37,280,000 to the legal reserve at this stage, using resources recorded in other available reserves resulting from the Draft Financial Statements. The above is proposed in order to comply promptly with the legal requirement and, in the presence of available resources, not to limit the ability to distribute dividends that will be realised in future financial years.

#### 5. Decision-making process followed in formulating the proposal

It should be noted that the Proposal referred to in this Report was approved by the Board of Directors on 18 February 2026, as it is a matter outside the remit of the internal committees. The decision was taken unanimously.

The reasons for this positive assessment are set out in the previous paragraphs of this Report.

#### 6. Comparison of the text of the statutory clause

The table below shows the article of the Company's Articles of Association that is proposed to be amended, comparing the current text with the text that would result from the adoption of the Proposal.

(bold = added text; crossed out = deleted text)	
CURRENT TEXT	PROPOSED AMENDMENTS
<p><b>Article 6.1 – Share capital</b></p> <p>The share capital is Euro <del>13,600,000 (thirteen million six hundred thousand)</del>, divided into 68,000,000 (sixty-eight million) ordinary shares with no par value and may be increased. The</p>	<p><b>Article 6.1 – Share capital</b></p> <p>The share capital is <b>Euro 200,000,000 (two hundred million)</b>, divided into 68,000,000 (sixty-eight million) ordinary shares with no par value and may be increased. The Shareholders' Meeting may</p>

Shareholders' Meeting may resolve to issue categories of shares with different rights, in accordance with the provisions of the law.	resolve to issue categories of shares with different rights, in accordance with the provisions of the law.
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## 7. Right of withdrawal

The Company's Board of Directors notes that the proposed amendment to the Articles of Association does not grant shareholders the right of withdrawal pursuant to Article 2437 of the Italian Civil Code.

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## Proposed resolution

Dear Shareholders,

in view of the above, if you agree with the Proposal, we invite you to adopt the following resolutions:

*"The Extraordinary Shareholders' Meeting of Brunello Cucinelli S.p.A.,*

- *having examined and discussed the proposal to increase the share capital free of charge, pursuant to Article 2442 of the Italian Civil Code, up to a total amount of Euro 200,000,000 through the transfer to share capital of Euro 186,400,000 taken from reserves recorded in the financial statements and other related and consequent resolutions;*
- *having regard to the relevant explanatory report prepared by the Board of Directors;*
- *having regard to the text of the Articles of Association currently in force,*

### resolves

- *to approve the free share capital increase proposed by the Board of Directors, pursuant to Article 2442 of the Italian Civil Code, up to a total amount of Euro 200,000,000 through the transfer to share capital of Euro 186,400,000 taken from available reserves resulting from the financial statements as at 31 December 2025 approved today;*
- *to allocate to the legal reserve, pursuant to Article 2430 of the Italian Civil Code, an amount equal to Euro 37,280,000, through the use of resources recorded in other available reserves resulting from the financial statements as at 31 December 2025 approved today;*

### consequently, resolves

- *to approve the amendments proposed by the Board of Directors to Article 6.1 of the Company's Bylaws, which, as a result of the amendments, will read as follows:*

*" Article 6.1 - Share capital*

*The share capital is Euro 200,000,000 (two hundred million), divided into 68,000,000 (sixty-eight million) ordinary shares with no par value and may be increased. The Shareholders' Meeting may*

*resolve to issue categories of shares with different rights, in accordance with the provisions of the law.";*

- *to grant the Board of Directors, with the power to sub-delegate, all the powers necessary or appropriate to implement the above resolutions and to fulfil all the obligations provided for by the regulations in force at the time, as well as to perform the acts and transactions necessary or appropriate for this purpose, including, by way of example, those relating to:*
  - *the management of relations with any competent body and/or authority;*
  - *to obtain legal approval for the above resolutions, with the right to introduce any changes that may be required by the competent authorities and/or the Companies Register when registering them, and to take any necessary steps to this end.*

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Solomeo, February 18<sup>th</sup>, 2026

For the Board of Directors  
**The Chairman**  
Cav. Lav. Brunello Cucinelli