

Brunello Cucinelli S.p.A.

"First Half 2025 Results Presentation"

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OPERATOR: Good evening and welcome to the Presentation of the Results of the First Half 2025 of the Fashion House Brunello Cucinelli. Speakers will be Brunello Cucinelli, Executive Chairman and Creative Director, Luca Lisandrone, CEO, Riccardo Stefanelli, CEO, Dario Pipitone, CFO, Moreno Ciarapica, Co-CFO Senior and Pietro Arnaboldi, Investor Relations and Corporate Planning Director. In order to receive help from an operator during the conference call, press "*" followed by "0."

I'd now like to give the floor to Luca Lisandrone and Riccardo Stefanelli.

LUCA LISANDRONE: Good evening, everyone and it's a pleasure to have you back. It's Luca here and we are all gathered here in Solomeo except for Brunello who is in Prague attending one of our typical traditional events that we mention to you very often. Brunello, can you hear?

BRUNELLO CUCINELLI: Yes, I can hear you very well. It is actually the first time, Brunello is saying, since when we listed that I attend a call remotely, so to speak. So, we organize these interesting events because we usually invite between 120 and 170 guests. But, you know, I wanted to be a monk, so just think of how many people I need to be surrounded by. The only problem there is, you know, that I have to take pictures with everybody and especially with ladies. Ladies never like themselves, so you have to do retakes. But I'm very happy to be here, I'm very happy to be part of this call.

Luca, Riccardo, I give the floor back to you.

LUCA LISANDRONE: So, we are here for this half year call when actually we are reaching the end of the third quarter. So, what about the call? So, I will organize it in 3 main topics. So, the analysis of the results, and I'll be reading out the results as in the first page of our reports and we put a quotation from Brunello, then our CFO Dario here beside me will provide you further insights.

Immediately afterwards, Brunello will confirm our guidance for 2025 and 2026. And to conclude, I will take back the floor to offer you an update on our markets. And Riccardo will give you a comprehensive overview on productions, supply chain, themes that are very dear to us, and also including the opening on the extension of the Solomeo factory and the opening of new artisanal factories, and with investments to be completed this year.

So now starting from the half year results with great satisfaction, we can see the first half of 2025 closed with very, very good results in terms of revenues, profitability, and net income. Revenues amounted to €684 million, up 10.2% at current exchange rates, and 10.7% at constant exchange rates, versus June 30, 2024.

EBIT €113.8 million, up 8.8% versus H1 2024, with a margin of 16.9% as of June 30, 2024. As to the net income, it amounted to €76.7 million, up 16% versus June 2024, with an incidence of 11.2% vis-à-vis 10.6% in H1 2024. 2025 represents a most important year for investments, with the early completion, one year ahead of plan, of the 2024-2026 3-year program or plan for artisanal Made in Italy production. This includes the doubling of our Solomeo factory, ensuring a serene working environment until around 2035. As of 30 June, 2025, investments totaled €63.5 million, versus €44.8 million in 2024.

The balance sheet is very sound, with the net financial debt at €197.2 million, reflecting both the above-mentioned investment plan and the dividend payments of €68.8 million altogether. And as of 30 June, 2024, net financial debt was €102.3 million. So, the very, very positive sales trend in July and August, in continuity with the growth of the first 6 months, as well as the excellent start to the fall/winter 2025 collections in our

boutiques, this strengthens our confidence for a full-year revenue growth of around 10%, with healthy and balanced profits.

Now, let's take a look at 2026. We can see the spring/summer 2026 sales campaigns are performing excellently. The men's campaign has already been completed, while the women's campaign is still ongoing, with extremely positive feedback. So, these excellent outcomes, together with the pleasant atmosphere surrounding our brand, reinforce our outlook for revenue growth of around 10%, also in 2026.

Brunello Cucinelli commented as follows. So, we closed the first half of 2025 with excellent results in both revenues and profits, achieving that healthy and gracious growth we so deeply cherish. We strive to ennoble the work of our craftsmen, to conduct business-wise respecting the moral and economic dignity of the human being, with the impression that each of us is constantly searching for a sound balance in life, in work, and in the much-longed-for human relations.

Fall/winter sales have truly started very well, as have the men's and women's spring/summer 2026 orders. All this, together with the pleasant atmosphere surrounding our brand, allows us to work serenely and to envision closing 2025 with healthy and beautiful revenue growth of around 10%, with equally healthy profits, and to look towards 2026 with the same balanced growth, once again around 10%.

Dario, the floor is now yours.

DARIO PIPITONE: Good evening, ladies and gentlemen. Let's now take a look at the main economic financial performance in the first half 2025, inviting you to go back to the slide presentation on Slide 14. So, the revenues confirm the

preliminary figures of June the 10th of revenues growth of plus 10.2%, constant exchange rates 10.7%.

As for the other items in the income statement, Slide 15 shows as 30 June, 2025 margin cost structure that is very balanced, EBIT and net equity up plus 18.6% when compared to 30 of June last year. First margin 74.5% of revenues, unchanged vis-à-vis the first half of 2024, mainly as a result of the sales mix distribution area and geography that are basically in line with the past half year. Operating costs show an increase by 8.5%, and they mirror the expansion of our company.

And now on Slide 17, to analyze the main cost items, personnel cost, rents and communication, here we can say the personnel cost as of 30 June, 2025 amounted to €125.6 million, and it shows an increase of plus 11.5%, slightly more than proportional then the growth of revenues, with an incidence of 18.4%. 18.2% last year, and 18.3% at the end of the 2024 full year.

As of 30 June, 2025, the number of human resources amounted to 3,283 full-time equivalents, with an increase of 262 FTEs vis-à-vis June last year. And this is ascribable mainly to the targeted expansion of our retail network, but also the strengthening of the production personnel pertaining to the increase in internal production. Cost of rents, net of the IFRS 16, €104.6 million or 15.3% as incidence on revenues, up by 20% vis-à-vis €87.2 million, or 14.1% as of 30 June, 2024. And this increase is down mainly to the new selected openings and expansions in the second half of 2024, the renewal in contracts, and partly to the cost for the expected expansions in the second half of the year already accounted for.

Then investments in communications, €44.4 million, with an incidence of 6.5% vis-à-vis the €44.6 million, or 7.3% of revenues of 30 June, 2024. The lower incidence of this first half 2025 is the result of a different

planning of events...artisanal events organized by our Fashion House. According to this planning, more events are concentrated in the second half of the year, with a natural effect that you can envisage with the rising investment in communication in the second half rather than the first one, and up compared to 2024 full year.

But before moving on to the...commenting the main KPIs of the income statements below the EBITDA, I'd like to talk about transportation and tariffs, €33.9 million in 2025, 5% of revenues, vis-à-vis €27.9 million last year, or 0.5 as incidence on revenues. This item shows an increase by 21.5%, more than proportionate compared to revenues, mainly due to the introduction on April 02, 2025, on Liberation Day, of the higher tariffs on sales in the US. I would like to remind you that the introduction of the higher tariffs in the US does not mirror an increase in prices in the second half, because during this season we never, never change our price lists for the spring/summer 2025 collections.

And then to wrap up on Slide 17, as of 30 June, 2025, D&A €86.8 million, vis-à-vis €73.2 million at June 2024, and they show an increase of plus 18.6%, or €13.6 million, mainly due to the new rent lease contracts that we signed during this period. So, in line with the rent at the end of the first half depreciation/amortization, without the application of IFRS 16, that would amount to €26.1 million vis-à-vis the €23 million of the first half 2024, fully in line with 3.8% incidence of revenues, in line, as I was saying, with what we achieved last year as a result of all this. As I said, with the introduction of EBIT, €113.8 million, up by 8.8%, with an operating margin of 16.6%, 16.9% last year. Also, there was this increase in EBIT with financial charges of €6.5 million, tax rate 28.6%. Net income as of 30 June, 2025 amounted to €76.7 million, with an incidence of 11.2%, up by 16% vis-à-vis last year.

So, before concluding on the income statement, I would like to go back on the financials part, with Slide 18, where we have reported the usual breakdown, highlighting a recurring component having to do with FOREX and then also shareholdings. The increase in the recurring part of 54.5%, €7.2 million, is mainly due to the financial charges calculated on the liabilities for leasing, €13 million, 30 June, 2025, vis-à-vis €9.2 million last year, as a result of the new lease contract related to the new openings and the renewals of some stores. Also, the increase in net financial charges linked to the financial debt. The component linked to FOREX it shows an income...an increase by €10.2 million, and it is basically the result of the unrealized gains of the net income coming from the swinging of FOREX, and this is subject to the changes from time-to-time.

Now, Slide 19 and following, to give you some short comments on the following items in the balance sheet, net working capital investments and financial net debt. Net working capital, including current net assets and liabilities, is equal to €303.1 million, with an impact on revenues in the first half of 2025 equal to 23.2% versus 19.3% as of 31 December, 2024.

Now, the detailed items, we can say that trade receivables in the first half of 2025 have an increase by 24.3%, mostly due to the excellent performance in revenues in the second quarter, with particular reference to the wholesale channel, and this confirms a very sound situation. We would like to point out that losses are almost negligible, as it has always been the case. Unchanged payment terms and trade receivables, trade payables equal to 173 versus 160 as of 31 December, 2024. The incidence of inventories and the rolling revenues is equal to 28.2% and is basically in line with what was reported as of the 31 December, 2024. And this level of inventories is considered to be sound and normal for our business. Other net assets and liabilities have a negative result, equal to €5.2 million versus €36.5 million as of 31 December, 2024. And these changes are mostly due to the fair

value evaluation of the derivative instruments to hedge current exchange rate risks.

On Slide 20, you see the investments in the first half. We have €63.5 million, 9.3% of our revenues, versus 7.2% of last year. €32.1 million are the important trade investments to support the image of our Casa di Moda and the expansion of our showrooms and renovations. €24.4 million are due to other very important investments for the strengthening of the production artisanal capabilities and the remaining amount was invested in technology.

So, last but not least, to conclude, the net financial debt typical of the core business, as you can see on Slide 21, is equal to €197.2 million in the first half 2025 versus the €102.3 million as of 31 December, 2024, including the payment of the taxes. The net financial position is the result of the positive economic result of the period, the important investment plan, the changes in the net working capital as described above, and the payout of the dividends for €68.8 million.

Thank you very much for your attention. And Brunello, I would leave the floor to you because I've concluded my remarks. Thank you.

BRUNELLO CUCINELLI: Thank you very much. Now, I would like the next 3 minutes to share with you our outlook on how we are going to close 2025. Prior to dwelling on other topics, we would like to confirm the year-end forecast that we confirmed in July. So, turnover up 10% approximately, a margin a bit slightly improving compared to last year. Investments are equal to about 10.5%. This is very important. But please keep in mind that 2026 and 2027 investments will be around 7% as usual. Those large investments that were carried out in 2024 and 2025 have laid the foundations to work with peace

of mind in the following decade. So, as you may have understood, we are very, very happy with the performance in 2025.

As far as 2026 is concerned, you know that the men's collection has been released with collected orders for wholesale. The collection has been extremely successful, but very important is also the feedback of journalists as collected during PT [ph] in Milan. As far as women's collection is concerned, we are halfway in the collection, but in the campaign, but we can say that results have been very good.

Let's wait until September for the world press assessment. As you know, this judgment is very important. This opinion is very important. If the international press say the collection is not contemporary, well, this is a major issue. The third very important element is that the very good start for the fall/winter 2025 sales, as you know, they start in the beginning of July. And so, we are very confident for 2026 with growth that we always like equal to approximately 10%. So, this is it as far as 2025 and 2026 are concerned.

In our conference call in July, we dwelled on topics that are fundamental for us. Let me recap these topics in a minute. We work in the absolute luxury end only. So, everything we say should be considered for the absolute luxury bracket of the market only. And then the value of deliveries is extremely important for us. The value of quality, the value of craftsmanship in our products are also key. We are at over 62% of manual work in the manufacturing of our garments and then great value has exclusivity as well. We also provide great value to multibrand stores in the world, 400, as it has always been the case and we've never had issues with payments.

And last but not least, the communication. You know that we keep on saying that today we would like...well, that tomorrow we would like to be less known than today. That's for sure, because we think that we have a sort of an over communication right now. And if we do believe in exclusivity, this is what we have to pursue.

Last but not least, tariffs. Well, on April 03, we set up within the company a sort of task force of crisis unit because of the tariffs, which was closed after 4 months. In our company, tariffs impact only 5% and only in the US market. These are the key topics for us.

Now, Luca will provide you with an overview of the markets. Riccardo will give you an overview of the Italian supply chain and then we will recap all this together. Luca, you have the floor.

LUCA LISANDRONI: Thank you very much, Brunello. And let me start with what you said earlier. So, we consider only the very top end of the market. Let's start with July and August sales. For us, they maintained the very positive trend that has accompanied us throughout the first half of the year. And this figure is very significant for 2 reasons. As we are already at the end of August, this means that we have set the stage for very good third quarter results. And now, they showed the excellent start as you said, Brunello, fall/winter collections. And this is very important because it confirms that we have menswear and womenswear products that are highly appreciated by our customers.

On the one hand, we can say that we've closed a very positive summer season. On the other hand, and we can say that we've started the winter one in the best possible way. So, we think we will be able to achieve a third quarter as well with a very sound, healthy, well-balanced and steady growth in line with the previous quarter. Again, so early in the season, we see that

we have very exclusive, very high-quality garments that are looked for. And this is a common denominator throughout the world.

Let's now go into the details of geographies. And let's start with North America. Here, the situation has been very, very good. New collection means new prices, incorporating the new tariffs as already mentioned. And we have no material effect on the willingness to buy and on sales results.

BRUNELLO CUCINELLI: With that, Luca, let me interrupt you for a minute. I'd like to highlight the level of our pricing. 100 Europe...125 Europe and 128 Asia.

LUCA LISANDRONI: Alright. So as far as Europe is concerned, Europe is extremely strong. A very good summer. Again, a stronger contribution came from domestic regional customers. And we also had a positive contribution by tourists, high-end tourists, who continue to focus on Europe as the most attractive summer destination. As far as Asia is concerned, the situation has been excellent in China as well. China has been very positive across all its regions, Mainland, Hong Kong, Macau and Taiwan. As for Japan, Japan is going back to its essence, to its nature. So primarily, it's a primarily domestic market. And it's very positive for us compared to last year. As you may remember, this...well, last year was a very special year. And so again, we expect a very beautiful, a very successful third quarter.

Let's now have a look at the market. I have 3 brief remarks. First, it seems to us that we've come back to the past. Brunello often reminds us of the difference between the so-called high-end brands and upper-middle range brands. These were brands following completely different strategies and completely different dynamics. It seems as if the current situation resembles what Brunello has always described to us.

And our remark that holds true, especially for Western markets and for high-end luxury markets, we perceive sort of a greater distance between the brands and their customers. And this distance may stem from a feeling of doubt, a sort of suspicion, I would say, due to the price increases that took place in the past and which is now further fueled by the investigations into supply chains.

So, how did we respond to that? First, we maintained a very well-balanced pricing policy. Secondly, we've been organizing events, as Brunello said in the beginning, and we kept on investing a lot in people, in our human resources working in the stores. As far as prices are concerned, you know about our strategy. We believe a price increase equal to 3.34% per year is a sound pricing policy with a revenue growth plan of 10%.

As for events, we strongly believe in events, as often mentioned. We believe that there is nothing more effective than meeting people in person. And one of the things that positively struck us in recent months has been the reaction of customers to the letters that we write to thank them for attending one of our events. And we thought that saying thank you could turn a moment into a memory, and this was the case. But our customers have exceeded our expectations and remind us of the importance of simple gestures, and especially the importance of saying thank you to people, as Brunello said.

Well, the presence of Brunello is very important, but also, we as a family. And I was personally in Stanton for an event. Carolina, Camilla, Alessio were there too. And so, the possibility of having a relaxed evening together without feeling the pressure to buy something, and then the possibility of taking pictures together. And another important thing besides spending time with the family is that regardless of the country where we organize the event, be it Japan, the Middle East, the approach doesn't change. There is

this very same desire of taking part in that moment of proximity with us and with the brand.

Thank you. And another important thing is investment in people's stuff in the stores. We keep doing this with a great conviction. You have seen this in the numbers that you saw before that Dario mentioned. We keep telling the same thing to these people. They need to be amiable, they need to be really to be the face of the brand, they need to be the protagonist and embody the gentle luxury that inspires us. And basically, we expand the size of our stores because we want to dedicate time and attention to all our customers.

So, the last comment on markets has to do with China. We have the feeling that you see the wait for a Chinese restart as the engine of industry growth, a new moment of discontinuity that interrupts what many call a suspended time, well this wait keeps getting longer we have the feeling.

Well, now taking a look at the higher part end of the market, already today on a daily basis we see a China that is balanced and modern...very modern, that is very healthy in its approach to luxury. It remains...in our opinion, it remains a market destined to provide the luxury industry as a whole with millions new customers year-after-year. But it will probably do so with, you know, more gradually and without the excess of the past. For us, you know, China is already important today as a market accounting for about 13% of our turnover and it will become increasingly so but through, how do I say, to a process of organic gradual growth that is always driven by the search for exclusivity and garments of the highest artisanal quality.

So, we have planned for the following years the opening of 1 or 2 stores, new stores per year, if possible 1 or 2 enlargements, expansions depending on the opportunity that might arise and we expect still today that within the existing Chinese stores we can achieve healthy comparable growth. So, and

the decisions that we made together is the following, even at a time of greater opportunities for our brand because we have never received, as we were saying in July, we have never received so many proposals for beautiful prime locations to expand our retail network, but we have decided not to accelerate either in distribution or in communication.

As you know, we believe that China is a place where, you know, young Chinese people are hyper-connected and everything risks being naturally faster. We attach, however, great value to the opening of the Casa Cucinelli in Shanghai which is scheduled for the second half of next year, and you see it is a very traditional Chinese home that has been refurbished impeccably in a particularly fascinating location and you have a few low traditional houses surrounded by skyscrapers and we believe that the opening of the Casa Cucinelli can be a very important tool to promote a deep knowledge of our brand.

Now, I'm drawing towards the conclusion, what do we expect for the last months of the year? What are the activities and objectives? First of all, 2025 openings plan, everything confirmed with respect to what we already told you, the opening of IFC Pudong in Shanghai, one store in Macau, the Abu Dhabi Galleria store and to this, we are bringing forward by a few months compared to the focus for 2026, a street boutique in Carmel-by-the-Sea, one of California's iconic locations and it is an area that we feel very akin to us, it's very, very familiar to us. And then in addition to that, let us recall the relocations with enlargements in Paris and saddling [ph] 2025 and 2026, we have the Geneva store, and in the first half, we already expanded the Vienna store.

As to the events and communication, Dario already said...gave you detailed numbers but in the last quarter, we will have a concentration of this year's investments, there will be 4 relevant, significant, meaningful events. The

first one in October with Brunello, we will spend a week in between Japan and Korea with different events that will be particularly enticing, then on December 01st, Brunello is to be honored in London with the British Fashion Council Award and there, there will be a total takeover of Harrods Windows, precisely on that occasion, this takeover will last for the whole of December and January. So, a very nice switch between the winter and the summer collection and then the premiere of the movie. All this should accompany, so to speak, sales which in our retail naturally peak in absolute value in precisely in the last quarter of the year, also thanks to the higher average value of the winter collection. In any case, we envisage 2025 with harmonious growth, as balanced as possible across quarters, channels and geographies, as has been the case so far this year.

And then as to 2026...so regarding 2026, the most important piece of news is undoubtedly the excellent spring/summer 2026 sales campaign. And this means not only wholesale revenues, but also a very first and very important reassurance about the quality of the product offer we will have in all our stores in the first half of the next year. As to 2026 openings, as usual, as it is per customary for us, most of the openings are already secured by contracts. We envisage 3, 4 openings and 3, 4 enlargements. And we keep feeling that our brand still has many opportunities, our brand and our Fashion House. And we try and approach all this with enthusiasm, balance and sobriety.

Riccardo, the floor is yours.

RICCARDO STEFANELLI: So, thank you, Luca. As Brunello reminded us, I will update you on production related matters, such as the doubling of the Solomeo factory, then the new artisan factories in Penne and Gubbio. And then I will conclude by saying something and telling you about the value of our artisanal supply chain.

So, the most important figure here is what we said in July. The production investments of the 2024-2026 3-year plan are nearly...near completion and will be definitely concluded by November of this year, as already mentioned during the July call. That's one year ahead of schedule. And we really like the idea of finishing earlier. We like the idea of having these spaces to be there, ready, welcoming for the coming 10 years. Therefore, we confirm the 10.5% incidence of investments on revenues, which will return to around 7% in 2026, as Brunello mentioned. And when we talk about our gracious 10% growth, and we envisage 6% in volumes, 4% in price mix, we believe that this can cater for our growth for the next 10 years or so, these investments.

So now drilling down the doubling of the Solomeo plant is already operating. The first part of the new plant is already operational, while the second will be completed and fully functional by November. Another important update, on September 04th, on Thursday, we will open the significant expansion of Penne. As you know, it is a crucial, pivotal place for Amazon [ph], because it has always represented a district of excellence for blazers, especially menswear, outerwear. This is an important investment, not only from an industrial perspective, but also socially and culturally, as it strengthens an artisanal tradition deeply rooted in the region. Added to this is the Gubbio project, which you will know equally well as a district. And this investment is also close to completion.

So, thanks to these 3 projects, we can affirm that the 2024-2025 investment cycle will already be completed this year. And as we were saying before, we hope and we envisage that this will cater for the growth of our Fashion House for the coming 10 years, until approximately 2035. Well, it is nice to see how more and more customers ask to visit and tour the plants and factories. And we're very happy to accommodate this wish, because really,

they have this desire, this curiosity to know. And this attaches even more value to their preference when making their purchases in the shopping.

We'd like to highlight once again, even better, the importance of the Italian artisanal supply chain. And it remains central. It is made up of over 400 small artisanal enterprises, with whom we, as a brand, we repeat it very often. But we do want to say that we enjoy a direct relationship with all these subcontractor suppliers. It's never intermediated by platforms. And to these subcontractors, we have always guaranteed a fair profit. And we'll go back to this later. So, these 400 small enterprises employ around 8,700 people in total. And I remind you that at the end of December 2024, there were just 8,000. So, as you can see, it is on the rise. 70% of these workshops, 400 workshops, work exclusively for us, while the others also collaborate with the major French fashion brands, which, as they themselves admit, produce about 70% of their goods in Italy. So...and this enhances even more the value and the worth of this artisanal supply chain, and not just for Italy, but also for the foreign brands.

Today, we can say that this network is sound, not only economically, but also from a generational point of view. The average age of owners is 49 nowadays. And we like that because in the past 5 years, the average age has not increased with the passing of time. So, it means the new owners have stepped in new young entrepreneurs who decided to follow in the footsteps of their parents. So, the average age of their workers is 43.

But I'd like now to go back to a fair profit, because if we...brands can or able to guarantee, and we behave in a fair manner, and we can guarantee to this network a fair profit, well, this is the essential component. This is the trick to have young people decide to take up these jobs. And this is really something...yes, because it means that they can see the future. They can envisage that out of that job, tradition, family run business, they can actually

have a future. I have to say that in the past few months, many have asked us what approach is to the supply chain. And I have to say that besides this direct relationship that is fed on a daily basis, because we always go there to check them out, we also have some sort of traditions. For example, at the end of the fall/winter 2025 production, and we do it every year, we send them a letter where we tell them how deliveries went, how the quality was, and we always thank them because there's always top-notch quality. We do a planning. And you heard it from Brunello and Luca that the sales campaign for spring/summer 2026 is performing really well. And this results in the fact that the work of these workers between September and February will be pretty important.

Then the third aspect that we dealt with in this communication. Well, we give them a strong reminder of the importance of taking care of workplaces and people's conditions. And I have to do that they're very good at that. They need to really take care of their workplaces, because this is something we have always seen too. We do this together, and it's very important to strike an important balance between work and private life, as well as looking after the economic and moral conditions.

And the balance between private and work is one of the fundamental elements of what we like to call fair work. So, we have a direct relationship and very frequent communications. And also, we meet in person. And on October 3rd, next, we will meet them all, all the workers and the subcontractors in our Strategic Annual Meeting on October 3rd. And this is an opportunity to comment on deliveries, quality, production plans. And it is important to plan with serenity. This has always been a very nice time for me, Luca says, because in the very same week, we organize a huge meeting of salespeople. And it's nice to see how everybody meets and gathers around the very same goal.

LUCA LISANDRONI: Thank you. Thank you, Luca. And it is also very nice to see the level of participation. But what you know, we strike a balance of the year, we have a highly participated event. And what you know, these are small entrepreneurs, and they're able to plan together with the company.

Last but not least, I'd like to conclude with another great topic, which is the great value of Italian districts. And I would like to close on that with a reflection. As I said, the Italian supply chain is certainly acknowledged around the world as one of the most reliable and high quality a supply chain in the world. It's not by chance that major financial...major French brands produce about 70% of their products in Italy. This proves that the extraordinary manufacturing capacity of our country, and also the uniqueness, the exclusivity of our country, there are products that can be manufactured in only in Italy. But there's more. Each Italian district has, over time, not only served established brands, but has also set the stage for new ones to emerge. And so, this unique ability to both serve and create is what makes districts an unparalleled model globally.

So, you can hardly find similar districts worldwide. And for us, this is the best guarantee for the future. The fact of being able to rely on a network of subcontractors of women and men who, with their hands, materialize ideas of beauty, exclusivity, authenticity. And this is our idea, our gentle luxury. Thank you.

Thank you very much. And I'd like to give the floor back to Brunello.

BRUNELLO CUCINELLI: Thank you. Thank you very much. This is the first time that I've listened to you, and I must say you're pretty good. So, let's now draw some conclusions. So, some days ago, we released the autumn/winter advertising. And I'm in a sort of a maze of books. So, we like this image very much. As you've probably understood, we work in a great atmosphere focusing on a

single theme. Our Fashion House, our Casa di Moda, is a ready-to-wear company positioned in absolute luxury, which we call gentle luxury. And we also offer lifestyle products.