VGR

// H1 2026

BRUNELLO CUCINELLI

VGR MARKET INTELLIGENCE

VERYGOODRETAIL.AI

CONTENTS

Contents

01 Executive Summary....3
02 The period in figures....5
03 The restatement bridge....6
04 Growth composition....7
05 The estate....8
06 Margin architecture....9
07 Inventory....10
08 Working capital, cash and capital structure....10
09 Capital allocation and returns....11
10 Earnings quality....12
11 Guidance and the implied requirement....13
12 Disclosure delta and metrics not reported....13
13 The company's account, tested....14
14 Method, sources and precision....15

01

Executive Summary

Revenue rose 9.5% to €749.4m against 13.3% at constant exchange rates, and retail supplied €63.9m, 97.9%, of the €65.3m increase

Brunello Cucinelli reported first-half revenue of €749.4m against €684.1m, operating income of €128.2m against €113.8m, an operating margin of 17.1% against 16.6%, and net profit of €78.2m against €76.7m. Net cash from operating activities was €151.8m against €103.5m. The company raised its 2026 target for revenue growth at constant exchange rates to between +10% and +11%, from +10%, and repeated around +10% for 2027.

The company puts first-half revenue at constant exchange rates at €775.0m. The €25.6m between that figure and the reported €749.4m is currency: 3.8 points of growth and 28.2% of the €90.9m increase at constant rates. The Americas accounted for €17.1m of it, with reported growth of 13.6% against 20.6% at constant rates, a gap of 7.0 points. Asia lost 4.1 points, about €8.1m, and Europe 0.2 points.

Retail revenue rose €63.9m, or 14.7% (19.3% at constant rates), to €499.8m, and its share of revenue rose to 66.7% from 63.7%. Wholesale rose €1.3m, or 0.5% (2.7% at constant rates). Subtracting the first-quarter release from the half, second-quarter revenue rose 11.0% against 8.1% in the first quarter; at constant rates the second quarter grew about 12.6% against 14.0%. Directly operated stores numbered 141 against 130 a year earlier. Like-for-like sales are not disclosed, so the retail increase cannot be divided between new space and existing stores.

The operating margin rose 47bp to 17.1%, while transport and duties alone fell 94bp of revenue; net profit rose 2.0% as exchange gains fell €11.1m

Operating income rose 12.6%. As a share of revenue, outsourced work fell 119bp, transport and duties 94bp and advertising and commercial costs 38bp. Raw materials net of the inventory change rose 62bp, other operating costs 51bp, depreciation and amortisation 44bp, other services 22bp, leases 20bp and payroll 10bp. Transport and duties fell to 4.0% of revenue from 5.0%. The company states that the first half of 2025 carried higher duties on sales in the United States and that the line was 3.9% of revenue in the second half of 2025. At an unchanged transport and duties ratio the operating margin would have fallen 47bp. The first margin rose 57bp to 75.0%.

Net financial expense rose €11.9m to €18.4m, and €11.1m of that is exchange gains: €0.7m on lease liabilities against €8.2m, and €0.6m of other exchange gains against €4.2m. Profit before tax rose 2.3% and net profit 2.0%; the parent's share rose 3.9% because non-controlling interests fell to €2.0m from €3.4m. The tax rate was 28.8% against 28.6%. Return on sales fell 77bp to 10.4%. The full-year statements will

show whether the second half, which carries the 3.9% transport and duties base, repeats the margin gain.

Inventories rose 11.2% to €421.0m against revenue up 9.5%, the write-down provision 15.8%, and net financial debt rose €26.7m in the half to €225.1m

Gross inventory rose 12.2% to €543.2m, finished and semi-finished goods 13.2%. The write-down provision rose to €122.3m, 22.5% of gross inventory against 21.8% a year earlier. On half-year production costs of €187.2m, inventory equalled about 407 days against 392. Net cash from operating activities rose €48.2m; €21.4m of the increase came from the change in fair value of financial instruments and €10.9m from other current items. After capital expenditure of €55.1m and lease payments of €61.1m, €35.7m remained, against dividends of €73.7m. Net financial debt excluding leases rose to €225.1m from €198.4m at December. The company expects an "appreciable reduction" below the December level by the year end, which requires the second half to reduce it by more than €26.7m.

WHAT TO WATCH

Revenue as at 30 September 2026, board meeting of 15 October 2026. Constant-currency growth for the group and for retail. The raised range of +10% to +11% for 2026 requires second-half growth at constant rates of 6.9% to 8.8%. A continuation is third-quarter growth at constant rates above 8.8%; a break is growth below 6.9%. 2026 full-year results, date not yet published. Net financial debt excluding leases against €198.4m at 31 December 2025 and €225.1m at 30 June 2026. A continuation of the guidance is a year-end figure below €198.4m; a break is a figure at or above it. Same release. Transport and duties as a share of revenue against 3.9% in the second half of 2025, and the inventory write-down provision against 22.5% of gross inventory. A continuation is both at or below those levels; a break is either above them.

VGR will publish the Q3 2026 analysis when the figures are released.

02

The period in figures

DISCLAIMER

This document is produced by VGR | Very Good Retail for information and discussion purposes only. It is not investment advice, nor an offer or solicitation to buy or sell any security. All figures are taken from the company's own published materials, cited throughout. VGR is not a licensed investment adviser. Readers should form their own view and take professional advice before acting. VGR accepts no liability for decisions taken on the basis of this document.

BRUNELLO CUCINELLI S.P.A. · EURONEXT MILAN: BC · FIRST HALF 2026 · EUR AS PUBLISHED

FINANCIAL YEAR ENDS 31 DECEMBER 2026 · PERIOD ENDED 30 JUNE 2026 · REPORTED 30 JULY 2026 · ANALYSIS 30 SEPTEMBER 2026

NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
+9.5%	**+10.4%**	**+12.6%**	**+2.0%**
749.4 vs 684.1	562.2 vs 509.4	128.2 vs 113.8	78.2 vs 76.7

GROSS MARGIN	OPERATING MARGIN	RoS
75.0%	**17.1%**	**10.4%**
from 74.5%	from 16.6%	from 11.2%

€m, half-year against the same half a year earlier; gross profit is the company's first margin, revenue less raw materials, the change in inventories and outsourced work; net profit includes non-controlling interests; changes, margins and RoS are VGR arithmetic

Brunello Cucinelli reports half-yearly under IAS 34 for a financial year that ends on 31 December. The condensed statements were approved on 30 July 2026 and carry a limited review report by PricewaterhouseCoopers dated 3 August 2026; they are not audited. The group reports a single operating segment. The table sets the reported lines beside the VGR basis used in the rest of this analysis.

€000	H1 26	H1 25	CHANGE
Revenues	749,411	684,135	+9.5%
at constant exchange rates, as disclosed	+13.3%		
First margin	562,248	509,354	+10.4%
EBITDA	226,542	200,615	+12.9%
Operating income	128,199	113,837	+12.6%

€000	H1 26	H1 25	CHANGE
Net financial expense	(18,410)	(6,481)	**−11,929**
Profit before taxes	109,789	107,356	+2.3%
Income taxes	(31,620)	(30,706)	**−914**
Net profit	78,169	76,650	+2.0%
of which parent company shareholders	76,122	73,263	+3.9%
Net cash from operating activities	151,781	103,545	+46.6%
Net financial debt excluding leases, 30 June	225,051	197,183	**+27,868**

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026: income statement p.58, cash flow statement, MD&A pp.32-47. First margin and EBITDA are the company's alternative performance measures. Changes are VGR arithmetic.

03

The restatement bridge

No acquisition or disposal changes the perimeter, and no prior figure is restated. Three items change the basis of comparison. Currency: the company discloses growth at constant exchange rates for the group, each region and each channel. Leases: under IFRS 16 the operating income carries right-of-use depreciation, net financial debt excludes €820.8m of lease liabilities, and exchange differences on those liabilities sit in the financial result. Equity: the bonus increase of share capital to €200.0m from €13.6m, approved on 23 April 2026, moved reserves into capital and changed no total.

H1 2025 TO H1 2026, €M	AMOUNT	POINTS OF GROWTH
Revenue, H1 2025	684.1	
Growth at constant exchange rates	+90.9	+13.3
Revenue at constant exchange rates, as disclosed	775.0	
Currency	−25.6	−3.8
Revenue, H1 2026	749.4	+9.5

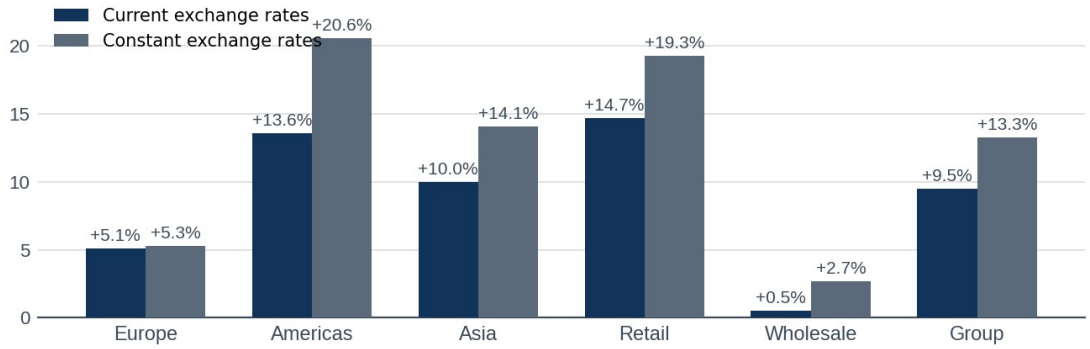
Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, p.34. The currency line is the disclosed constant-currency revenue less reported revenue, VGR arithmetic; on 13.3% applied to the H1 2025 base it is bounded at €25.4m to €26.1m.

04

Growth composition

The Americas lost 7.0 points of growth to currency

Revenue growth, H1 2026 against H1 2025, %



Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, pp.34-37. Rates as disclosed.

€000	H1 26	H1 25	CURRENT	CONSTANT
Europe	255,582	243,213	+5.1%	+5.3%
Americas	278,671	245,253	+13.6%	+20.6%
Asia	215,158	195,669	+10.0%	+14.1%
Retail	499,765	435,837	+14.7%	+19.3%
Wholesale	249,646	248,298	+0.5%	+2.7%
Group	749,411	684,135	+9.5%	+13.3%

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, pp.34-37. Growth rates as disclosed; regions and channels each sum to the group.

Currency by region, VGR arithmetic on the disclosed rates: Americas €17.1m, Asia €8.1m, Europe €0.5m, a total of €25.7m against the €25.6m implied by the group figures. The Americas supplied 51.2% of the reported increase, Asia 29.9% and Europe 18.9%. By channel, retail supplied 97.9% and wholesale 2.1%.

Q2 BY SUBTRACTION, €000	Q2 26	Q2 25	Q2 CHANGE	Q1 CHANGE
Europe	130,915	123,521	+6.0%	+4.2%
Americas	140,936	119,326	+18.1%	+9.4%
Asia	108,508	99,815	+8.7%	+11.3%
Retail	261,564	224,811	+16.3%	+12.9%
Wholesale	118,795	117,851	+0.8%	+0.3%

Q2 BY SUBTRACTION, €000	Q2 26	Q2 25	Q2 CHANGE	Q1 CHANGE
Group	380,359	342,662	+11.0%	+8.1%

VGR arithmetic: H1 2026 less the Q1 2026 release of 9 April 2026, at current exchange rates. The release of 30 July 2026 gives retail second-quarter growth of 18.6% at constant rates; group constant-currency growth in Q2 is about 12.6%, bounded at 12.5% to 12.7%.

The Growth Composition Index is not computed: the company discloses currency and states no perimeter change, but gives no like-for-like rate and no selling area, so the split between space and existing stores is not calculable.

05

The estate

SINGLE-BRAND POINTS OF SALE	30 JUN 26	31 DEC 25	30 JUN 25
Directly operated stores (retail)	141	136	130
Single-brand wholesale boutiques	28	28	27
Hard shops in department stores	59		

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, p.8. Hard shops are not given for earlier dates; selling area is not disclosed.

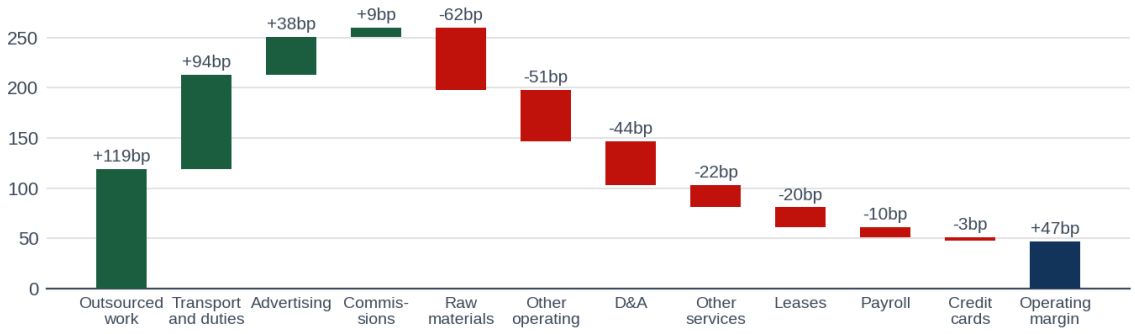
Directly operated stores rose by 11, or 8.5%, in twelve months, against retail revenue up 14.7%. Retail revenue per period-end directly operated store was about €3.5m against €3.4m, +5.7%; the retail channel also includes hard shops and online sales, so the figure is an indicator, not a store productivity rate. Lease costs excluding IFRS 16 rose 12.1% to €117.3m, 23.5% of retail revenue against 24.0%. Full-time equivalent staff rose 7.9% to 3,542.9 and revenue per employee 1.5%.

06

Margin architecture

Transport and duties added 94bp to a 47bp gain

Change in each cost line as a share of revenue, H1 2026 against H1 2025, basis points



Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, pp.39-42. VGR arithmetic; unrounded total +47bp.

% OF REVENUE	H1 26	H1 25	MARGIN EFFECT
Raw materials net of inventory change	9.1%	8.5%	**−62bp**
Outsourced work	15.8%	17.0%	+119bp
First margin	75.0%	74.5%	+57bp
Transport and duties	4.0%	5.0%	+94bp
Advertising and other commercial costs	6.1%	6.5%	+38bp
Lease expense, IFRS 16 basis	4.9%	4.6%	**−20bp**
Commissions and credit card charges	2.3%	2.3%	+6bp
Other services	7.4%	7.2%	**−22bp**
Payroll	18.5%	18.4%	**−10bp**
Other operating costs, net	1.7%	1.2%	**−51bp**
EBITDA	30.2%	29.3%	+91bp
Depreciation and amortisation	13.1%	12.7%	**−44bp**
Operating income	17.1%	16.6%	+47bp

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, pp.39-42. VGR arithmetic on the disclosed €000; the steps sum to +47bp. Both years are as reported; the company defines no adjusted operating income.

Two lines account for the gain. Outsourced work rose 1.9% against revenue up 9.5%, and the company attributes the first margin to the sales mix; retail rose to 66.7% of revenue from 63.7%. Transport and duties fell 11.1% in euro. Excluding IFRS 16, depreciation and amortisation rose 18.2% to €30.9m, 4.1% of revenue against 3.8%, after the investment programme of 2024 and 2025. Other operating costs of €12.7m include a provision for receivables of €1.8m.

07

Inventory

€000	30 JUN 26	31 DEC 25	30 JUN 25	CHANGE Y/Y
Raw materials	70,390	68,222	66,347	+6.1%
Finished and semi-finished goods	472,842	442,642	417,814	+13.2%
Write-down provision	(122,252)	(112,523)	(105,531)	**+15.8%**
Inventories	420,980	398,341	378,630	+11.2%
Provision, % of gross inventory	22.5%	22.0%	21.8%	+70bp

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, p.45. Changes and the provision ratio are VGR arithmetic.

Inventory rose 11.2% year on year and 5.7% on December, against revenue up 9.5% and production costs up 7.1%. On half-year production costs, inventory was about 407 days against 392 on a 181-day half. The company puts inventory at 28.6% of twelve-month revenue against 28.2%. The provision rose faster than gross stock, by €16.7m in twelve months. The cash flow statement records €22.6m of inventory build against €37.1m a year earlier. No markdown or ageing figure is disclosed.

08

Working capital, cash and capital structure

€000	H1 26	H1 25	CHANGE
Change in trade receivables	(9,726)	(26,933)	+17,207
Change in inventories	(22,639)	(37,118)	+14,479
Change in trade payables	(12,423)	23,333	**−35,756**

€000	H1 26	H1 25	CHANGE
Change in fair value of financial instruments	10,075	(11,275)	+21,350
Change in other current assets and liabilities	16,434	5,498	+10,936
Net cash from operating activities	151,781	103,545	+48,236
Capital expenditure, tangible and intangible	(55,054)	(59,758)	+4,704
Lease liabilities payments	(61,063)	(55,159)	**−5,904**
Free cash flow after leases	35,664	(11,372)	+47,036
Dividends paid	(73,705)	(68,781)	**−4,924**

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, cash flow statement. Free cash flow after leases and all changes are VGR arithmetic.

€000	30 JUN 26	31 DEC 25	30 JUN 25
Commercial net working capital	360,058	322,856	308,304
Net working capital	317,647	313,186	303,071
Net financial debt excluding leases	225,051	198,365	197,183
Financial lease liabilities	820,755	785,990	791,231
Shareholders' equity	565,292	564,005	506,004

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, pp.32 and 44-47.

Cash flow from operations was 1.9 times net profit against 1.4 times. Two items not tied to trading account for €32.3m of the €48.2m increase: the change in fair value of financial instruments and other current items. Trade payables fell €5.5m on December; the company states it did not change payment terms. Net financial debt excluding leases was 39.8% of equity against 35.2% at December; including lease liabilities the total was €1,045.8m, 1.85 times equity. Disposals of property, plant and equipment brought in €10.1m against €0.2m; their composition is not disclosed.

09

Capital allocation and returns

INVESTMENTS, €000	H1 26	H1 25	CHANGE
Commercial	37,880	32,082	+18.1%

INVESTMENTS, €000	H1 26	H1 25	CHANGE
Production, logistics and other	11,617	25,187	**−53.9%**
IT and digital	7,727	6,274	+23.2%
Total	57,224	63,543	**−9.9%**
Total, % of revenue	7.6%	9.3%	**−165bp**

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, MD&A investments table. Changes are VGR arithmetic.

The shareholders' meeting of 23 April 2026 set a dividend of €1.04 per share, €70.7m; dividends paid in the half, €73.7m, include distributions to non-controlling interests. No return on capital is disclosed for the half, and VGR does not compute one on half-year profit. Net invested capital was €1,611.1m against €1,494.4m a year earlier.

10

Earnings quality

€000	H1 26	H1 25	CHANGE
Financial expenses from ordinary operations	6,142	4,344	**+1,798**
Lease financial expenses	13,979	13,028	**+951**
Exchange (gains) on leases	(672)	(8,233)	**+7,561**
Other exchange (gains)	(611)	(4,159)	**+3,548**
Derivatives hedging currency risk	1,290	3,071	−1,781
(Gain) from participations	(1,718)	(1,570)	−148
Net financial expense	18,410	6,481	**+11,929**

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, p.43. Positive changes are higher expense.

Operating income rose €14.4m and profit before tax €2.4m. Exchange gains of €11.1m less than a year earlier account for most of the gap; the lease item is a remeasurement of lease liabilities in foreign currencies, without cash effect. Had net financial expense stayed at €6.5m, net profit at the 28.8% tax rate would have been about €86.7m, +13.1%. Non-controlling interests fell to 2.6% of net profit from 4.4%.

11

Guidance and the implied requirement

ITEM	STATUS	DETAIL
2026 revenue growth, constant rates	Raised	+10% to +11%, from +10% in the February and April releases
Implied second half, constant rates	VGR arithmetic	6.9% to 8.8%, on FY2025 revenue of €1,407.9m and H1 at constant rates of €775.1m, against 13.3% in H1
2027 revenue growth	Repeated	Around +10%
Wholesale, second half	Stated	A dynamic substantially in line with the first half (+2.7% constant)
Net financial debt excluding leases	Stated	An appreciable reduction by year end against €198.4m at 31 December 2025; €225.1m at 30 June 2026
Investments 2026	Stated	A return to an ordinary level after 2024 and 2025
Margins and profit	None	No margin, profit or cash guidance

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026, Outlook p.53; FY2025 release of 18 February 2026. No earlier VGR ledger entry exists for the company, so there is no VGR prior to score.

12

Disclosure delta and metrics not reported

METRIC	STATUS
Revenue by region and channel, current and constant	Disclosed, pp.34-37
Cost lines inside costs for services	Disclosed, pp.40-42, including transport and duties
Inventory by type and write-down provision	Disclosed, p.45
Like-for-like sales and selling area	Not disclosed
Quarterly margins; constant-currency Q2 by region	Not disclosed
Amount of US duties within transport and duties	Not disclosed

METRIC	STATUS
Composition of the €10.1m disposal of property, plant and equipment	Not disclosed
Estimate of any IEEPA tariff refund	Not disclosed; appeal lodged 1 April 2026

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026; Brunello Cucinelli results release, Solomeo, 30 July 2026.

The half-year report discloses more than the results release: the itemised services costs, the inventory provision and the store counts at three dates appear only in the report. The report's review is limited in scope, not an audit.

13

The company's account, tested

CLAIM	DISPOSITION
"Consistent performance throughout the first and second quarters" (report p.34)	Supported by the disclosed figures: 14.0% at constant rates in Q1, about 12.6% in Q2
The first margin rose "also thanks to the evolution of our sales mix" (report p.39)	Partially supported: retail mix rose 3.0 points; outsourced work fell 119bp of revenue
Retail growth "supported both by like-for-like growth and by the development of selling spaces" (outlook)	Not verifiable from the disclosure: no like-for-like rate is published
Inventory "rose organically" and is at a "normal" level (report p.45)	The disclosed figures show a different weighting: inventory +11.2% and provision +15.8% against revenue +9.5%
Receivables are "healthy" (report p.45)	Supported by the disclosed figures: 7.5% of twelve-month revenue against 7.7%; losses of €12,000
An "appreciable reduction" of net financial debt by year end (outlook)	Not verifiable from the disclosure until the full-year statements; requires a reduction above €26.7m in H2

Source: Brunello Cucinelli, Half-Year Financial Report as at 30 June 2026. Dispositions are VGR's; arithmetic in the source-figures file, PART 3.

14

Method, sources and precision

Primary source: the Half-Year Financial Report as at 30 June 2026, with the release of 30 July 2026 for the second-quarter retail rate, the Q1 2026 release for the quarterly split and the FY2025 release for the full-year base. Twenty-seven cross-foot checks across the income statement, regions, channels, cost tables, financial result, inventory, working capital, cash flow, balance sheet and invested capital all reconcile exactly.

FIGURE	PRECISION
Growth rates, margins and bp changes on disclosed €000	Exact
Currency effect on revenue	Bounded: €25.4m to €26.1m; €25.6m on the disclosed €775.0m
Q2 growth at current rates	Exact, by subtraction
Q2 growth at constant rates	Bounded: 12.5% to 12.7%
Days of inventory on half-year production costs	Exact on a 181-day half
Like-for-like growth; revenue per square metre	Not calculable: not disclosed

VGR arithmetic, brunello_crossfoot.py.

PEER, FIRST HALF 2026	REPORTED REVENUE GROWTH	NOTE
Brunello Cucinelli	+9.5%	+13.3% at constant rates
Prada Group	+15.8%	includes Versace
Moncler Group	+5%	+9% at constant exchange rates
LVMH	−2.9%	organic +2%

VGR archive analyses of each company's H1 2026 release, figures as recorded there and not re-verified in this document.

Every VGR-derived percentage carries one decimal place and basis points are printed whole. Rates the company discloses in whole points, the 2026 and 2027 targets, are printed as disclosed. Arithmetic was carried out at full precision and rounded only for printing.

VGR | VERY GOOD RETAIL

Made with the supervision of Pau Almar.

METHODOLOGY

VGR Standardised Financial Analysis Methodology v5.

Revised 30 September 2026 to methodology v5; first published 18 August 2026.

PRIMARY SOURCE

Brunello Cucinelli S.p.A., Half-Year Financial Report as at 30 June 2026, approved by the Board of Directors on 30 July 2026, review report of PricewaterhouseCoopers SpA of 3 August 2026. https://investor.brunellocucinelli.com/yep-content/media/Half-Year_Financial_Report_As_At_30_June_2026.pdf. Results release, Solomeo, 30 July 2026: https://investor.brunellocucinelli.com/yep-content/media/The_Board_of_Directors_approved_the_2026_Half-Year_Financial_Report.pdf

WORKING RECORD

Brunello Cucinelli_H1 2026_Source_Figures.md and brunello_crossfoot.py. Figures in euro as published; nothing converted.

DISCLAIMER

This document is produced by VGR | Very Good Retail for information and discussion purposes only. It is not investment advice, nor an offer or solicitation to buy or sell any security. All figures are taken from the company's own published materials, cited throughout. VGR is not a licensed investment adviser. Readers should form their own view and take professional advice before acting. VGR accepts no liability for decisions taken on the basis of this document.