
SEPARATE ANNUAL REPORT 2025

PRADA Group



Miu Miu
New Bond Street, London



1 Corporate Information



2 Financial Review



3 Corporate Governance



4 Separate Financial Statements



5 Notes to the Separate Financial Statements



6 Independent Auditor's Reports



7 Report of the Board of Statutory Auditors

CHAPTER 1

Corporate Information



Prada S.p.A. - Corporate information

| | |
|---|---|
| Registered Office | Via A. Fogazzaro, 28 - 20135 Milan, Italy |
| Head Office | Via A. Fogazzaro, 28 - 20135 Milan, Italy |
| Place of business in Hong Kong registered under Part 16 of the Hong Kong Companies Ordinance | 8th Floor, One Taikoo Place, 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.) |
| Company Corporate website | www.pradagroup.com |
| Hong Kong Stock Exchange Identification Number | 1913 |
| Share Capital | Euro 255,882,400 (represented by 2,558,824,000 shares of Euro 0.10 each) |
| Board of Directors | <p>Patrizio Bertelli (Chairman of the Board & Executive Director)</p> <p>Paolo Zannoni (Executive Deputy Chairman of the Board & Executive Director)</p> <p>Andrea Guerra (Chief Executive Officer & Executive Director)</p> <p>Miuccia Prada Bianchi (Executive Director)</p> <p>Andrea Bonini (Chief Financial Officer & Executive Director)</p> <p>Lorenzo Bertelli (Executive Director)</p> <p>Yoël Zaoui (Lead Independent Director & Independent Non-Executive Director)</p> <p>Ilaria Resta (Independent Non-Executive Director)</p> <p>Cristiana Ruella (Independent Non-Executive Director)</p> <p>Pamela Yvonne Culpepper (Independent Non-Executive Director)</p> <p>Anna Maria Rugarli (Independent Non-Executive Director)</p> |
| Audit and Risk Committee | Yoël Zaoui (Chairman) Cristiana Ruella Anna Maria Rugarli |

| | |
|---|---|
| Remuneration Committee | Anna Maria Rugarli (Chairwoman) Paolo Zannoni Yoël Zaoui |
| Nomination Committee | Cristiana Ruella (Chairwoman) Lorenzo Bertelli Pamela Yvonne Culpepper |
| Sustainability Committee | Pamela Yvonne Culpepper (Chairwoman) Lorenzo Bertelli Anna Maria Rugarli |
| Board of Statutory Auditors | Roberto Spada (Chairman) Maria Luisa Mosconi Patrizia Arienti |
| Organismo di Vigilanza (Supervisory Body) (Italian Leg. Decree 231/2001) | Stefania Chiaruttini (Chairwoman) Armando Simbari Roberto Spada |
| Main Shareholder | Prada Holding S.p.A. Corso Italia, 22 - 20122 Milan, Italy |
| Company Secretary | Wendy Pui-Ting Tong 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.) |
| Authorized Representatives in Hong Kong S.A.R. | Patrizio Bertelli Via A. Fogazzaro, 28 - 20135 Milan, Italy Wendy Pui-Ting Tong 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.) |
| Alternate Authorized Representative to Patrizio Bertelli in Hong Kong S.A.R. | Annie Man Wai Au 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.) |
| Hong Kong Share Registrar | Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong S.A.R. (P.R.C.) |
| Independent Auditor | KPMG S.p.A. <i>Public Interest Entity Auditor recognised in accordance with the Accounting and Financial Reporting Council Ordinance</i> Via Giovanni Battista Pirelli snc - 20124 Milan, Italy |

CHAPTER 2

Financial Review



Introduction

Prada S.p.A. is the parent company of the PRADA Group. Prada S.p.A. acts as a holding company and carries out manufacturing, distribution, retail, and brand management operations in the luxury goods industry, both directly and through its subsidiaries and associates.

Its main activities are as follows:

- production of leather goods, ready to wear, footwear, and accessories bearing the Prada, Miu Miu, Church’s and Car Shoe brands;
- wholesale worldwide distribution of leather goods, footwear, ready to wear bearing the Prada, Miu Miu, Church’s and Car Shoe brands;
- licensing the Prada and Miu Miu trademarks for the design, production and distribution of items other than those aforementioned;
- retail sales at sales outlets and stores in Italy and online;
- management of equity investments;
- services to Group companies, including:
 - retail management services (preparation of budgets, selection of product mix, visual displaying, store management);
 - advertising and promotional services, in particular media planning and design;
 - information technology services regarding the IT infrastructure and the centralised, integrated management of software;
 - engineering services for store openings, renovation and maintenance;
 - financial services involving the granting of loans;
 - corporate services regarding legal affairs and tax advisory, administration/ accounting, human resource, security and logistics consultancy.

The Board of Directors’ Financial Review refers to Prada S.p.A. (the “Company”), the operating parent company of the PRADA Group. It is based on the Separate Financial Statements for the year ended December 31, 2025, prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) and adopted by the European Union (“IFRSs”). The Financial Review should be read in connection with the Financial Statements and the related explanatory Notes, which are an integral part thereof.

2025 Highlights

We are pleased to report another year of sound results as enduring brand relevance and rigorous execution drove a positive performance in a challenging environment. The acquisition of Versace also marked a significant milestone in the strategic evolution of the Group, adding a highly complementary brand to the portfolio.

The Prada brand continued to express its ability to innovate through trend-setting fashion shows and successful product launches, spanning from new propositions to the reinterpretation of the icons, driving a well-balanced performance.

At Miu Miu, the brand’s vibrant creativity, whose irreverent language continued to offer portraits of multifaceted femininity, fascinated the audience with resonant campaigns and fashion shows.

Through special initiatives such as 30 Blizzards and signature formats including Tales & Tellers, Women’s Tales, Literary Club and Summer Reads, Miu Miu’s voice continued to be at the forefront of the cultural debate, engaging with its community in intimate conversations on female empowerment.

On the retail front, in line with the strategic objective of elevating the relationship with customers, investments were concentrated on the enhancement of the store presence with controlled new openings and enlargements at both Prada and Miu Miu.

The strengthening of the industrial capabilities continued to be an area of focus, as the Company kept expanding its production premises and reinforced its control over highly strategic phases of the production process. The

announcement in June of minority investment in Rino Mastrotto, a global provider of materials and bespoke services for the luxury, is a testament to the Company's drive to foster long-term industrial development with longstanding partners.

On the information systems front, the Company continued to progress its digital evolution journey while starting to reap the benefits of the multi-year investment effort in the area.

Finally, the Company continued to execute its sustainability strategy across all pillars: Planet, People, Culture. Throughout the year, the Group further advanced its environmental agenda through targeted initiatives across its operations and supply chain. Investments in green energy and low-impact solutions enabled in the Group to exceed its approved science-based target for Scope 1 and 2 GHG emissions, alongside continued progress in raw materials conversion towards lower impact solutions, supply-chain data collection, water stewardship and responsible chemical management.

The Company also reinforced its long-term commitment to fostering a fair and inclusive workplace. Key milestones include the achievement of the Gender Equality Certification (UNI/PdR 125:2022) and the rollout of Worldwide People Culture Forums, together with training programmes supporting the implementation of the Global DE&I roadmap. The year also marked the 25th anniversary of the Prada Group Academy, a testament to the Group's long-standing commitment to preserving artisanal know-how and overseeing the generational transition.

In partnership with UNESCO, through the SEA BEYOND project, the Company strengthened its commitment to ocean education. This included the opening of the first Ocean Literacy Centre in Venice, the launch of the SEA BEYOND Multi-Partner Trust Fund for Connecting People and Ocean, and the hosting of an educational exhibition at Prada Rong Zhai in Shanghai. Successful partnerships with Forestami, promoting awareness of the value of urban greenery, and with Fondazione Gianni Bonadonna, supporting cancer research, were also renewed during the year.

As for Versace, since completion of the acquisition, announced on December 2nd, the governance of the brand has been strengthened at both strategic and creative level with the confirmation of Emmanuel Gintzburger as the brand's CEO, the appointment of Lorenzo Bertelli as Executive Chairman and Pieter Mulier as Chief Creative Officer.

Alongside the creative transition, gradual channel repositioning will be a key strategic priority, with specific focus on supporting high-quality, full-price sales and distribution, and the sharing of retail routines and best practices to elevate in-store execution. The integration process is well underway across functions, with full separation from Capri Holdings expected to be completed in the second half of 2026.

Looking at 2027 and beyond, efforts will be concentrated on driving desirability, with the introduction of Pieter Mulier's first collection rooted in the brand's original spirit and DNA. Network optimisation will progress through the evolution of key retail and wholesale doors and the gradual rationalisation of the off-price channel and markdown practices, while retail productivity will start benefitting from the consolidation of the retail excellence mindset. In parallel, the Group will continue to progress the integration of relevant functions, alongside the convergence of Prada Group's and Versace's digital transformation journeys.

Analysis of the Statement of Profit or Loss

| (amounts in thousands of Euro) | twelve months ended December 31 2025 | % | twelve months ended December 31 2024 | % |
|--|---|---------------|---|---------------|
| Net sales | 2,905,013 | 95.5% | 2,856,027 | 95.9% |
| Royalties | 137,756 | 4.5% | 120,944 | 4.1% |
| Net Revenues | 3,042,769 | 100.0% | 2,976,971 | 100.0% |
| Cost of goods sold | (1,001,037) | -32.9% | (947,952) | -31.8% |
| Gross Margin | 2,041,732 | 67.1% | 2,029,019 | 68.2% |
| Operating expenses | (989,187) | -32.5% | (1,022,279) | -34.3% |
| EBIT (*) | 1,052,545 | 34.6% | 1,006,740 | 33.8% |
| Interest and other financial expenses, net | (55,381) | -1.8% | (28,822) | -1.0% |
| Dividends from investments | 98,183 | 3.2% | 170,501 | 5.7% |
| Profit before income taxes | 1,095,347 | 36.0% | 1,148,420 | 38.6% |
| Income taxes | (299,754) | -9.9% | (298,713) | -10.0% |
| Profit for the year | 795,593 | 26.1% | 849,707 | 28.5% |
| Depreciation, amortization and impairment | 162,935 | 5.4% | 155,088 | 5.2% |
| EBITDA | 1,215,480 | 39.9% | 1,161,828 | 39.0% |

(*) Non-IFRS measure equal to earnings before interest and other financial expenses, dividends from investments and income taxes

Net revenues for the year ended December 31, 2025 amounted to Euro 3,043 million, up by 2.2% with respect to the previous year net revenues of Euro 2,977 million.

The gross margin increased of Euro 12.7 million, up by 0.6% with respect to the previous year; the operating expenses reduced as a percentage of the net revenues, resulting in an increase of the EBIT margin: from 33.8% to 34.6%. The operating expenses was attributable primarily to variable costs related to sales, marketing spends, personnel expenses and IT spend.

The analysis of operating expenses is detailed in the Notes to the Financial Statements (Note 25).

The net financial result consists primarily of the following income and expenses:

- Euro 98 million in dividends received;
- Euro 1.2 million in net exchange losses;
- Euro 1 million in net interest expenses;
- Euro 50.8 million in impairment adjustments and loss coverage of investments in subsidiaries;
- Euro 2.3 million in other financial expenses.

Tax expenses totalled Euro 300 million, corresponding to 27.3% of the pre-tax income; compared to the 26% of 2024.

The net income for the year was Euro 796 million (26.1% of net revenues), versus Euro 850 million (28.5% of net revenues) reported in 2024.

During the reporting period, the Company did not carry out any unusual and/or atypical transactions that had a material effect on the financial statements.

Analysis of the Statement of Financial Position

Net invested capital

The following table reclassifies the statement of financial position to provide information on the composition of the net invested capital.

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 (*) |
|---|---------------------|-------------------------|
| Right of use assets | 356,206 | 356,683 |
| Non-current assets (excluding deferred tax assets), net | 4,237,960 | 2,717,920 |
| Trade receivables | 701,837 | 760,671 |
| Inventories | 440,531 | 402,034 |
| Trade payables | (680,294) | (655,469) |
| Net operating working capital (**) | 462,074 | 507,237 |
| Other current assets, net | 124,614 | 100,210 |
| Other current liabilities (excluding items of financial position) | (388,877) | (434,858) |
| Other current assets/(liabilities), net | (264,263) | (334,645) |
| Provision for risks and charges | (12,710) | (11,913) |
| Long-term employee benefits | (48,619) | (51,274) |
| Other long-term liabilities, net | (43,646) | (50,002) |
| Deferred taxation, net | 69,188 | 76,788 |
| Other non-current assets/(liabilities), net | (35,787) | (36,401) |
| Net invested capital (***) | 4,756,190 | 3,210,794 |
| Equity | (3,659,052) | (3,265,065) |
| Total equity | (3,659,052) | (3,265,065) |
| Non-current financial deficit, net | (1,174,889) | (102,122) |
| Current financial surplus, net | 426,375 | 511,537 |
| Net financial surplus / (deficit) (****) | (748,514) | 409,415 |
| Lease liabilities - non-current | (301,318) | (309,476) |
| Lease liabilities - current | (60,548) | (61,733) |
| Financial Receivables IFRS 16 - leases | 13,242 | 16,068 |
| Total lease liabilities | (348,624) | (355,141) |
| Total equity and net financial surplus / (deficit), including lease liabilities (*****) | (4,756,190) | (3,210,794) |

(*) Please, refer to the Note "Basis of preparation" for additional information.

(**) Non-IFRS measure equal to the sum of trade receivables, inventories and trade payables.

(***) Non-IFRS measure equal to the sum of right of use assets, non-current assets, net operating working capital, other current and non-current assets/liabilities.

(****) Non-IFRS measure equal to the sum of net invested capital, total equity, current and non-current financial surplus / (deficit).

(*****) Non-IFRS measure equal to Net financial surplus / (deficit) including lease liabilities.

Net invested capital as of December 31, 2025 amounted to Euro 4,756 million, comprising (i) total equity of Euro 3,659 million, (ii) lease liabilities of Euro 349 million and (iii) a net financial position in deficit of Euro 748,5 million.

Non-current assets (excluding deferred tax assets), net, rose by Euro 1,520 million to Euro 4,238 million at December 31, 2025 compared with Euro 2,718 million at December 31, 2024. The change primarily reflects capital expenditures and investments in subsidiaries and associates made during the period, net of depreciation, amortisation and impairment.

Capital expenditures primarily relate to the advancement of the technological and digital roadmap in the retail, manufacturing and corporate areas and continued investments in the manufacturing facilities to strengthen the supply chain.

Net operating working capital is Euro 462 million at December 31, 2025, down by Euro 45 million from that of December 31, 2024.

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Net operating working capital | 462,074 | 507,237 |
| Derivative Financial instruments | 9,782 | (15,478) |
| Other receivables from parent companies, subsidiaries, associated and related parties | 20,335 | 2,457 |
| Other current assets | 61,580 | 43,264 |
| Current tax receivables (payables) | (12,259) | (42,871) |
| Other liabilities due to parent companies, subsidiaries, associated and related parties | (5,544) | (6,375) |
| Other current liabilities | (338,156) | (315,646) |
| Other current assets / liabilities, net | (264,263) | (334,649) |
| Net working capital | 197,812 | 172,588 |

Other current assets / liabilities, net amounted to Euro 264 million as of December 31, 2025, down by Euro 70 million from December 31, 2024, mainly due to the decrease of the current tax payables by Euro 30 million, the increase of other current liabilities (Euro 23 million) and the variation of derivate financial instruments (Euro 25 million).

Net working capital increase by Euro 25 million, resulting from the decrease of other current liabilities net and the decrease of the Net operating working capital.

Net financial position

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Long term debt, net of current portion | (1,210,330) | (141,968) |
| Total financial liabilities - non-current | (1,210,330) | (141,968) |
| Current financial liabilities and bank overdrafts | (434,346) | (130,842) |
| Liabilities due to parent companies, subsidiaries, associated and related parties | (169,931) | (122,291) |
| Total financial liabilities - current | (604,277) | (253,133) |
| Total financial liabilities | (1,814,607) | (395,101) |
| Financial assets with parent companies, subsidiaries, associated and related parties - non-current | 35,441 | 39,846 |
| Financial assets with parent companies, subsidiaries, associated and related parties - current | 196,757 | 162,927 |
| Cash and cash equivalents | 833,895 | 601,743 |
| Total financial assets and cash and cash equivalents | 1,066,092 | 804,516 |
| Net financial surplus/(deficit), total | (748,514) | 409,415 |
| Dividends payables | (3) | (3) |
| Net financial surplus/(deficit) | (748,517) | 409,412 |
| Net financial surplus/(deficit) third parties | (810,784) | 328,930 |
| Lease liabilities | (361,866) | (371,209) |
| Financial Receivables IFRS 16 (Leases) | 13,242 | 16,068 |
| Net financial surplus/(deficit) including Financial Receivables IFRS 16 and Lease liability | (1,159,408) | (26,210) |
| Net financial position surplus/(deficit) including lease liability third parties | (1,172,650) | (42,278) |

As at December 31, 2025, the net financial deficit amounts to Euro 748.5 million, down by Euro 1,158 million compared with the previous reporting date.

Financial payables increase by Euro 1,419 million as a result of the financing arrangements for the acquisition of the Versace Group.

In 2025, Prada S.p.A. entered into a syndicated facilities agreement for a total amount of Euro 1,500 million, comprising a Euro 1,000 million term loan facility with a five-years maturity from 11 April, 2025 and a bridge term loan facility of up to Euro 500 million with a maturity of two-years from 11 April, 2025, as disclosed in the Company Interim Report for the six months ended 30 June, 2025.

The drawdown of the Versace facilities agreement was subject to the satisfaction of certain condition precedent related to the closing of the Acquisition and, at Closing, Euro 1,000 million and Euro 300 million, were drawn under the term loan and bridge facilities, respectively.

In addition, Prada S.p.A. entered into a bilateral term loan facility of Euro 200 million with a seven-year maturity from 20 November 2025, which was also drawn at the acquisition Closing.

As of December 31, 2025, the Company had undrawn cash credit lines of Euro 1,120 million available at banks (Euro 1,065 million as of December 31, 2024), of which Euro 800 million were committed credit lines and Euro 320 million were uncommitted ones.

As shown in the Statement of Cash Flows, net cash flows from operating activities amount to Euro 888 million and net cash used by the investing activities amount to Euro 1,521 million, including dividends received for Euro 98 million. A detailed analysis of dividends by counterparty is provided in Note 26 "Interest and other financial income/(expenses), net" to the Financial Statements.

All financial covenants were fully complied with as of December 31, 2025 and they are expected to be complied with within the next 12 months as well.

Further information on the Company's debt maturities and obligations, currency and interest rate risk management, commitments and contingent liabilities are provided in Notes 13, 18 and 20 of the Notes to the Separate Financial Statements.

Risk factors and management

Prada Group’s business is exposed to various risks that, if they materialize, could adversely affect its operations, financial results, or reputation.

Some of these risks depend on the constantly changing and highly competitive environment for the luxury industry, which primarily concern the desirability of the Group’s products. For this reason, some of the main strategies of the Company are (i) guaranteeing constant recognition of the brands as reference points in the industry, (ii) supporting and developing retail sales, as well as (iii) the continuous identification, monitoring and mitigation of the main Group risks.

In order to manage, anticipate and mitigate its risk exposure, and to ensure that it can develop its business sustainably over the long term, the Company has set up a risk management system and the following risk factors have been identified:

1. Operational and ESG Risks

1.a. Intellectual property and brand protection

| Description | What we do |
|---|---|
| <p>The Group’s brands and other intellectual property rights are fundamental assets. Infringements of the Group’s intellectual property rights can have significant negative impacts on its financial results and damage its image.</p> | <p>The Group pursues an active anti-counterfeiting policy involving both preventive measures and legal actions. Its strategy is based on the following pillars:</p> <ul style="list-style-type: none"> – the Group’s brands, designs, patents and websites are registered to obtain legal protection in all countries throughout the world; – an Intellectual Property Team is responsible for brand protection efforts globally, online and offline, through – among others – monitoring actions (in both traditional markets and on the internet), inspections, contacts with competent local and international authorities and custom agencies, legal actions; for all such actions, the team can act directly or with the support of external consultants. <p>In addition, all products have been equipped with a remote frequency identification (RFID) tag, using a technology that makes it possible to verify the authenticity of the products and track them. All retail and wholesale products bearing the RFID tag have also been registered on the blockchain of the Aura Consortium.</p> |

1.b. Commercial attractiveness and desirability

| Description | What we do |
|---|--|
| <p>The Group's success is reliant on its ability to create and influence fashion and product trends, to timely anticipate shifts in consumer taste and trends, and to meet and exceed customer expectations. Failure to timely perceive fashion needs or to translate them into the styling, design and development phase could negatively impact the appeal of Group's brands and, therefore, its results and financial situation.</p> | <p>The Group addresses the risk - first of all - by investing in strong and structured style and design teams, capable of fine-tuning with cultural and consumer changes.</p> <p>Teams - guided by Miuccia Prada and Raf Simons, as for the "Prada" brand, and by Miuccia Prada for the "Miu Miu" brand - are composed of professionals of different nationalities, cultures and talents, to foster creativity. In addition, they are invited to combine a strong sense of fashion with intellectual curiosity, pursuit of new and unconventional ideas, as well as cultural and social interests.</p> <p>Secondly, the Group pursues cutting edge communication strategies, to be in-tune with - and even to anticipate or create - fashion trends.</p> <p>In addition, the Group regularly invests in regular store renovations (both brick-and-mortar and online) to channel the brands' images and guarantee enhanced customer experiences.</p> <p>Brand attractiveness and customer satisfaction are also pursued through regular training and professional qualification programs for its employees, especially those working in stores.</p> |

1.c. Talent management and retention

| Description | What we do |
|---|---|
| <p>The Group's operations require managers, employees and artisans having the right qualifications in the design, product development, production, marketing, merchandising, management and corporate functions. It is therefore key for the Group to retain skilled workforce and to train new generations, especially in a dynamic and evolving job market. Loss of talented and skilled people, high turnover rate, departure of senior executives and disappearance of craftsmanship heritage may impact on the Group's operations, product quality and, consequently, financial results.</p> | <p>The Group proactively addresses the risk by:</p> <ul style="list-style-type: none"> (i) carrying out training initiatives, such as through the Prada Academy, where knowledge is shared and skills, techniques, and innovative ideas are shaped in a way to foster talent and hand down the professional expertise essential for the Group; (ii) monitoring the market, to acquire the best, and most fitting, professional skills and métiers; and (iii) setting up retention initiatives, such as a performance management process based on individual goals and leadership development, as well as adequate incentive schemes. |

1.d. Real Estate

| Description | What we do |
|--|---|
| <p>Should the Group lose strategic retail places, due to difficulties in finding adequate locations or in negotiating new leases at favorable terms and conditions, the Group's strategy could be undermined, with negative consequences for its financial results.</p> <p>Conversely, should the Group be compelled to carry out significant construction/renovation projects to align facilities to its standards, or unable to carry out projects timely and on budget, its financial situation could be negatively impacted.</p> | <p>Specific teams are responsible to handle real estate activities, such as market monitoring, conducting negotiations concerning real estate assets (leases and acquisitions) and construction and renovation projects of retail places.</p> <p>Moreover, the Group performs periodical reviews of contracts, site visits and "ad-hoc" counterparty due diligence.</p> |

1.e. Corporate image

| Description | What we do |
|--|--|
| <p>The Group's success in the international luxury goods business is linked to the image and distinct character of its brands, in a highly competitive environment. These features depend on many factors, such as the style and design of the products, the quality of the materials used and production techniques, image and locations of directly operated stores, careful selection of business partners, communication activities and the corporate profile in general.</p> <p>Prada Group is also mindful of the transparency and accountability demanded by its stakeholders in the rapidly evolving environmental, social and governance landscape in which it operates.</p> <p>Negative events concerning the above - such as unfavourable or inaccurate media coverage, negative campaigns on social network, individual behaviour contrary to the Group's values of ethics and integrity - can affect the Group's image and reputation and, consequently, negatively impact financial results.</p> | <p>The Group pursues the preservation of the image and prestige of the brands by (i) maintaining its innovative features for style, product and communication; (ii) monitoring each internal and external phase of the value chain to reduce the risk of incompliance with Group's image and reputation; and (iii) oversight of external communication concerning the brands, including through social media.</p> <p>The Group also undertakes ESG specific initiatives, through Prada S.p.A.'s Sustainability Committee, as well as its Board members with significant professional ESG experience, as well as corporate and industrial sustainability dedicated functions.</p> |

1.f. Fraud

| Description | What we do |
|--|--|
| <p>Frauds may be perpetrated to obtain money or – among others – property or services, personal or business advantage.</p> <p>Lack of controls and insufficient segregation of duties could lead to fraud and, consequently, economic losses and reputational damages.</p> | <p>The Group has equipped itself with various control tools, preventive and deterrent processes, aimed at improving the efficiency and the monitoring of its treasury activities, such as:</p> <ul style="list-style-type: none"> (i) various Group procedures in place (Code of Ethics, Anti-corruption policy, Corporate Finance & Treasury policy); (ii) set up of the Whistleblowing system and its related policy; (iii) providing banking Power of Attorney to a limited number of people, regularly updated and duly approved by Board of Directors; and (iv) strengthening segregation of duties, access controls to Corporate systems and its internal controls over treasury activities. |

1.g. Supply Chain Management

| Description | What we do |
|---|--|
| <p>Inability to source raw materials, manufacture, procure and distribute finished products on a timely basis at the required quality, quantity and cost from suppliers who meet quality and the Group's ethics standards could lead to disruptions in production, negative effects on the Group's financial results and/or damages to the Group's reputation.</p> <p>Although the Group does not significantly depend on any façon manufacturer, the suspension or termination of a relationship with some of the most significant façon manufacturers could adversely affect the Group's business and, as a consequence, its financial results.</p> | <p>The Group contracts with several suppliers, to avoid concentration of supply. The fact that production is mainly located in Europe, especially in Italy, grants an adequate level of competence, quality and reliability. In addition, sensitive processes – such as the creation of prototypes and samples, the cutting of hides and controls over raw materials and semifinished goods – take place at the Group's own manufacturing facilities. The Group's technical staff carries out controls to ensure that products meet quality standards and that the entire supply chain complies with Prada S.p.A.'s Code of Ethics, which must be signed by business partners. Moreover, the Group demands – and monitors (including through inspections) – compliance by manufacturers with applicable regulations concerning labor law, social security and occupational health and safety, as well as with the Group's regulations on brand ownership and other intellectual property rights.</p> |

1.h. Business resilience

| Description | What we do |
|--|---|
| Business interruption can occur due to a variety of factors, including escalations in geopolitical or social tensions, restrictions to people movement or to exports, cyberattacks, property damages caused by an extreme weather event, public health events, machinery breakdowns, labor disputes and quality control failures on the operations. The resulting losses can be economic (e.g., decreased sales, increased labor costs, need to substitute a key supplier, decreased revenue potential due to natural disasters) and reputational. | The Group addresses these risks through a balanced geographical distribution of its stores, to avoid high concentration; operations/production mainly located in Italy, but in several facilities; operations/production located in new/renewed premises; continuous development of online sales activities; strengthening of the Information System department; insurance programs aimed at mitigating such risks. |

1.i. Health, security and safety

| Description | What we do |
|---|---|
| The Group is exposed to risks related to (i) workers' health and safety, such as injuries, occupational diseases and accidents that could lead to physical harm to people, and (ii) non-compliance with quality and security standards of products. Such risks can lead to litigation, and related costs affecting the Group's financial situation, as well as damage to the Group's image. | To mitigate these risks, the Group (i) conducts periodic safety training and refresher courses; (ii) undergoes renovations and new constructions; and (iii) carries out fire risk assessments on high-risk premises; and with respect to product quality, carries out quality control on manufacturing used in the production process (from sourcing to finishing touches). |

1.j. Environmental

| Description | What we do |
|---|--|
| The financial situation and the reputation of the Group could be affected by (i) extreme climatic phenomena, cost increases for raw materials and other similar environmental circumstances capable of affecting its production, (ii) new regulations aimed at containing pollution and climate change, which may trigger compliance costs or failures for the Group, and (iii) changes in customer purchasing habits related to evolutions of the environmental context. | <p>To prevent or mitigate these risks, the Group adopted ad hoc internal processes, including the sustainability policy which laid the foundations for the Company's sustainability focus based on three pillars - Planet, People and Culture - where the Group firmly believes it can make the greatest contribution in terms of value creation in its own industry and for the benefit of society as a whole.</p> <p>The Group formalized a sustainability strategy with a clear roadmap for the reduction of greenhouse gas emissions, extensive use of alternative, low impact materials for both finished products and packaging, and a more circular approach to materials used in production and for other purposes such as shows and events, where waste is recycled and reused.</p> <p>The strategy also focuses on the traceability of raw materials and the continuous improvement of social and environmental standards along the supply chain through close collaboration with suppliers.</p> |

Description

What we do

The strategy is an evolving plan that will be improved and updated over time to respond to the needs and expectations of the Group's stakeholders and the changing market conditions in which it operates. The organization identified and formalised medium-term targets and internal Key Performance Indicators (KPIs) to monitor the progress, with a particular focus on the decarbonization of its operations and the transition to lower impact materials for its finished products. In addition, the Group enforced the sustainability culture through the promotion of internal and external initiatives (e.g. Sea Beyond, Forestami Academy, corporate on/off-line dedicated trainings).

2. Financial risks

2.a. Credit risk

Description

Credit risk is defined as the risk of financial loss caused by the failure of a counterparty to meet its contractual obligations. The maximum risk to which an entity is exposed is represented by all the financial assets recognized in the financial statements. The Group considers its credit risk to be predominantly attributable to trade receivables generated from the wholesale channel and other commercial partners, and liquid assets.

As part of Credit risk, the financial counterparty risk is managed through a proper diversification of financial counterparties, considering their creditworthiness and solvency. The risk of default of liquid assets substantially relates to bank deposits, which represent the Company's most widely-used financial product for investing surplus operating cash flows. Default risk is mitigated by the allocation of cash holdings to bank deposits that are diversified in terms of counterparties (always investment grade), country and currency, and by the consistently short-term period. The residual portion of liquid assets consists of cash and bank accounts.

What we do

The Company manages credit risk and mitigates the related effects through a control system based on the monitoring of creditworthiness and solvency of customers, the stipulation of insurance contracts and the use of safe solutions such as advance payments. The Company considers no significant risk to exist on these kinds of liquid assets given that they are used for operating activities and business processes and, consequently, the number of independent parties involved is fragmented. However, there is a potential risk related to cash shortages at stores. The Group has equipped itself with various control tools, preventive and deterrent, aimed at improving the efficiency of cash management activities.

2.b. Liquidity risk

| Description | What we do |
|---|--|
| Liquidity risk refers to difficulty that the Company could have in securing new funds, leading to a failure in meeting its financial obligations. The Directors are responsible for managing liquidity risk, whereas the Group CFO, supported by the Deputy Group CFO, is responsible for optimizing financial resources. | The Directors consider the currently available funds and lines of credit, in addition to the funding that will be generated by operating and financing activities, to be sufficient for enabling the Company to meet its requirements in terms of working capital management, investing activities, timely loan repayment and the payment of any dividends as planned. |

2.c. Foreign exchange risk

| Description | What we do |
|---|---|
| The Company has a vast international presence, and therefore is exposed to the risk that changes in currency exchange rates could adversely impact revenue, expenses, margins and profit. In order to hedge foreign exchange risk, the Company enters into derivative contracts designed to fix the value in Euro (or other functional currency) of identified future cash flows. The future cash flows consist primarily of the collection of trade and financial receivables and payment of trade payables. Prada S.p.A. is the Group's parent and worldwide distributor of Prada and Miu Miu brand products. | The management of foreign exchange risk is described with more detail in the Note 5 of the Separate Financial Statements. |

2.d. Interest rate risk

| Description | What we do |
|--|--|
| Interest rate risk is the risk that future cash flows could be affected by interest rate fluctuations. In order to hedge this risk, the Company uses derivatives (such as interest rate swaps or collar) to convert variable-rate debt into fixed-rate debt or debt at rates within a specified range. | The management of interest rate risk is described with more detail in the Note 4 of the Separate Financial Statements. |

3. Legal and regulatory risks

3.a. Risks related to the evolution of the regulatory framework

| Description | What we do |
|--|--|
| <p>In the various jurisdictions where it operates, the Company is subject to laws and regulations and, therefore, exposed to the risk of non-compliance, which - in the case of a major breach - could have a material impact on the business and performance of the Group. In addition, new legislation imposing more stringent standards may entail increased compliance or may limit the Company's operations, with negative consequences for its financial performance.</p> <p>This can concern, in particular, the following:</p> <ul style="list-style-type: none">- risks associated to non-compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or with other laws or regulations in force in Hong Kong S.A.R. that Prada S.p.A. must observe as it is listed on The Stock Exchange of Hong Kong Limited;- risks associated with occupational health and safety under Italian Legislative Decree 81/2008 and equivalent regulations in force in other countries;- possible legal penalties for wrongful acts pursuant to Italian Legislative Decree 231/2001, as subsequently amended;- events that could adversely affect the accuracy of the annual financial statements and the protection of assets;- manufacturing compliance risks with respect to Italian and international laws and regulations regarding finished goods distributed and raw materials and consumables goods used. | <p>The Company involves various internal departments and uses external experts as necessary to keep its processes and procedures constantly updated in order to comply with changing rules and regulations in a timely manner, thereby mitigating the risk of non-compliance. Monitoring activities are performed by division managers, auditors, special entities and committees such as the Supervisory Body and the Audit and Risk Committee.</p> <p>Prada S.p.A. holds the status of Authorized Economic Operator ("AEO full"). This recognition, issued by the Customs Agency, is granted to companies that prove to be competent and virtuous in the management of their business processes, in compliance with both customs regulations and safety standards for goods.</p> |

3.b. Tax risk

| Description | What we do |
|--|--|
| The Prada Group's tax strategy is based on the prevention of tax risks and on tax certainty, both of which are pursued through ongoing dialogue and long-term, principled interaction with the tax authorities in the countries where it operates. | <p>The Group's tax risks, which could arise from compliance errors or incorrect interpretation of regulations, are constantly monitored within the scope of an extensive internal control system, incorporated into the tax control framework.</p> <p>The effectiveness of the tax risk management system has made Prada S.p.A. eligible to participate in the Cooperative Compliance Tax Regime in Italy (under Italian Legislative Decree 128/2015), enhancing its tax control framework.</p> <p>Within such regime, the Group has expanded a systematic, open communication channel with the Italian and the foreign tax authorities of the most strategically important countries where it operates, based on reciprocal transparency and trust, with the purpose of minimizing the level of uncertainty about potentially risky situations.</p> |

Non-IFRS measures

The Company uses certain alternative performance measures ("non-IFRS measures") to assess its business performance and to provide readers with additional information on its financial situation. Although they are used by the Group's management, these measures are not defined or regulated by IFRS and should not be considered as a substitute for measures prepared in accordance with IFRS. Other companies in the luxury sector may calculate similar measures using different methodologies; accordingly, these measures may not be directly comparable. They should therefore be read in conjunction with the Separate Financial Statements and related Notes.

The Company uses the following non-IFRS measures in this Separate Financial Statements:

EBIT: earnings before interest and taxation, i.e. "Profit for the year" adjusted to exclude "Net financial income", "Dividends from Investments" and "Income taxes".

Net operating working capital: sum of trade receivables, inventories and trade payables.

Net invested capital: sum of right of use assets, non-current assets, net operating working capital, other current and non-current assets/liabilities.

Net financial surplus / (deficit): sum of net invested capital, total equity, current and non-current financial surplus / (deficit).

Total equity and net financial surplus / (deficit), including lease liabilities: Net financial surplus / (deficit) including lease liabilities.

Financial risk hedging policies

The Company's financial risk hedging policies and the effects of the strategies adopted are described in the Notes to the Separate Financial Statements.

Research and development

The Company sees the creative process as the first step toward quality.

This unique approach enables the Company to anticipate and set trends, by experimenting constantly with shapes, fabrics, leathers and production techniques.

Research and development activities aim to create innovative products through the search for new or improved materials, the research and definition of design concepts, and the development of prototypes.

Related party transactions

Details of related party transactions are provided in Note 28 to the Financial Statements.

Treasury share

As of December 31, 2025, the Company did not own any treasury share.

Significant events of the reporting period

The "Company Information" and "Mergers and Acquisitions" sections of the Notes to the Financial Statements provide the information on the most significant events of the reporting period.

Events after the reporting date

In February 2026, Prada S.p.A. signed a note purchase agreement for a Euro 300 million US private placement with a 10-year bullet maturity. The transaction was undertaken to refinance and pre-emptively repay in full the bridge term loan associated with the Versace acquisition.

Independent auditor

The Separate financial statements of the Company are audited by KPMG S.p.A.. Under Italian company law, the independent auditor is appointed, and its remuneration is resolved every three years by the shareholders' general meeting of the Company, on the basis of a proposal made by the Board of Statutory Auditors.

On April 13, 2012, the Stock Exchange granted to the Company a waiver from strict compliance with Rule 13.88 of the Listing Rules, which requires the appointment of an independent auditor at each annual general meeting to hold office until the next annual general meeting. Therefore, the Company's independent auditor is appointed, and its remuneration is determined, every three years at the shareholders' general meeting of the Company under the applicable Italian laws.

On April 30, 2025 the shareholders' general meeting of the Company was held (the "2025 AGM"), at which the mandate of Deloitte & Touche S.p.A. expired at the conclusion of the meeting, following its service as the Company's independent auditor for 22 consecutive years since 2003. At the 2025 AGM, the shareholders approved the appointment of KPMG S.p.A. as the Independent Auditor of the Company for the three financial years ending December 31, 2025 to December 31, 2027, and approved its remuneration, in accordance with the recommendations received from the Board of Statutory Auditors and the Audit and Risk Committee.

Outlook

Management remains committed to the ambition to deliver above-market growth for the Group, capturing the opportunities that arise for each brand with a vigilant but long-term mindset. With respect to profitability, ex Versace, the aim is to generate organic margin progression; Versace's consolidation will drive a dilutive effect on the Group EBIT margin in 2026, with a target to resume progressive improvement from 2027.

Proposed allocation of the result for the year

On March 5, 2026 the Board recommended the approval at the Shareholders' General Meeting of the allocation of the net income of the Company, for the year ended December 31, 2025, as follows: (i) Euro 424,764,784.00 to Shareholders as final dividend, in particular to declare and distribute a final dividend of Euro 0.166 per share, and (ii) Euro 370,828,383.42 to retained earnings of the Company.

The final dividends will be subject to the shareholders' approval at the forthcoming shareholders' general meeting of the Company to be held on Thursday, April 30, 2026.

Subject to the shareholders' approval of the recommended final dividends, such dividends will be paid on Thursday, May 19, 2026.

The final dividend will be paid to the shareholders recorded on the Company's shareholders register on Friday, May 8, 2026, only, net of Italian withholding tax, where applicable. The current rate of Italian withholding tax applied to applicable dividend payments is equal to 26%.

Paolo Zannoni
Executive Deputy Chairman

A handwritten signature in black ink, appearing to read 'Paolo', followed by a horizontal line and a period.

Milan, March 5, 2026

CHAPTER 3

Corporate Governance



Corporate governance practices

The Company is committed to maintaining the highest standards of corporate governance to create long-term sustainable value for all its stakeholders, including its shareholders.

The corporate governance model adopted by the Company consists of a set of rules, standards and structured procedures aimed at establishing efficient and transparent operations within the Group, to protect the rights of the Company's shareholders, to enhance shareholder value and to uphold the Group's credibility and reputation. The corporate governance model adopted by the Company complies with the applicable laws and regulations in Italy, where the Company is incorporated, as well as with the principles set out in the Corporate Governance Code (the "Code") in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Compliance with the Code

The Board has reviewed the Company's corporate governance practices and it is satisfied that such practices have complied with the code provisions set out in the Code, for the year ended December 31, 2025 (the "2025 Year"), save for Code Provision F.2.2, as Mr. Patrizio Bertelli (Chairman of the Board) was not able to attend the annual general meeting of the Company held on April 30, 2025 (the "2025 AGM") due to other business commitments. In his absence, Mr. Paolo Zannoni (Executive Deputy Chairman of the Board) assumed the Chairman's role and duties at the 2025 AGM, ensuring the meeting proceeded smoothly with effective communication with the shareholders. This Corporate Governance Report summarizes how the Company applied the principles and implemented the code provisions contained in the Code for the 2025 Year.

Directors' securities transactions

The Company has adopted a written procedure governing Directors' securities transactions on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Listing Rules. In response to specific enquiries by the Company, all Directors confirmed that they complied with the required standard set out in the Model Code and the Company's procedure at all applicable times during the 2025 Year. There were no incidents of non-compliance during the 2025 Year.

The Company has also adopted a written procedure governing securities transactions carried out by the relevant employees who are likely to possess inside information in relation to the Company and its securities. This procedure is on terms no less exacting than those set out in the Model Code.

Directors' interests as of December 31, 2025, in the shares of the Company and its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code contained in Appendix C3 of the Listing Rules, are set out in the Directors' Report under the Annual Report.

Board of Directors

A. Board Composition

The Board is currently made up of eleven Directors – six Executive Directors and five Independent Non-Executive Directors. The Board has an appropriate mix of skills and experience that is relevant to the Company's strategy, governance and business, and underpins its management effectiveness and efficiency. Its approach to achieving diversity is set out in the Board Diversity Policy, which is discussed in more detail in the paragraph headed Nomination Committee. Currently female representation at Board level is about 45%. Gender diversity at workforce levels is disclosed in the Annual Report and gender diversity (including Senior Management) is disclosed in the Sustainability Report. The Board believes that diversity should not be limited to gender.

The table below shows the structure, skill sets, expertise, and competencies of the Board:

| Directors | Age | Gender | Ethnicity * | ED / INED | Committees | | | | Skills and Expertise | | | | | |
|--|-----|--------|-------------|-----------|----------------|--------------|------------|----------------|----------------------|--------------------------------------|-------------------------------|-------------|---|---|
| | | | | | Audit and Risk | Remuneration | Nomination | Sustainability | Business Management | Strategic Planning & Risk Management | Financial Reporting / Banking | Legal / ESG | Related Industry Knowledge / Experience | |
| Mr. Patrizio BERTELLI (Chairman of the Board) | 79 | M | I | ED | | | | | x | x | | | x | |
| Mr. Paolo ZANNONI (Executive Deputy Chairman of the Board) | 77 | M | I | ED | | x | | | | x | x | x | | x |
| Mr. Andrea GUERRA (Chief Executive Officer) | 60 | M | I | ED | | | | | | x | x | | | x |
| Ms. Miuccia PRADA BIANCHI | 77 | F | I | ED | | | | | | x | x | | | x |
| Mr. Andrea BONINI (Chief Financial Officer) | 46 | M | I | ED | | | | | | x | x | x | | x |
| Mr. Lorenzo BERTELLI | 37 | M | I | ED | | | x | x | | x | x | | x | x |
| Mr. Yoël ZAOUÏ (Lead Independent Director) | 65 | M | NI | INED | x | x | | | | x | x | x | | x |
| Ms. Ilaria RESTA** | 52 | F | I | INED | | | | | | x | x | x | | x |
| Ms. Pamela Yvonne CULPEPPER | 61 | F | NI | INED | | | x | x | | x | x | | x | x |
| Ms. Anna Maria RUGARLI | 53 | F | I | INED | x | x | | x | | x | x | | x | x |
| Ms. Cristiana RUELLA | 63 | F | I | INED | x | | x | | | x | x | x | | x |

* I refers to Italian and NI refers to Non-Italian

** Co-opted by the Board as an Independent Non-Executive Director with effect from 30 July 2025, in replacement of Ms. Marina Sylvia Caprotti, who has resigned from her position.

Biographical details of the Directors and their relationships, where applicable, are set out in the Directors and Senior Management section of the Annual Report. The Company has maintained both on its own website and on the website of the Stock Exchange an updated list of its Directors, identifying their respective roles and functions.

B. Board Meetings

During the 2025 Year, the Board held seven meetings to discuss the Group's overall corporate strategic direction and objectives, assess its operational and financial performance (including the annual budget and the annual, interim and quarterly results), and approve the Group's main investments and extraordinary transactions, including the acquisition of Versace and its relevant financing, the change of an Independent Non-Executive Director, the proposal to change the Independent Auditor, the approval of the 2025 Audit Plan, the 2024 Sustainability Report, and the new Organization, Management and Control Model pursuant to Italian Legislative Decree No. 231 of June 8, 2001, and connected transactions. The average attendance rate of the Directors for these seven meetings, held both in presence and through electronic means, was 92.20%.

Minutes of the Board meetings are kept by the Corporate Affairs Department. Minutes of the Board meetings and all Board Committees meetings are sent to the relevant Directors and are available for inspection by any Director by giving reasonable notice to the Company.

C. Board Attendance

The details of attendance at Board meetings, Board Committees meetings and shareholders' general meeting held during the 2025 Year are set out in the following table:

| Directors | Board | Audit and Risk Committee | Remuneration Committee | Nomination Committee | Sustainability Committee | Shareholders' Meeting |
|---|--------------|--------------------------|------------------------|----------------------|--------------------------|-----------------------|
| Executive Directors | | | | | | |
| Mr. Patrizio BERTELLI (Chairman) | 5/7 | | | | | 0/1 |
| Mr. Paolo ZANNONI (Executive Deputy Chairman) | 7/7 | | 3/3 | | | 1/1 |
| Mr. Andrea GUERRA (Chief Executive Officer) | 7/7 | | | | | 1/1 |
| Ms. Miuccia PRADA BIANCHI | 5/7 | | | | | 0/1 |
| Mr. Andrea BONINI (Chief Financial Officer) | 7/7 | | | | | 1/1 |
| Mr. Lorenzo BERTELLI | 7/7 | | | 2/2 | 3/3 | 1/1 |
| Independent Non-Executive Directors | | | | | | |
| Mr. Yoël ZAOUI (Lead Independent Director) ¹ | 7/7 | 7/7 | 3/3 | | | 0/1 |
| Ms. Ilaria RESTA * | 2/2 | | | | | |
| Ms. Pamela Yvonne CULPEPPER ² | 7/7 | | | 2/2 | 3/3 | 1/1 |
| Ms. Anna Maria RUGARLI ³ | 7/7 | 6/7 | 3/3 | | 3/3 | 1/1 |
| Ms. Cristiana RUELLA ⁴ | 7/7 | 7/7 | | 2/2 | | 1/1 |
| Statutory Auditors | | | | | | |
| Mr. Roberto SPADA (Chairman) | 7/7 | | | | | 1/1 |
| Ms. Maria Luisa MOSCONI | 7/7 | | | | | 1/1 |
| Ms. Patrizia ARIENTI | 7/7 | | | | | 1/1 |
| Dates of the Meetings | Jan 23, 2025 | Jan 22, 2025 | Jan 15, 2025 | Feb 4, 2025 | Feb 26, 2025 | Apr 30, 2025 |
| | Mar 4, 2025 | Feb 10, 2025 | Mar 17, 2025 | Jul 10, 2025 | Jul 16, 2025 | |
| | Apr 7, 2025 | Feb 28, 2025 | July 17, 2025 | | Dec 10, 2025 | |
| | Apr 30, 2025 | Apr 28, 2025 | | | | |
| | Jul 30, 2025 | Jul 28, 2025 | | | | |
| | Oct 23, 2025 | Oct 20, 2025 | | | | |
| | Dec 18, 2025 | Dec 15, 2025 | | | | |
| Average Attendance Rate of the Directors | 92.20% | 95.23% | 100% | 100% | 100% | 63.63% |

Notes:

1. Chairman of the Audit and Risk Committee
2. Chairwoman of the Sustainability Committee
3. Chairwoman of the Remuneration Committee
4. Chairwoman of the Nomination Committee

* Co-opted by the Board as an Independent Non-Executive Director with effect from July 30, 2025, in replacement of Ms. Marina Sylvia Caprotti, who has resigned from her position. Until her resignation, in 2025 Ms. Marina Sylvia CAPROTTI has attended 3/5 Board meetings and 0/1 Shareholders' Meeting.

D. Roles and Responsibilities

The Board is the highest decision-making body of the Company vested with the power to manage all ordinary and extraordinary matters of the Company. The Board has the power to perform all acts it deems necessary or useful in the pursuit of the Company's corporate purposes, except for those acts specifically reserved for approval by the shareholders by relevant laws or regulations or the By-laws. In particular, the Board is responsible for setting the overall strategy, as well as reviewing the operational and financial performance of the Company and the Group. Therefore, the Board

considers and decides on all matters concerning the overall Group strategy, including the sustainability strategy, the Group's strategic objectives, annual budgets, annual, interim, and quarterly results, approval of major transactions, connected transactions, and any other significant operational and financial matters. The Board is also responsible for evaluating on an ongoing basis the effectiveness of the internal control and risk management system.

Among the Directors, some, upon the decision of the Board, are granted with specific delegated powers and with power to sub-delegate their powers to selected personnel outside the Board. To this respect, the Company has adopted a system of delegated powers and powers of attorney aimed at ensuring the segregation of duties and the efficient and regular performance of the activities in accordance with the procedures adopted by the Company itself.

During the 2025 Year, all Board members were provided with monthly financial updates, prepared by the Executive Directors with the support of the management. The purpose of such updates was to provide a balanced and comprehensive assessment of the performance, position, and prospects of the Group in sufficient detail, in order to enable each Director to perform his/her duties.

The Board believes that corporate culture underpins the long-term business, economic success, and sustainable growth of the Group. The Board sets and promotes company culture and expects and requires employees to follow the Group's procedures and policies. For details, please refer to the Directors' Report under the Annual Report and the Sustainability Report.

The Executive Directors are responsible for the day-to-day management of the Company and to make operational and business decisions within the control and delegated powers framework of the Company.

The types of decisions delegated by the Board to the management include:

- the preparation of annual, interim, and quarterly results for the Board's approval;
- the execution of business strategies and other initiatives adopted by the Board;
- the monitoring of operating budgets adopted by the Board;
- the design, implementation and monitoring of the internal control and risk management system; and
- the compliance with relevant statutory requirements, rules, and regulations.

E. Independent Non-executive Directors

The Independent Non-Executive Directors provide the Company with diversified skills, expertise, and qualifications as well as varied backgrounds and perspectives. They participate in the Board and Board Committees meetings to provide independent and objective opinions, advice and judgment on important matters relating to the Company's strategy, policies, financial performance, and take the lead on matters where conflicts of interests may arise. The Board also reviews on an annual basis the implementation and effectiveness of the mechanisms established to ensure independent views and input are available to the Board. They also attend the shareholders' general meetings of the Company to understand the views of the shareholders. They make a positive contribution to the development of the Company's strategy and policy through independent, constructive, and informed comments.

The Independent Non-Executive Directors enhance the effectiveness and decision-making of the Board by providing objective judgement and constructive challenge. Their independence is assessed upon appointment, annually, and whenever the circumstances warrant reconsideration.

All the Independent Non-Executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and have, as required by the Listing Rules, provided the Company with the written confirmations as to their independence. The independence of the Independent Non-Executive Directors was further confirmed following the review by the Nomination Committee conducted on February 3, 2026. None of the Independent Non-Executive Directors of the Company has any business or financial interest in the Company or its subsidiaries.

F. Liability Insurance for the Directors

The Company has arranged appropriate liability insurance to indemnify its Directors for their liabilities arising out of corporate activities. The insurance coverage is reviewed on an annual basis.

G. Directors' Training

Upon appointment to the Board, Directors are provided with a comprehensive induction program to ensure that they have a thorough understanding of the key areas of business operations and practices of the Company, as well as their role and responsibilities under the relevant laws, rules and regulations.

During the 2025 Year, Mr. Patrizio Bertelli, Mr. Paolo Zannoni, Ms. Miuccia Prada Bianchi, Mr. Andrea Guerra, Mr. Lorenzo Bertelli, Mr. Andrea Bonini, Mr. Yoël Zaoui, Ms. Ilaria Resta, Ms. Pamela Yvonne Culpepper, Ms. Anna Maria Rugarli, and Ms. Cristiana Ruella participated in training provided by Company on business updates and sector's developments. The Directors also received updates on the development of the laws, rules and/or regulations relating to Directors' duties and responsibilities to develop and refresh their knowledge and skills, including the proposed amendments on corporate governance rules and related Listing Rules. Ongoing training helps Directors keep abreast of current trends and issues facing the Group, while enabling them to update and refresh their skills and knowledge necessary to perform their duties. As Ms. Marina Sylvia Caprotti resigned as Independent Non- Executive Director on July 30, 2025, she did not participate in the director's training provided by the Company during the 2025 Year.

All Directors confirmed that they have participated in continuous professional development as required by Rules 3.09F, 3.09G and 3.09H of the Listing Rules during the 2025 Year and have provided the Company with their training records. Ms. Ilaria Resta, who has been appointed as Independent Non- Executive Director on July 30, 2025, completed 10.2 hours of continuous professional development since her appointment to 31 December 2025. The records of the continuous professional developments and training of the Directors are maintained by the Corporate Affairs Department.

Director's Training by Topic

| Directors | Board and directors' duties | Listing Rules and Hong Kong law compliance | Corporate governance and ESG | Risk management and internal controls | Industry and business updates | Total no. of hours |
|-----------------------------|-----------------------------|--|------------------------------|---------------------------------------|-------------------------------|--------------------|
| Mr. Patrizio BERTELLI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.5(a) | 6.5 |
| Mr. Paolo ZANNONI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Mr. Andrea GUERRA | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Ms. Miuccia PRADA BIANCHI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.7 (a) | 6.7 |
| Mr. Andrea BONINI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Mr. Lorenzo BERTELLI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Mr. Yoël ZAOUÏ | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Ms. Ilaria RESTA | 1(c) + 0.25(b) | 0.25(b) | 0.25 (b) + 6.5 (c) | 1 (a) + 0.25 (b) | 0.7 (a) | 10.2 |
| Ms. Pamela Yvonne CULPEPPER | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Ms. Anna Maria RUGARLI | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |
| Ms. Cristiana RUELLA | 0.25(b) | 0.25(b) | 0.25 (b) + 3 (c) | 1 (a) + 0.25 (b) | 1.95 (a) | 6.95 |

Notes:

- (a) Internal updates provided by Company
- (b) External Training provided by legal advisors - Slaughter and May
- (c) Self-study

Chairman and Chief Executive Officer

During the 2025 Year, Mr. Patrizio Bertelli continued to serve as Chairman of the Board and Mr. Andrea Guerra continued to serve as Chief Executive Officer. The role of the Chairman is separate from that of the Chief Executive Officer. The Chairman is vested with the powers to represent the Company and provides leadership to the Board. He is responsible for ensuring that the Board is functioning effectively and adheres to good corporate governance practices and procedures. The Chief Executive Officer, supported by the other Executive Directors and senior management, is responsible for managing the Company's business, including the implementation of major strategies and other initiatives adopted by the Board.

Relationships between Directors

Ms. Miuccia Prada Bianchi (Executive Director of the Company) and Mr. Patrizio Bertelli (Chairman of the Board and Executive Director of the Company) are husband and wife. Mr. Lorenzo Bertelli (Executive Director of the Company) is the son of Ms. Miuccia Prada Bianchi and Mr. Patrizio Bertelli.

Appointment of the Board members

At the shareholders' general meeting of the Company held on April 24, 2024 (the "2024 AGM"), the Board (consisting of eleven Directors) was appointed for a term of three financial years.

On July 30, 2025, Ms. Ilaria Resta was appointed as Independent Non-Executive Director, in replacement of Ms. Marina Sylvia Caprotti. On July 25, 2025, Ms. Ilaria Resta obtained legal advice for the purpose of Rule 3.09D of the Listing Rules as regards the requirements under the Listing Rules that are applicable to her as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange and has confirmed she understood her obligations as a director of a listed issuer.

Ms. Marina Sylvia Caprotti has resigned as Independent Non-Executive Director with effect from July 30, 2025.

The mandate of all the current Directors will lapse on the date of the shareholders' general meeting called to approve the financial statements of the Company for the year ending December 31, 2026.

Under the Company's By-laws, the Directors may be re-appointed.

Corporate Governance Functions of the Board

The Board is responsible for determining and supervising the implementation of the Company's corporate governance policies and ensuring its compliance with the provisions of the Code. The Board's role in this regard is:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices regarding compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the Code of Ethics, the Organization, Management and Control Model (adopted pursuant to Italian Legislative Decree No. 231 of June 8, 2001) and the Company's procedures applicable to directors and employees;
- (v) to review relevant Environmental, Social and Governance ("ESG") matters;
- (vi) to review the Company's compliance with the Code and the disclosure of such in this Corporate Governance Report; and
- (vii) to perform any other corporate governance duties and functions set out by the Listing Rules or other applicable rules, for which the Board shall be responsible.

During the 2025 Year, the Board completed the following activities with respect to corporate governance matters:

- (i) approved the appointment by means of co-optation of Ms. Ilaria Resta as an Independent Non-Executive Director of the Company, in replacement of Ms. Marina Sylvia Caprotti, who has resigned from her position;
- (ii) submitted the proposal for the appointment of the new Independent Auditor;
- (iii) approved the adoption of the new Organization, Management and Control Model pursuant to Italian Legislative

- Decree No. 231 of June 8, 2001 of the Company and the new Code of Ethics of the Group;
- (iv) approved the adoption of the new Long Term Incentive Plan for the three-year period 2025-2027;
 - (v) reviewed the level of compliance with the Code;
 - (vi) reviewed the effectiveness of the internal control, risk management system and ESG performance of the Company through the Internal Audit Department, the Audit and Risk Committee, and the Sustainability Committee;
 - (vii) reviewed and approved the Sustainability Report and the new Group Environmental Policy;
 - (viii) approved the Group's main transactions, including connected transactions, and extraordinary transactions with third parties; and
 - (ix) reviewed and/or approved the updated versions of the Board Diversity Policy, Shareholders' Communication Policy, and the terms of reference of the Nomination Committee.

Board Committees

The Board has established the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee, and the Sustainability Committee, each chaired by an Independent Non-Executive Director, in compliance with the Code. The Terms of Reference and membership of the first three Board Committees are published on the websites of both the Company and the Stock Exchange. The Terms of Reference of the Board Committees are no less exacting than those set out in the Code. The Board Committees are provided with sufficient resources to perform their duties and upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company's expense.

A. Audit and Risk Committee

The Company has established an Audit and Risk Committee in compliance with Rule 3.21 of the Listing Rules, where at least one member possesses related financial management expertise to perform the duties of the Audit and Risk Committee. The membership of the Audit and Risk Committee consists of three Independent Non-Executive Directors, namely Mr. Yoël Zaoui, Ms. Cristiana Ruella and Ms. Anna Maria Rugarli.

The primary duties of the Audit and Risk Committee are to assist the Board in providing an independent view on the independence, adequacy, effectiveness and efficiency of the internal audit function, the Company's financial reporting process and its internal control and risk management system, to oversee the independent audit process, the internal audit process and financial controls activity, to implement the Company's risk management functions, to examine the work plan of internal audit, to review the relationship with the Independent Auditor by reference to the work performed by the Independent Auditor, as well as their independence, fees and terms of engagement, and to perform any other duties and responsibilities assigned to it by the Board.

During the 2025 Year, the Audit and Risk Committee held seven meetings on January 22, February 10, February 28, April 28, July 28, October 20, and December 15 (with an average attendance rate of 95.23%) mainly to review, with senior management, the Internal Audit Department, Independent Auditor and Board of Statutory Auditors, the significant internal and independent audit findings and financial matters as required under the Audit and Risk Committee's Terms of Reference and to make relevant recommendations to the Board. The Audit and Risk Committee's review covered, inter alia, the audit plan for the 2025 Year, the findings of both the Internal Audit Department and the Independent Auditor reporting activities, internal controls and audit activities over the supply chain, risk assessment, annual review of the continuing connected transactions of the Group for 2024, the Group budget for the 2025 Year, the Sustainability Report for the year ended December 31, 2024, connected transactions and extraordinary transactions with third parties, Group policies, to give updates on the selection process for the new Independent Auditor to be appointed by the shareholders' meeting for the three-year period 2025-2027 and recommend it to the Board, the adequacy of resources (internal and external) for designing, implementing and monitoring the risk management and internal control systems, the methodology applied to the impairment test, tax and legal updates and financial reporting matters (including the annual results for the year ended December 31, 2024, the interim financial results for the six months ended June 30, 2025, and the quarterly results for the three months ended March 31, 2025, and the nine months ended September 30, 2025, respectively), before recommending them to the Board for approval.

The Audit and Risk Committee also held two meetings - on February 9, 2026 and March 2, 2026 - to examine and recommend to the Board the approval of the 2026 Group budget, to review connected transactions, to discuss the audit activities on the 2025 Separate Annual Report and Annual Report of the Company presented by KPMG S.p.A., to evaluate the methodology applied to the impairment test, to discuss the status of the major pending litigations, including tax litigations, of the Group, to have an update on the internal audit and risk management activities, including

the audits on the supply chain, and to review, for the 2025 Year, the annual results, the Sustainability Report, the continuing connected transactions, and the Internal Audit Department and Audit and Risk Committee reports.

Independent Auditor's compensation

Since January 1, 2025, KPMG S.p.A. has been appointed as new Independent Auditor of the Group. The total fees and expenses accrued in favor of KPMG S.p.A. and its network for the audit of the financial statements for the 2025 Year, together with non-audit services, are illustrated below (amounts in thousands of Euro):

| Type of service | Audit Firm | twelve months ended December 31 2025 |
|--------------------------------------|-------------|--------------------------------------|
| Audit services | KPMG S.p.A. | 565 |
| Total audit fees to KPMG Network | | 565 |
| Audit related services | KPMG S.p.A. | 102 |
| Total non-audit fees to KPMG Network | | 102 |
| Total compensation to KPMG Network | | 667 |

The total fees and expenses accrued in favor of the former Independent Auditor Deloitte & Touche S.p.A. and its network for the audit of the financial statements for the year ended December 31, 2024, together with non-audit services, are illustrated below (amounts in thousands of Euro):

| Type of service | Audit Firm | twelve months ended December 31 2024 |
|--|--------------------------|--------------------------------------|
| Audit services | Deloitte & Touche S.p.A. | 550 |
| Total audit fees to Deloitte Network | | 550 |
| Other advisory services | Deloitte Network | 150 |
| Total non-audit fees to Deloitte Network | | 150 |
| Total compensation to Deloitte Network | | 700 |

B. Remuneration Committee

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration package of Directors and senior management and the establishment of a formal and transparent procedure for developing policies on such remuneration. The recommendations of the Remuneration Committee are then submitted to the Board for consideration and adoption, where appropriate.

The membership of the Remuneration Committee consists of two Independent Non-Executive Directors, Ms. Anna Maria Rugarli (Chairwoman) and Mr. Yoël Zaoui, and the Executive Deputy Chairman and Executive Director, Mr. Paolo Zannoni.

During the 2025 Year, the Remuneration Committee held three meetings on January 15, March 19, and July 17 (with an attendance rate of 100%) to review the remuneration of the senior management of the Company, to review and discuss the variable remuneration of the Executive Directors and top management of the Company, to review and make a proposal on the new long-term incentive ("LTI") plan for the three-year period 2025-2027, and to review and propose the remuneration as member of the Board of Ms. Ilaria Resta, as newly appointed Independent Non-Executive Director of the Company.

The Remuneration Committee also held one meeting on February 18, 2026, to review the overall remuneration, including the short-term and long-term variable remuneration, of the management of Versace, including the remuneration of the Executive Chairman of Gianni Versace S.r.l..

Remuneration Policy

The Group's remuneration policy is aimed at attracting, rewarding, and retaining its personnel, who are considered the key to the success of the Group's business. This "Human Capital" is preserved through constant monitoring, in order both to maintain engagement with the Company and a remuneration policy in line with the market. To ensure the Company's ability to attract and retain talent, the Company's remuneration policy is built upon the principles of providing an equitable and market-competitive remuneration package that supports the performance culture and enables the achievement of strategic business goals.

The Group's remuneration policy is designed to reward and retain highly professional staff and skilled managers, new graduates, and workers, and to create value in the medium and long term through constant organizational learning and the consolidation of collaborators' experiences and skills.

The policy comprises fixed, variable, direct and deferred components, appropriate for the relevant position and professional qualifications, and is consistent with the needs of the various geographic areas.

The Group has an incentive system that links compensation with the annual performance of the Group, taking into account the Group's economic and financial objectives, as well as the objectives of each department, depending on the role of the specific individual.

The Group has adopted long-term cash incentive plans for executive directors, senior managers, and key managers for retention purposes. Entitlement to benefits under those plans vests in the eligible executive director, senior manager or key manager, subject to the achievement by the Group of one or more economic and financial objectives, as well as certain ESG targets, and his/her presence within the Group at the end of a three-year period.

Other incentive schemes specific to sales staff are also in place, and operations and manufacturing staff of the Group may receive a collection bonus following the development of a seasonal collection.

The aggregate basic remuneration of the Board is approved by the shareholders in a general meeting. The additional remuneration of each Director vested with special offices (that is, the Executive Directors and members of the Board Committees) is determined by the Board after having considered the recommendation of the Remuneration Committee and the opinion of the Board of Statutory Auditors.

Under the current remuneration package, the Executive Directors receive remuneration in the form of fees, salaries and other benefits, discretionary bonuses and/or other incentives, including non-monetary benefits and other allowances and contributions such as contributions to retirement benefits schemes. The Independent Non-Executive Directors receive remuneration in the form of fees and contributions to retirement benefits schemes, as the case may be. No Director is allowed to approve his/her own remuneration.

C. Nomination Committee

The primary duties of the Nomination Committee are to determine the policy for the nomination of Directors and to make recommendations to the Board for consideration and, where appropriate, adoption on the structure, size, and composition of the Board itself, on the selection of new Directors and on the succession plans for Directors, and to support the Company's regular evaluation of the performance of the Board.

The membership of the Nomination Committee consists of two Independent Non-Executive Directors, Ms. Cristiana Ruella (Chairwoman) and Ms. Pamela Yvonne Culpepper, and one Executive Director, Mr. Lorenzo Bertelli.

During the 2025 Year, the Nomination Committee held two meetings on February 4 and July 10 (with an attendance rate of 100%), to review the Terms of Reference and to perform the annual review of both the independence of the Independent Non-Executive Directors and of the structure, size, and composition of the Board for the 2024 Year, and to recommend to the Board the appointment of Ms. Ilaria Resta as Independent Non-Executive Director in replacement of Ms. Marina Sylvia Caprotti. The terms of reference of the Nomination Committee have been updated and approved by the Board on October 23, 2025.

The Nomination Committee also held one meeting on February 3, 2026 (with an attendance rate of 100%), to perform the annual review of both the independence of the Independent Non-Executive Directors and of the structure, size, and composition of the Board for the 2025 Year.

With a view to achieving sustainable and balanced development, the Company has viewed diversity at the Board level as an essential element to attain its strategic objectives and its development. The Board Diversity Policy was originally adopted by the Board in September 2013. On October 23, 2025, the Board adopted a new version of the Board Diversity Policy, substantially in line with the previous version, updated to the current applicable Listing Rules, as well as compliant with the most recent best practices. According to the principles set out in the Board Diversity Policy, all

Board members' appointments are based on merit, with candidates proposed and selected based on objective criteria, with due regard for diversity within the Board. Diversity in this sense encompasses a wide range of factors, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The final selection is based on merit and the contribution, which the candidates can bring to the Board. Throughout the 2025 Year, and up to the date of this Separate Annual Report, the Board has five female Directors (four being Independent Non-Executive Directors), representing approximately 45% of the Board and 80% of the Independent Non-Executive Directors. The Company is committed to maintaining a Board with an appropriate level of female members, which shall be no less than 40% of the Independent Non-Executive Directors and 30% of all members of the Board by year. The Nomination Committee has been delegated the overall responsibility for implementing and monitoring the implementation of the Board Diversity Policy. The Nomination Committee discusses any revisions that may be required to ensure the effectiveness of the Board Diversity Policy with access to independent external consultants and recommends any such revisions to the Board for its approval.

On March 15, 2019, the Board first adopted the nomination policy for the Directors (the "Director Nomination Policy"), which provides guidance on the proposal for the appointment or re-appointment of the directors or to fill casual vacancies and sets out the processes and criteria for the nomination of a candidate for directorship in the Company. The Company adopted the Director Nomination Policy to regulate the nomination process of Directors, so as to ensure that all nominations of the Board members are made in a fair and transparent manner, in order to maintain an appropriate balance of skills, experience and diversity within the Board, that are relevant to the Company's strategy, governance and business, and which can contribute to the effectiveness and efficiency of the Board's management. On January 25, 2024, the Board adopted a new version of the Director Nomination Policy, substantially in continuity with the previous version, updated to the current applicable Listing Rules, as well as compliant with the most recent best practices.

The Director Nomination Policy contains a number of factors for assessing the suitability of a proposed candidate, including the high ethical character and reputation for integrity, professional qualifications, skills, knowledge and experience, available time commitment, merit and potential contributions to the Board, as well as the independence criteria under the Listing Rules (where applicable), including the independence of long serving Independent Non-Executive Directors (where applicable).

The Nomination Committee considers the candidates proposed by shareholders for new directorship or for re-election and makes recommendations for the Board's consideration. The Board will then decide whether the proposed candidate shall be eligible to be appointed or re-appointed, as the case may be, as a director of the Company and will in turn recommend shareholders to vote in favor of the relevant resolutions to be proposed at the shareholders' general meeting of the Company.

D. Sustainability Committee

The Sustainability Committee assists and supports the Board with proposing and advisory functions in its assessments and decisions on sustainability, meaning the processes, initiatives and activities aimed at overseeing the Company's commitment to sustainable development along the value chain and strategy. Moreover, the Committee supports the preparation and review of non-financial reports, including the annual Sustainability Report, and communications concerning sustainability to be submitted to the Board for approval. The Directors' Report section under the Annual Report includes the governance of sustainability issues and how the Company approaches and manages the Group's material ESG topics.

The membership of the Sustainability Committee consists of two Independent Non-Executive Directors, Ms. Pamela Yvonne Culpepper (Chairwoman) and Ms. Anna Maria Rugarli, and one Executive Director, Mr. Lorenzo Bertelli.

During the 2025 Year, the Sustainability Committee held three meetings on February 26, July 16 and December 10 (with an average attendance rate of 100%) to discuss and approve the Sustainability Report for the year ended December 31, 2024, to provide updates on the progress and achievements in the ESG strategy of the Group both for corporate, industrial - including the presentation of the ESG governance framework applied to the industrial supply chain and the results on the audit activities on the same -, and HR sustainability, to review and discuss the main initiatives and partnerships to support ESG-related projects, including the SEA BEYOND project and the partnership with UNESCO, and to review and discuss the ESG information to be included in the presentation of financial results for both the year ended December 31, 2024, and the first half of the 2025 Year.

The Sustainability Committee also held one meeting on February 25, 2026, to discuss and approve the Sustainability Report for the 2025 Year, and to provide updates on the progress and achievements in the ESG strategy of the Group both for corporate, industrial, and HR sustainability, as well as on the supply chain audit activities conducted in the 2025 Year.

Board of statutory auditors

Under Italian law, a joint-stock company is required to have a board of statutory auditors, appointed by the shareholders for a term of three financial years, with the authority to supervise the Company on its compliance with the applicable laws, regulations, its By-laws, the principles of proper management and, in particular, on the adequacy and functioning of the organizational, administrative and accounting structure adopted by the Company.

At the 2024 AGM, the Board of Statutory Auditors was appointed for a term of three financial years (2024-2026). The mandate of the current Board of Statutory Auditors will expire at the shareholders' general meeting to approve the financial statements of the Company for the year ending December 31, 2026.

The Board of Statutory Auditors of the Company consists of Mr. Roberto Spada (Chairman), Ms. Maria Luisa Mosconi, and Ms. Patrizia Arienti. The alternate statutory auditors are Ms. Stefania Bettoni and Mr. Cristiano Proserpio.

Change in Information of Directors Disclosed Pursuant to the Rule 13.51b(1) of the Listing Rules

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of directors' information of the Company since the Company's 2025 Interim Report is as follows:

With effect from February 1, 2026, the annual remuneration of Mr. Lorenzo Bertelli has increased to a fixed amount of approximately Euro 600,000 gross per year (including fees as a member of the Board), bonuses and other incentives have increased to approximately Euro 600,000 and other benefits in kind has increased to approximately Euro 27,500.

As of December 2025, Mr. Andrea Guerra ceased to hold directorships in subsidiaries of the Company.

Directors' responsibility and auditors' responsibility for Separate Financial Statements

The Directors are responsible for preparing the Separate Financial Statements of the Company for the 2025 Year to ensure such Separate Financial Statements give a true and fair view of the state of affairs of the Company. In preparing these Separate Financial Statements, the Directors have selected suitable accounting policies and made prudent and reasonable judgments and estimates. The Separate Financial Statements have been prepared on a going concern basis and in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board as endorsed by the European Union.

In addition, the Board is generally satisfied of the adequacy of resources, staff qualifications and experience, training program and budget of the Company's accounting and financial reporting function during the 2025 Year.

With respect to the Independent Auditor of the Company, its responsibilities are stated in the auditor's reports on the Separate Financial Statements.

Internal control and risk management

The Group's internal control system has mainly been designed to safeguard the assets of the Group, to maintain proper accounting standards, to ensure that appropriate authority has been given for the performance of acts by the Company, and to comply with the relevant laws and regulations. The Group has adopted a strict Anti-Corruption Policy and an Auditor Transactions Policy to support anti-corruption laws and regulations and monitoring the independence of the Independent Auditor.

To better control its activities in achieving the established objectives, the Group has adopted procedures to identify, evaluate and manage the specific risks arising out of the continuous changes which affect the Group's operations and the regulatory framework to which it is subject.

The Board has adopted a Whistleblowing Policy which provides reporting channels and guidance for employees and

other parties who deal with the Group (e.g., contractors and suppliers, etc.) to report possible improprieties in matters of financial reporting or other matters. The Whistleblowing Policy and the Anti-Corruption Policy are available on the Company's website.

The Board places great importance on maintaining a sound and effective internal control and risk management system to safeguard the shareholders' investment and the Company's assets.

The Board has acknowledged its responsibility for the internal control and risk management system - including financial, operational and compliance controls functions - and for the ongoing monitoring and review of its effectiveness. Such a system is designed to manage rather than eliminate risks and is aimed at providing reasonable and not absolute assurance against material misstatement or loss.

The management, with the support of the Internal Audit Department, has the responsibility, as delegated by the Board, to identify, evaluate and manage the risk factors that may affect the Group's operations and to resolve any material internal control defects that may arise.

In particular, during the 2025 Year, the Internal Audit Department assessed the Company's activities and controls to mitigate the health and safety risk at work as well as the risk of data breach and cyber-attack.

The Internal Audit Department provides an independent review of the adequacy and effectiveness of the internal control and risk management system. The audit plan is discussed and agreed every year by the Audit and Risk Committee before being submitted to the Board for approval. In addition to its agreed annual schedule of work, the Internal Audit Department conducts other special reviews as required. The risk assessment documents are periodically updated by the Internal Audit Department with the support of the management, then reviewed by the Audit and Risk Committee and submitted to the Board for approval.

The Board has received specific confirmation from the relevant management personnel of the Company on the effectiveness of the Group's internal control and risk management system throughout the 2025 Year. During the 2025 Year, no significant control failings or weaknesses were identified.

The Board, with the support from the Audit and Risk Committee, has been reviewing the internal control and risk management system of the Group on an ongoing basis (with the same frequency as regular Board meetings were held) and is generally satisfied that the internal control and the risk management system has functioned effectively and has been adequate for the Group as a whole, throughout the 2025 Year.

Moreover, the Board is generally satisfied of the adequacy of resources, staff qualifications and experience, the training program and the budget of the Company's internal audit and risk management function, and the effectiveness of the Company's processes for financial reporting and listing rules compliance, during the 2025 Year.

Supervisory Body ("Organismo di Vigilanza")

In compliance with Italian Legislative Decree No. 231 of June 8, 2001 (the "Decree"), the Company established a Supervisory Body (Organismo di Vigilanza) whose primary duty is to ensure the functioning, effectiveness and enforcement of the Company's Organization, Management and Control Model, adopted by the Company pursuant to the Decree. The Supervisory Body has three members appointed by the Board and selected among qualified and experienced individuals. The current members of the Supervisory Body, including its Chairwoman, were appointed by the Board on April 24, 2024, and consists of Ms. Stefania Chiaruttini (Chairwoman), Mr. Armando Simbari and Mr. Roberto Spada, Chairman of the Board of Statutory Auditors.

Inside Information

The Company handles and disseminates inside information in accordance with the requirements of the Securities and Futures Ordinance and the Listing Rules.

With regard to the procedures and internal controls for the handling and dissemination of inside information, the Company:

- has adopted an inside information disclosure policy to ensure potential inside information is identified and confidentiality is maintained until timely and proper disclosure is made (the “Inside Information Disclosure Policy”), which has been reviewed and updated by the Board on January 25, 2024;
- has made available on the Company’s intranet the Inside Information Disclosure Policy in order to ensure immediate access to it by the entire Group’s staff;
- has included in the procedures governing Directors and relevant employees a prohibition on dealing in the Company’s shares whilst in possession of inside information; and
- has authorized only the Executive Directors and a few selected members of the management to act as spokespersons and respond to external enquiries.

In addition, the Board has established an Inside Information Committee, whose current members were appointed on April 24, 2024, and consist of the Chairman of the Board and Executive Director Mr. Patrizio Bertelli, the Executive Deputy Chairman of the Board and Executive Director Mr. Paolo Zannoni, and the Chief Financial Officer and Executive Director Mr. Andrea Bonini. The Inside Information Committee has been delegated with the power to assess, if necessary, any potential inside information, and to keep all other Directors timely informed about its decisions.

Company Secretary

During the 2025 Year, Ms. Tong Pui Ting, Wendy undertook over 15 hours of relevant professional training to update her skills and knowledge. Her biography is set out in the Directors and Senior Management section of the Annual Report.

Shareholders’ Rights

A. Convening of shareholders’ general meeting at shareholders’ request

Pursuant to Article 14.2 of the Company’s By-Laws, a shareholders’ general meeting has to be called by the Board when requested by shareholders representing at least one-twentieth of the Company’s share capital, provided that the request mentions the item(s) to be discussed at the meeting. If there is an unjustified delay in calling the meeting by the Board, action will be taken by the Board of Statutory Auditors.

B. Putting forward proposals at shareholders general meeting

Pursuant to Article 14.5 of the Company’s By-Laws, shareholders who, individually or jointly, own or control at least one-fortieth of the Company’s share capital may request in writing for additions to be made to the list of items on the agenda, within ten days from the notice of call for a shareholders’ general meeting, by setting out the proposed additions. The proposals should be directed to the Company by email at corporateaffairs@prada.com.

C. Making an enquiry to the Board

Enquiries about matters to be put forward to the Board should be directed to the Company by email at corporateaffairs@prada.com. The Company will not normally deal with verbal or anonymous enquiries.

D. Procedures for shareholders’ to propose a person for election as Director

The procedures for a shareholder to nominate a person for election as a Director of the Company are set out in Articles 19.3 and 19.4 of the Company’s By-laws, details of which have been disclosed on the Company’s corporate website (www.pradagroup.com).

Constitutional Documents

The current By-laws of the Company (the “By-laws”) was adopted by the shareholders’ meeting on April 27, 2023, and are available for viewing on the websites of the Company and the Stock Exchange.

Communication with Shareholders

A. Dividend Policy

On March 15, 2019, the Board formalized and adopted a Dividend Policy to set out the framework that the Company has put in place in relation to dividend payouts to shareholders. The Company aims to provide its shareholders a sustainable dividend stream, taking into account financial results, cash flow situation, working capital requirements, capital expenditures, investment requirements, future operations and earnings, business conditions and strategies, interests of shareholders and any statutory or regulatory restrictions (including under Italian law and the Company's By-laws) on payment of dividends.

The Board reviews the Dividend Policy from time to time and may adopt changes, as appropriate, to ensure the effectiveness of the Dividend Policy. The Board reviewed and updated the Dividend Policy on January 25, 2024.

At the 2025 AGM, the shareholders approved the distribution of a final dividend of Euro 0.164 per share for the financial year ended December 31, 2024, representing a total dividend of Euro 419,647,136, which was paid on May 19, 2025.

B. Investor relations and communications

The Company endeavors to maintain a high level of transparency when communicating with the shareholders and the financial community in general. The Company has maintained a regular dialogue with – and fair disclosure to – institutional shareholders, fund managers, research analysts and the finance media. Investor/analysts briefings and one-to-one meetings, investor conferences and results briefings are conducted on a regular basis in order to facilitate communication between the Company, shareholders, and the investment community. The Company strives to ensure effective and timely dissemination of information to shareholders and the investment community at all times and will regularly review the arrangements to ensure its effectiveness.

The Company's corporate website (www.pradagroup.com) facilitates effective communications with shareholders, investors, and other stakeholders, making corporate information and other relevant financial and non-financial information available electronically and on a timely basis. This includes extensive information about the Group's performance and activities via the annual report, interim report, social responsibility report, press releases, presentations, announcements, circulars to shareholders and notices of general meetings, etc. The Board has adopted a Shareholders Communication Policy, which is subject to annual review to ensure its effectiveness and implementation. On July 30, 2024, the Board adopted a new version of the Shareholders Communication Policy, substantially in continuity with the previous version, updated to the current applicable Listing Rules, including the new Rule 2.07, as well as compliant with the most recent best practices. The Company is generally satisfied that the implementation of the Shareholders Communication Policy has functioned effectively throughout the 2025 Year.

C. Shareholders' meetings

The Company strives to maintain an on-going dialogue with its shareholders. Shareholders are encouraged to participate in general meetings either in person or through appointed proxies to attend and vote at meetings for and on their behalf if they are unable to attend such meetings. The process of the Company's general meeting is monitored and reviewed on a regular basis.

The Company uses the shareholders' general meeting as one of the main channels for communicating with the shareholders and to ensure that shareholders' views are communicated to the Board. At the shareholders' general meeting, each substantially separate issue is proposed and considered by a separate resolution (including the election of individual directors).

During the year, the Company held one shareholders' meeting. The 2025 AGM was held online only. Directors, including the Executive Deputy Chairman, the Chief Executive Officer, the majority of Independent Non-Executive Directors, the Company Secretary, the former Independent Auditor of the Company, Deloitte & Touche S.p.A., the majority of the members of the Board of Statutory Auditors, and the scrutineer, attended the 2025 AGM.

All resolutions submitted to the shareholders at the 2025 AGM were duly passed, and the voting results of such resolutions were disclosed in the announcement of the Company dated April 30, 2025. Computershare Hong Kong

Investor Services Limited, the Company's Hong Kong share registrar, acted as scrutineer for the vote taking at the 2025 AGM.

D. Corporate communications

In order to increase the efficiency in communication with shareholders and to contribute to environmental protection, the Company has adopted electronic dissemination of corporate communications in compliance with the new Rule 2.07 of the Listing Rules and will only send corporate communications in printed form to shareholders upon request. The English and Chinese versions of all corporate communications are available electronically on the Company's website at www.pradagroup.com and on the HKEXnews website at www.hkexnews.hk.

CHAPTER 4

Separate Financial Statements



Statement of financial position

| (amounts in Euro) | Notes | December 31 2025 | December 31 2024 (*) |
|--|-------|----------------------|-------------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and cash equivalents | 1 | 833,894,651 | 601,742,739 |
| Trade receivables | 2 | 701,836,918 | 760,671,055 |
| Inventories | 3 | 440,531,336 | 402,034,192 |
| Derivative financial instruments - current | 4 | 20,592,306 | 12,486,591 |
| Financial and other receivables from, and advance payments to parent, subsidiaries, associates and related parties - current | 5 | 219,214,227 | 168,718,161 |
| Other current assets | 6 | 92,661,177 | 94,240,657 |
| Total current Assets | | 2,308,730,615 | 2,039,893,395 |
| Non-current Assets | | | |
| Property, plant and equipment | 7 | 974,638,929 | 842,589,454 |
| Goodwill | 8 | 110,432,453 | 110,432,453 |
| Intangible assets | 8 | 215,307,170 | 182,268,658 |
| Right of use assets | 9 | 356,206,184 | 356,683,140 |
| Investments | 10 | 2,920,036,163 | 1,567,468,607 |
| Deferred tax assets | 27 | 75,430,655 | 79,732,751 |
| Other non-current assets | 11 | 49,343,977 | 54,323,027 |
| Derivative financial instruments - non current | 4 | 5,761,138 | 2,570,984 |
| Financial and other receivables from, and advance payments to parent, subsidiaries, associates and related parties - non current | 5 | 46,559,906 | 52,580,212 |
| Total non-current Assets | | 4,753,716,575 | 3,248,649,287 |
| Total Assets | | 7,062,447,190 | 5,288,542,681 |
| Liabilities and equity | | | |
| Current Liabilities | | | |
| Current financial payables and bank overdrafts | 13 | 434,346,152 | 130,842,176 |
| Financial and other payables due to parent, subsidiaries, associates and to related parties - current | 14 | 175,475,000 | 128,666,090 |
| Trade payables | 15 | 680,293,910 | 655,468,739 |
| Income tax payables | 16 | 10,736,823 | 61,072,053 |
| Other tax payables | 16 | 32,604,433 | 32,774,283 |
| Derivative financial instruments - current | 4 | 10,809,823 | 27,964,396 |
| Other current liabilities | 17 | 338,155,528 | 315,645,952 |
| Lease liabilities - current | 12 | 60,547,993 | 61,732,540 |
| Total current Liabilities | | 1,742,969,662 | 1,414,166,229 |
| Non-current Liabilities | | | |
| Non current financial payables | 18 | 1,210,330,030 | 141,967,877 |
| Long-term employee benefits | 19 | 48,618,723 | 51,273,883 |
| Provision for risk and charges | 20 | 12,710,262 | 11,912,834 |
| Deferred tax liabilities | 27 | 6,242,810 | 2,945,062 |
| Other non-current liabilities | 21 | 80,835,071 | 89,738,968 |
| Derivative financial instruments - non current | 4 | 371,318 | 1,996,047 |
| Lease liabilities - non current | 12 | 301,317,723 | 309,475,874 |
| Total non-current Liabilities | | 1,660,425,937 | 609,310,545 |
| Total Liabilities | | 3,403,395,599 | 2,023,476,774 |
| Share capital | | 255,882,400 | 255,882,400 |
| Total other reserves | | 2,607,576,024 | 2,159,476,530 |
| Profit for the year | | 795,593,167 | 849,706,977 |
| Total equity | 22 | 3,659,051,591 | 3,265,065,907 |
| Total Liabilities and total equity | | 7,062,447,190 | 5,288,542,681 |

(*) Please, refer to the Note "Basis of preparation" for additional information
The Notes on pages 47 to 102 are an integral part of these separate financial statements.

Statement of profit or loss

| (amounts in Euro) | Notes | twelve months ended December 31 2025 | twelve months ended December 31 2024 (*) |
|--|-------|---|---|
| Net Revenues | 23 | 3,042,769,056 | 2,976,971,031 |
| Cost of goods sold | 24 | (1,001,036,738) | (947,951,982) |
| Gross Margin | | 2,041,732,318 | 2,029,019,050 |
| Operating expenses | 25 | (989,186,927) | (1,022,279,186) |
| Operating income - EBIT | | 1,052,545,391 | 1,006,739,864 |
| Interest and other financial expenses | | (25,550,274) | (33,630,027) |
| Interest and other financial income | | 29,269,508 | 30,186,714 |
| Impairment of investments | | (50,837,960) | (18,150,530) |
| Interest expenses on lease liabilities | | (8,262,823) | (7,227,761) |
| Dividends from investments | | 98,183,219 | 170,501,364 |
| Net financial income | 26 | 42,801,669 | 141,679,760 |
| Profit before income taxes | | 1,095,347,060 | 1,148,419,624 |
| Income taxes | 27 | (299,753,892) | (298,712,647) |
| Profit for the year | | 795,593,167 | 849,706,977 |

(*) Please, refer to the Note "Basis of preparation" for additional information

Statement of comprehensive income

| (amounts in Euro) | twelve months ended December 31 2025 | twelve months ended December 31 2024 |
|--|---|---|
| Profit for the year | 795,593,167 | 849,706,977 |
| A) Items that may be reclassified subsequently to profit or loss: | 17,837,469 | (14,645,743) |
| Change in Cash Flow Hedge reserve | 23,470,880 | (19,271,241) |
| Tax impact | (5,633,411) | 4,625,498 |
| Change in Cash flow hedge reserve less Tax Impact | 17,837,469 | (14,645,743) |
| B) Items that will not be reclassified subsequently to profit or loss: | 202,184 | (1,747,053) |
| Change in Fair Value reserve | - | (2,220,912) |
| Tax impact | - | - |
| Change in Fair Value investments in equity instruments reserve less tax impact | - | (2,220,912) |
| Change in Actuarial reserve | 440,978 | 623,499 |
| Tax impact | (238,794) | (149,640) |
| Change in actuarial reserve less Tax Impact | 202,184 | 473,859 |
| Comprehensive income for the year | 813,632,820 | 833,314,181 |

The Notes on pages 47 to 102 are an integral part of these separate financial statements.

Statement of cash flows

| (amounts in Euro) | Notes | twelve month ended December 31 2025 | twelve month ended December 31 2024 (*) |
|--|-------|--|--|
| Income before taxation | | 1,095,347,060 | 1,148,419,624 |
| Profit or loss adjustments | | | |
| Depreciation of Right of Use assets | 9 | 61,776,917 | 60,109,256 |
| Depreciation and amortisation of property, plant and equipment and intangible assets | 7, 8 | 101,106,973 | 94,474,599 |
| Impairment of property, plant and equipment and intangible assets | | 51,028 | 504,250 |
| Losses / (gains) on disposal of non-current assets | | 5,764,694 | (642,500) |
| Impairment of investments | | 50,945,001 | 19,939,247 |
| Interest expenses on lease liability | 26 | 8,262,823 | 7,227,761 |
| Financial income | | (45,164,488) | (30,098,972) |
| Financial expenses | | 39,940,446 | 29,263,242 |
| Dividends received | 26 | (98,183,219) | (170,501,364) |
| Other non-monetary expenses | | 5,397,637 | 83,759,007 |
| Balance sheet changes | | | |
| Trade receivables | | 55,043,250 | (31,630,496) |
| Inventories | | (30,752,170) | (69,506,857) |
| Trade payables | | 21,819,990 | 98,246,196 |
| Other current assets and liabilities | | (46,932,901) | (22,827,402) |
| Other non-current assets and liabilities | | (15,673,552) | (10,360,742) |
| Cash flows from operating activities | | 1,208,749,488 | 1,206,374,850 |
| Interest paid including interest paid of lease liabilities | | (16,706,970) | (30,420,054) |
| Interest collected, including interest paid of Lease liabilities | | 17,747,181 | 31,565,346 |
| Income taxes paid | | (322,220,676) | (220,407,049) |
| Net cash flows from operating activities | | 887,569,023 | 987,113,093 |
| Purchase of property, plant and equipment and intangible assets | | (258,750,681) | (133,140,707) |
| Disposal of property, plant and equipment | | 16,651,170 | - |
| Investments in subsidiaries and associates | 10 | (1,376,898,845) | (123,139,977) |
| Proceed from disposals of equity instruments | | - | 2,962,928 |
| Dividends received | 26 | 98,183,219 | 170,501,364 |
| Change in intercompany loans | | (22,005,738) | 38,148,179 |
| Reimbursement of loans from subsidiaries | | 35,019,968 | 12,730,109 |
| (Disbursement) of loans to subsidiaries | | (23,197,486) | (20,062,054) |
| Net cash flow from investing activities | | (1,530,998,393) | (52,000,157) |
| Dividends paid | | (419,647,136) | (350,558,888) |
| Change in short-term bank borrowing - third parties | 13 | 300,000,000 | (50,000,000) |
| Reimbursement of loans to subsidiaries | | - | (13,877,911) |
| Payment of lease liabilities | | (74,393,805) | (64,872,112) |
| Repayment of current portion of long-term loan - third parties | | (130,377,778) | (79,088,890) |
| Proceed from long-term loan - third parties | 18 | 1,200,000,000 | - |
| Net cash flow from financing activities | | 875,581,281 | (558,397,800) |
| Change in cash and cash equivalents, net of bank overdraft | | 232,151,911 | 376,715,136 |
| Opening cash and cash equivalents, net of bank overdraft | 1 | 601,742,739 | 225,027,603 |
| Closing cash and cash equivalents, net of bank overdraft | 1 | 833,894,651 | 601,742,739 |

(*) Please, refer to the Note "Basis of preparation" for additional information
The Notes on pages 47 to 102 are an integral part of these separate financial statements.

Statement of changes in equity

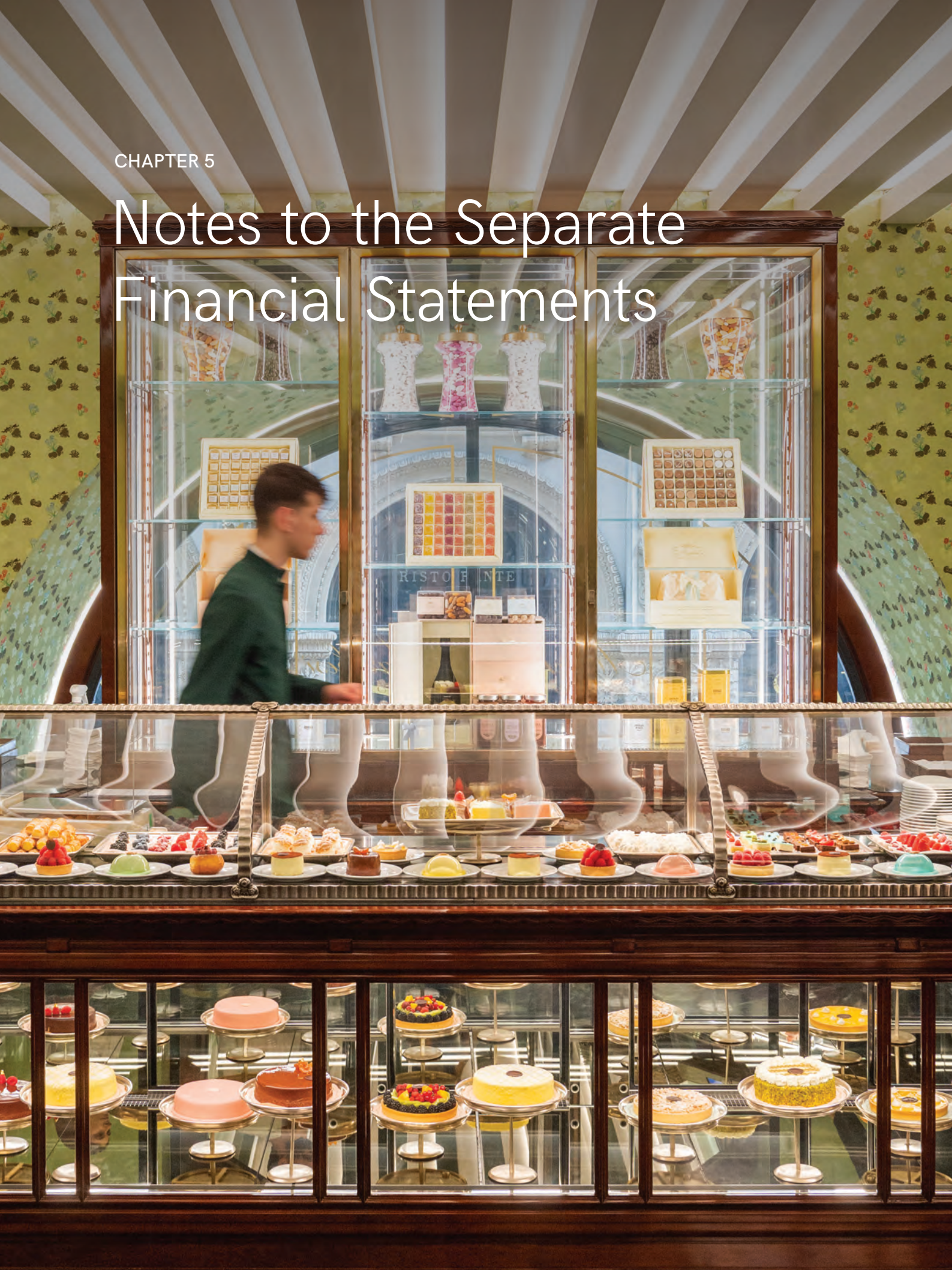
(Amounts in euro, except number of shares)

| (amounts in Euro) | Number of shares | Share Capital | Share premium reserve | Legal reserve | Other reserves | Retained earnings | Cash flow hedge reserve | Fair value reserve | Profit for the year | Total equity |
|---|------------------|---------------|-----------------------|---------------|----------------|-------------------|-------------------------|--------------------|---------------------|---------------|
| Balance at December 31, 2023 (*) | 2,558,824,000 | 255,882,400 | 410,046,921 | 51,176,480 | 182,898,684 | 1,319,031,646 | 5,305,743 | (8,771,744) | 566,740,484 | 2,782,310,614 |
| Allocation of 2023 profit | - | - | - | - | - | 566,740,484 | - | (566,740,484) | - | - |
| Other movements | - | - | - | - | - | (10,992,656) | - | 10,992,656 | - | - |
| Dividends paid | - | - | - | - | - | (350,558,888) | - | - | - | (350,558,888) |
| Comprehensive income for the year (recyclable to P&L) | - | - | - | - | - | - | (14,645,743) | - | 849,706,977 | 835,061,234 |
| Comprehensive income for the year (not recyclable to P&L) | - | - | - | - | - | 473,859 | - | (2,220,912) | - | (1,747,053) |
| Balance at December 31, 2024 (*) | 2,558,824,000 | 255,882,400 | 410,046,921 | 51,176,480 | 182,898,684 | 1,524,694,445 | (9,340,000) | - | 849,706,977 | 3,265,065,907 |
| Allocation of 2024 profit | - | - | - | - | - | 849,706,977 | - | (849,706,977) | - | - |
| Dividends paid | - | - | - | - | - | (419,647,136) | - | - | - | (419,647,136) |
| Comprehensive income for the year (recyclable to P&L) | - | - | - | - | - | - | 17,837,469 | - | 795,593,167 | 813,430,636 |
| Comprehensive income for the year (not recyclable to P&L) | - | - | - | - | - | 202,184 | - | - | - | 202,184 |
| Balance at December 31, 2025 | 2,558,824,000 | 255,882,400 | 410,046,921 | 51,176,480 | 182,898,684 | 1,954,956,470 | 8,497,469 | - | 795,593,167 | 3,659,051,591 |

(*) Please, refer to the Note "Basis of preparation" for additional information
The Notes on pages 47 to 102 are an integral part of these separate financial statements.

CHAPTER 5

Notes to the Separate Financial Statements



General information

Prada S.p.A. is a joint-stock company with limited liability, registered and domiciled in Italy. Its registered office is at via Fogazzaro 28, Milan. As of December 31, 2025 (the reporting date of these Separate Financial Statements), 79.98% of the share capital was owned by Prada Holding S.p.A., a company domiciled in Italy, and the remainder consisted of floating shares listed on the Main Board of the Hong Kong Stock Exchange (HKSE identification number: 1913). The ultimate indirect shareholders of PRADA Holding spa are Ms. Miuccia Prada Bianchi and Mr. Patrizio Bertelli.

The Company is not subject to the management and coordination of any other companies or entities, noted in accordance with the disclosure requirements of Italian Civil Code Article Art. 2497 et seq.

The Financial Statements were approved by the Board of Directors on March 5, 2026.

Basis of preparation

The Financial Statements of Prada S.p.A. as of December 31, 2025, which consist of the "Statement of financial position", "Statement of profit or loss", "Statement of comprehensive income", "Statement of cash flows", "Statement of changes in equity" and "Notes to the financial statements", have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and endorsed by the EU "IFRSs".

At the date of presentation of these Separate Financial Statements, there were no differences between the IFRS endorsed by the EU and applicable to the Company and those issued by the IASB, excluding the amendments not yet endorsed as explained in "New IFRS and amendments to IFRS".

IFRs also refer to all International Accounting Standards ("IAS") and all interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously called the Standing Interpretations Committee ("SIC").

The Company has prepared the Statement of financial position classifying separately current and non-current assets and liabilities. All details needed for accurate and complete disclosure are provided in the Notes to the Separate Financial Statements. The Statement of Profit or Loss items are classified by destination of expenses.

Cash flow information is reported in the Statement of cash flows that is prepared using the indirect method.

The material accounting policies and the notes are an integral part of the Financial Statements.

The Separate Financial Statements are presented in Euro, the functional currency of Prada S.p.A.. All amounts are expressed in thousand of Euro, unless stated otherwise.

The Financial Statements have been prepared on a going concern basis.

The comparative information has been re-presented for the following reasons:

- following the business combination completed during the year (described in more detail in Note 8), goodwill previously included within "Intangible assets" has been presented separately in the Separate Statement of financial position as of December 31, 2025, with a corresponding reclassification of the balance as of December 31, 2024;
- tax liabilities have been split into two components in the Separate Statement of financial position as of December 31, 2025, with a corresponding reclassification of the balance as of December 31, 2024, in order to separately present income tax liabilities from other tax liabilities, as described in the Note 16;
- costs related to the design of collections, the launch of advertising campaigns and the organisation of fashion shows were previously partly recognized as prepayments within "Other current assets". From the current reporting period, these costs are recognized in profit or loss when incurred. The impact on the comparative information is not material;
- total financial expense has been presented as three separate components in the Separate Statement of profit or loss and in Statements of cash flow as of December 31, 2025: interest and other financial expenses, interest and

- other financial income and Impairment of investments, with the comparative period reclassified accordingly;
- change in intercompany loan, reimbursement of loans from subsidiaries and disbursement of loans to subsidiaries have been reclassified among the investing activities in the Statement of cash flow as of December 31, 2025, with a corresponding reclassification of the cash flow as of December 31, 2024.

New IFRS and amendments to IFRS

Amendments to existing standards issued by the IASB, endorsed by the European Union and applicable to Prada S.p.A. from January 1, 2025.

| Amendments to existing standards | Effective date for Prada S.p.A. | EU endorsement dates |
|---|---------------------------------|----------------------|
| Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023) | January 1, 2025 | November 2024 |

The introduction of these amendments had no impact on these Separate Financial Statements.

New standards and amendments to existing standards issued by the IASB, endorsed by the European Union, but not yet applicable to Prada S.p.A. because they are effective for annual periods beginning on or after January 1, 2026.

| Amendments to existing standards | Effective date for Prada S.p.A. | EU endorsement dates |
|---|---------------------------------|----------------------|
| Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024) | January 1, 2026 | May 2025 |
| Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024) | January 1, 2026 | June 2025 |
| Annual Improvements Volume 11 (issued on 18 July 2024) | January 1, 2026 | July 2025 |
| IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024) | January 1, 2027 | February 2026 |

New standards and amendments issued by the IASB, but not yet endorsed by the European Union at December 31, 2025.

| New IFRS Standards and Amendments to existing standards | Effective date for Prada S.p.A. | EU endorsement dates |
|--|---------------------------------|----------------------|
| IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024) | January 1, 2027 | Not endorsed yet |
| Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025) | January 1, 2027 | Not endorsed yet |
| Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025) | January 1, 2027 | Not endorsed yet |

As of the date of these Separate Financial Statements, the Directors had not yet completed the analysis to assess the impacts of the new standards and the amendments not yet applicable to Prada S.p.A..

Material accounting policies

Cash and cash equivalents

Cash and cash equivalents are recognised at nominal value and include highly liquid investments with short-term maturities. Cash and cash equivalents comprise cash on hand, bank accounts and deposit accounts and credit cards. Bank overdrafts and current portions of medium and long-term loans due to banks are presented in the Statement of financial position as current financial liabilities and bank overdrafts.

Trade receivables and payables

Trade receivables are recognised at nominal value, net of the bad debt provision determined in accordance with IFRS 9. In line with this standard, receivables are impaired using the "expected credit loss" model and, where necessary, additional write-downs are recognised based on specific credit risk assessments of individual positions.

Transactions denominated in foreign currencies are recorded at the exchange rate at the transaction date. At the reporting date, monetary items denominated in foreign currencies are translated at the closing exchange rate.

Trade payables are recognised at nominal value. Interest expense and foreign exchange gains and losses are recognised in profit or loss, as are any gains or losses on derecognition.

The transfer of a financial asset to third parties implies its derecognition from the statement of financial position only if all risks and rewards connected with the financial asset are substantially transferred. Risks and rewards are considered transferred when exposure to variability in the present value of future net cash flows associated with the asset changes significantly as a result of the transfer.

Inventories

Raw materials, work in progress and finished products are measured at the lower of the acquisition or production cost and the net realisable value. Cost comprises direct production costs and those indirect that have been incurred in bringing the inventories to their present location and condition. Acquisition or production cost is determined by the weighted average cost method.

Provisions, adjusting the value of the inventories, are made for slow moving, obsolete inventories or if, at the reporting date, the estimated net realizable value is reasonably expected to be lower than the cost.

Property, plant and equipment

Property, plant and equipment are initially recognised at purchase cost or construction cost, including any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequently, they are shown net of accumulated depreciation, calculated on the basis of the useful lives of the assets and net of any impairment losses, calculated as described in the paragraph "Impairment test on non-financial assets" in the current section.

Ordinary maintenance expenses are charged in full to the profit or loss for the year they are incurred. Extraordinary maintenance expenses are capitalized if they increase the value or the useful life of the related asset.

The costs included under leasehold improvements relate to refurbishment works carried out on leased premises, mainly commercial.

Depreciation methods, useful lives and any residual value are reviewed annually. The depreciation rates representing useful lives are listed below:

| Category of property, plant and equipment | Depreciation rate or period |
|---|---|
| Land | not depreciated |
| Buildings and construction | 2.5% - 10% |
| Production facilities and equipment | 4% - 25% |
| Improvements to leased premises | Shorter of lease term (*) and useful life |
| Furniture and fixture in leased retail premises | Shorter of lease term (*) and useful life |
| Furniture and fixture in corporate and industrial | 7% - 20% |
| Other tangible fixed assets | 4% - 50% |
| Assets under construction | 0% |

(*) the lease term includes the renewal period when the exercise of the option is deemed reasonably certain

When assets are sold or disposed of, their net book values are derecognized and any gains or losses are recognised in the profit or loss.

If the term of a lease agreement is terminated in advance, the useful life of non-current assets related to such premise is adjusted consistently.

The value of land is stated separately from the value of buildings. Depreciation is only charged on the value of buildings.

Intangible assets

Intangible assets include licenses, software and development costs.

Store lease acquisition costs (or key money) represent expenditures incurred to enter into or take over retail store lease agreements. When the lease contracts fall under the application of IFRS 16 Leases, the store lease acquisition is included within the initial direct costs that contribute to the formation of the right of use assets. Otherwise, the store lease acquisition is an intangible assets.

Software refers to Information Technology development projects and includes all internal and external costs incurred to bring the asset into use. IT projects include costs incurred to acquire licenses as well as the cost of development and installation. Software is capitalised on condition that it is identifiable, reliably measurable and if it is probable that the asset will generate future economic benefits.

Intangible assets are measured at cost less impairment losses (see paragraph "impairment test of assets" of the current section) and are amortised on a straight-line basis at the following rates:

| Category of intangible assets | Amortisation rate or period |
|---|---|
| Store lease acquisition costs | Shorter of lease term (*) and useful life |
| Software | 10% - 33% |
| Development costs and other intangible assets | 10% - 33% |
| Assets in progress | 0% |

(*) the lease term includes the renewal period when the exercise of the option is deemed reasonably certain

All business combinations included within the scope of IFRS 3 are recorded using the acquisition method whereby identifiable assets, liabilities and potential liabilities of the acquired business, which satisfy recognition requirements, are measured at their acquisition-date fair value.

The difference between the cost of the business combination and the interest acquired in the net fair value of identifiable assets, liabilities and potential liabilities is recorded as goodwill.

Transactions representing a business combination under common control do not fall within the scope of IFRS 3 ("Business Combinations") and are accounted for by applying the carryover method.

Goodwill

Goodwill, as an asset that produces future economic benefits, but which is not individually identified and separately measured, is initially recognised at cost.

Goodwill is not amortised but tested for impairment every year to check if its value has been impaired. If specific events or altered circumstances indicate the possibility that goodwill has been impaired, the impairment test is performed more frequently. An impairment loss recorded for goodwill is never reversed in subsequent years.

Lease as a lessee (right of use assets and lease liability)

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right of use of leased assets and Lease Liabilities are regulated by IFRS 16 Leases which apply to all lease contracts that provide for the payment of fixed rents, including those indexed and those that set a guaranteed minimum.

The Company recognises the right of use assets and the lease liability at the commencement date of the lease based on the lease term.

The identification of a lease term is very important, especially in the field of real estate, because the form, legislation and common business practices can vary considerably from one jurisdiction to another. The Company determines the lease term as the non-cancellable period of a lease, together with the periods covered by an option to extend or to terminate the lease under the control of the Company. The management evaluates the exercise of the option if it's considered "reasonably certain" based on several factors and circumstances that create an incentive for the lessee to exercise, or not to exercise the option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option.

The lease term begins on the 'commencement date' of the lease. This is defined as the date on which the lessor makes an underlying asset available for use by a lessee. It is the date on which the lessee initially recognises and measures right of use assets and lease liabilities.

For retail premises, the asset leased is ready for use when works on premises are completed and, therefore the depreciation of right of use shall begin after the completion of works necessary to bring a store to its working condition according to the management instructions.

The right of use assets is measured at cost, identified as the initial measurement of the lease liability, increased by any initial direct costs incurred by the lessee (key money, legal fees, agent fees or other incremental costs incurred to conclude the contract) or by any restoration cost necessary to bring back the premises to its original condition.

The lease liabilities is measured at the present value of the lease payments that are not paid at the commencement date. Since most leases stipulated by the Company do not have an interest rate implicit in the lease, the lease payments are discounted using the Company's incremental borrowing rate, that is determined as the risk-free rate of each contract currency in which the leases are stipulated, with payment dates based on the terms of the specific lease, increased by the parent's credit spread.

A lease modification occurs when there is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term). The effective date of the modification is defined as "the date when both parties agree to a lease modification". When this occurs, the right of use and the lease liability are updated accordingly. If a lease is terminated before the original lease term date defined at the commencement date, both right of use assets and the lease liability are remeasured, impacting also the profit or loss statement.

In addition, the options for the extension and early termination of the lease agreements are re-evaluated and re-considered when a significant event or a change occurs in the circumstances that are under the control of the Group and this will influence the assessment of the reasonable certainty of the exercise options.

The Company has elected not to recognize right of use assets and lease liabilities for leases of low value assets (when the price of the leased asset, new and recognised on a single-component basis approach, is less than Euro 5,000) and leases whose lease term is shorter than 12 months. The lease payments associated with these leases are recognised through profit or loss on a straight-line basis over the lease term. Purely variable rents, typically linked to sales without a guaranteed minimum, are also recognized in the statement of profit and loss in the period in which the condition that triggers those payments occurs.

The right of use assets are subsequently measured at cost less accumulated depreciation and impairment losses as described in the paragraph "Impairment of assets" in the current section.

Impairment test of a non financial assets (e.g. property, plant and equipment, intangible assets, right of use assets and goodwill)

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest groups of assets that generate cash inflows from continuing use that are largely independent of other assets or group of assets ("CGUs"). CGUs are determined based

on the organisational structure of the Group.

Goodwill acquired in a business combination is allocated to the cash generating units ("CGU") or group of CGUs that are expected to benefit from the synergies of the combination and is tested annually for impairment or whenever there is an indication of impairment. If changes in the composition of one or more cash-generating units to which goodwill has been allocated occur, the goodwill is reallocated to the units affected.

The carrying amount of the CGUs and group of CGUs tested for impairment is represented by the net invested capital, which means the net equity adjusted by the net financial position including the lease liabilities.

Recoverable amount of asset or CGU is the higher of fair value less costs of disposal and value in use, as calculated based on an estimate of the future cash flows expected to derive from the cash generating unit tested for impairment. Estimated cash flow is based on budget, forecast and on long-term projections approved by the management. A long-term growth rate is calculated and applied to project future cash flows. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate post-tax that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised in the profit or loss for the period whenever the recoverable amount of the asset, CGU or group of CGU is lower than its carrying amount.

The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are accounted for under the cost method and tested for impairment whenever there is an indication of impairment.

The valuation method used is the Discounted Cash Flow model, adopting the same process described in the accounting policy "Impairment of assets". If an impairment loss has to be recognised, it is charged to the profit or loss in the period in which it is identified. If the reason for the impairment loss no longer applies, the carrying amount of the investment is restored but not to more than its original cost. Such reversals are recorded in the profit or loss.

Investments in equity instruments

The initial recognition of investments in equity instruments (previously "available for sale") is at purchase cost, increased by any directly attributable transaction costs. The Group evaluates these instruments at fair value and the related changes are recognised in a specific equity reserve. This change (Fair Value through Other Comprehensive Income) is also included in the statement of comprehensive income as "items not recyclable to profit or loss", therefore only dividends received will be recorded in the statement of profit or loss of the Group. IFRS 9 also provides for an alternative treatment that allows the recognition of fair value changes directly to profit or loss (Fair Value Through Profit or Loss). The choice of this accounting treatment (FVTPL or FVOCI) has to be done for each investment and has to be considered irrevocable once adopted. Any exceptions to the initial recognition will be reported in the Notes to the Consolidated Financial Statements.

In the case of equity instruments listed on active markets, the fair value is the price recorded at the end of the trading day of the period under review. For investments for which there is no an active market, the fair value is determined based on the price of recent transactions between independent parts of substantially similar instruments, or by using other valuation techniques such as, for example, income assessments or based on flow analysis discounted financial figures.

Derivative financial instruments

Derivative financial instruments that hedge interest rate risk and exchange rate risk exposure are recognised at fair value based on hedge accounting rules.

According to these rules, within the framework of IFRS 9, future cash flow hedging contracts such as those listed

above are qualified as cash flow hedges. Hedge accounting treatment is allowed if derivative financial instruments are designated as a hedge of the exposure to changes in future cash flows of a recognised asset or liability or a highly probable transaction which could affect profit or loss. In this case, the change in fair value of the hedging instrument is recognised in shareholders' equity. Accumulated gains or losses are reversed from shareholders' equity and recognised in profit or loss for the period in which the profit or loss effect of the hedged operation is recognised.

Any gain or loss on a hedging instrument (or portion thereof) which is no longer effective as a cash flow hedge is immediately recognised in profit or loss. If the hedged transaction is no longer expected to take place, any related cumulative gain or loss outstanding in equity will be recognised in the profit or loss.

Non-current financial liabilities

Non-current financial liabilities include amount due to banks for medium and long-term loans.

Non-current financial liabilities are initially recognised at fair value on the transaction date less transaction costs which are directly attributable to the acquisition. After initial recognition, non-current financial liabilities are valued at amortised cost, which means at the initial amount less principal repayments already made, plus or minus the amortisation (using the effective interest method) of any difference between that initial amount and the maturity amount.

Employee benefits

Defined benefit plans are recognised, using actuarial techniques to estimate the amount of the obligations resulting from employee service in the current and past periods and discounting it to determine the present value of the Company's obligations.

The present value of the obligations is determined by an independent actuary using the Projected Unit Credit Method. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI, net of the tax effect.

The Company's net obligation in respect of other long-term employee benefits is classified among non-current liabilities and is measured at the present value of the future benefit that employees have earned in return for their service in the current and prior periods.

The recognition of these benefits is usually subject to the attainment of specific earnings by the Company, and their payment, deferred over time to keep the beneficiaries in the organisation, is remeasured using indices relating to the Company's profitability or market value.

Like defined benefit plans, other long-term benefits are also valued using the Projected Unit Credit Method but the remeasurements are recognized in profit or loss in the period in which they arise.

Long-term employee benefits in the form of share-based payments ("phantom shares") are settled in cash. The fair value of the amount payable to employees in respect of "phantom shares" is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the "phantom shares". Any changes in the liability are recognised in profit or loss. The estimation of the fair value follows a risk neutral approach. In the model, the risk-free rate curve is derived from the Euro area rates at the measurement date; in addition, the expected dividend rate of the underlying was taken into account.

Provisions for risks and charges

Prada S.p.A. is mainly involved in civil and tax disputes and the related provisions for risks and charges are booked in the financial statements both on the basis of historical experience and on the basis of assumptions concerning future events that are difficult to predict as they also depend on factors that are not under the full control of the Company. Therefore, it is possible that after the reporting period, differences between the estimates made and the actual results materialise so that it might be necessary to make adjustments to the values of the liabilities recognised.

Application of exemptions to some or all of the disclosures required by IAS 37 are applied when these could prejudice seriously the position the Company in a dispute with other parties on the subject matter of the provision, contingent liability or contingent asset.

Revenue from contracts with customers

Revenues from the sale of goods are recognised in the profit or loss when all of the following criteria have been satisfied:

- identification of the contract (in writing, orally or in accordance with other customary business practices) with a customer;
- identification the performance obligations in the contract;
- determination of the transaction selling price for each performance obligations;
- the amount of revenue (transaction selling price) can be measured reliably;
- the significant risks and rewards of ownership are transferred to the buyer;
- all control over the goods sold has ceased;
- the economic benefits generated by the transaction will probably be enjoyed by the Company;
- the costs pertaining to the transaction can be reliably measured;
- each performance obligations has been satisfied.

In addition, Prada S.p.A. recognizes a provision for returns, as it has a contractual obligation to reimburse customers in case of a return. Consequently, revenue cannot be definitively recognized until the return period expires. The Company also recognizes a separate asset for the right to recover goods expected to be returned, in compliance with IFRS 15 requirements.

The estimate of expected returns is based on historical experience and other relevant information and is periodically reviewed to reflect changes in sales conditions or customer behavior.

Royalties are accounted for based on sales made by the licensees and the terms of the contracts. Royalties under franchise agreements are recorded based on the sales made by the Company to the franchisees.

Dividends are booked in the profit or loss when the shareholders' become entitled to receive payment and are classified in the caption "Dividend from investments".

Costs are recognised on an accruals basis. In particular, a cost is immediately recognised in the profit or loss when:

- an expense does not generate any future economic benefit;
- the future economic benefits do not qualify or cease to qualify as assets for recognition in the statement of financial position;
- a liability is incurred and no asset has been recognised.

Pre-opening rents

Costs incurred during the pre-opening period of new or refurbished retail stores are charged to the profit or loss when incurred.

Current and deferred income taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year and any adjustment to the tax liabilities or assets in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Deductible temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax value which, in determining taxable income for future years, will result in deductible amounts when the carrying amount of the asset or liability is realized or settled. Deferred tax assets recoverability is reviewed at each reporting period.

Deferred tax liabilities are amounts of income taxes due in future periods in respect of taxable temporary differences. Deferred tax liabilities are recognised for all taxable timing differences except when the liability is generated by the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction other than a business combination that does not affect the accounting result or the tax result at the transaction date.

Deferred taxes are measured at the tax rates which are expected to apply to the period when the asset is realized or

when the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred taxes are recognised through profit or loss unless the tax is generated by a transaction or an event directly recognised in equity or from a business combination.

Deferred taxes are not discounted.

The implementation of the Global Minimum Tax, provided for in Directive No. 2022/2523 of December 15, 2022 (implementing the OECD/G20 Pillar II proposal), is effective in Italy from January 1, 2024 as per Italian Legislative Decree No. 209 of December 27, 2023.

Given the complexity of the system outlined in the above legislation to ensure this minimum level of taxation, for the first three tax periods (for Prada - financial years 2024 to 2026) the possibility of applying a simplified regime has been provided for (so-called "transitional safe harbours"). This simplified regime is primarily based on accounting information already available for each jurisdiction and the application of three tests (De Minimis test, Simplified Effective Tax Rate test and Routine Profits test); passing at least one of these tests allows the disapplication of any additional taxes required to reach the prescribed minimum tax level and the reduction of compliance burdens.

The top-up tax recorded in the caption "Taxation" as of December 31, 2024 is related to the Pillar II jurisdictions that do not pass any of the transitional safe harbour tests. The amount accrued as of December 31, 2024 is the best estimate effect based on the information known or reasonably estimable to date.

The Company, with the support of external consultants, has performed analyses and calculation of the impacts of the new legislation and has set up the compliance requirements related to the application of Pillar II, implemented by adequate company systems and procedures.

The Company's exposure arising from the application of Pillar II depends on the fact that:

- (i) most of the subsidiaries, assumed at aggregate level in the jurisdictions in which they are located, pass at least one of the three tests referred to above;
- (ii) with respect to entities that, on the other hand, do not satisfy, at the aggregate level in the jurisdictions in which they are located, any of the three tests mentioned above, it is considered that their profits, and therefore the potential tax exposure arising from the Pillar II framework, do not have a relevant impact on the profits and tax liability of the Company.

The Company has applied the temporary exception, introduced in May 2023 by IASB with the "Amendments to IAS 12 Income taxes: International Tax Reform – Pillar II Model Rules", regarding the accounting requirements for deferred taxes under IAS 12 and accounts for the Pillar II taxes as current taxes when incurred. The relief is also applied to the enacted or substantively enacted domestic minimum top up taxes that are expected to be incurred under the Pillar II rules.

Changes in accounting policies, errors and changes of estimates

The accounting policies adopted change from one year to next only if the change is required by an accounting standard or if it helps provides more reliable and meaningful information on the impact of operations on the entity's statement of financial position, profit or loss or cash flows.

Changes in accounting policy are accounted for retroactively with the effect allocated to the opening equity of the earliest of the periods presented. The other comparative amounts reported for each prior period are also adjusted as if the new policy had been applied from the outset. A prospective approach is adopted only when it would be impracticable to restate the comparative information.

The application of a new or amended accounting standard is accounted for as requested by the standard itself. If the standard does not regulate the transition method, the change is accounted for on a retroactive basis or, if impracticable, on a prospective basis.

Material errors are treated on the same basis as changes of accounting policy as described above.

Changes in accounting estimates are accounted for prospectively in the profit or loss for the year in which the change is made if it only affects the profit or loss for that year, or in the profit or loss for the year in which the change is made and in subsequent periods if they are also affected by the change.

Use of estimates

In accordance with IFRS, preparation of the financial statements requires the use of estimates and assumptions when determining certain types of assets, liabilities, revenues and costs and when assessing contingent assets and liabilities.

These assumptions refer, first of all, to operations and events not settled at the end of the period. Therefore, upon payment, the actual outcome may differ from the estimated amounts. Estimates and assumptions are reviewed periodically and the effects of each change are immediately recognised in profit or loss. Significant estimates are used mainly for impairment tests, when determining the provisions for risks and bad debts, the inventory obsolescence provision, the provision for returns, the post-employment benefits, the share-based plans, the tax computation, the measurement of derivatives, the lease term of contracts with renewal or early termination options (in accordance with IFRS 16) and the useful life of property, plant and equipment and intangible assets.

Impact of climate change-related matters on financial statements

The Group has defined a climate strategy aimed at reducing greenhouse gases (GHG) emissions and contributing positively to the global effort to fight climate change. This strategy is fully integrated into the Group's business model and operations and includes medium-term carbon reduction targets covering direct GHG emissions (Scope 1), indirect GHG energy emissions (Scope 2), and other indirect GHG emissions from sources not owned or controlled by the Group (Scope 3).

The main actions currently underway to achieve the Scope 1, 2 and 3 targets include the following:

- electrification of heating and cooling systems at industrial sites;
- transition to a low-emission and green company car fleet;
- increase in self-produced energy through owned photovoltaic systems;
- increase in the number of buildings achieving LEED Gold or Platinum certification;
- implementation of a raw materials transition plan towards lower impact alternatives.

The above actions have had, and are expected to continue to have, an impact on the Separate Financial Statements in terms of both investments and recurring operating costs (e.g. the purchase of certified renewable energy and lower-impact raw materials).

In addition, to align the performance of the Company's key personnel with stakeholders' interests and to reinforce the Company's commitment to ESG matters, the Company has implemented a long-term variable incentive plan that incorporates both financial performance indicators and the achievement of predefined sustainability objectives. The attainment of these criteria has been taken into account in the assessment of the long-term incentive plans.

Finally, the Group has financing facilities and credit lines linked to the achievement of sustainability-related targets.

At this stage, management has assessed that the impact on the Company's financial statements is not material as no specific asset or liability have been identified whose measurement could be significantly affected by climate-change related issues.

Impact of the outbreak of war in Ukraine on financial statements

The effects of the ongoing conflict have been considered in the preparation of the financial statements as of December 31, 2025. The only notable impact on the preparation of the Separate Financial Statements is related to the impairment of investment in Prada Ukraine Llc amounting to Euro 0.5 million.

The management will continue to closely monitor the evolution of the business and legal scenario to ensure the appropriate valuation of the assets recognised in the separate financial statements of the Company and to abide by the law and regulations being imposed.

Mergers and acquisitions

Most significant mergers and acquisitions include the following:

- On June 5, 2025, Prada S.p.A. announced a 10% equity investment in Rino Mastrotto Group, a global provider of leather, textile and bespoke services for the luxury industry, strengthening its position over a highly strategic phase of the production process. The transaction entailed a contribution in cash and a contribution in kind of 100% of Conceria Superior S.p.A. – following the acquisition of full ownership – and Tannerie Limoges S.a.s..
- On December 2, 2025, Prada S.p.A. completed the acquisition of the 100% share capital of Versace Group, one of the leading international fashion design houses and epitome of Italian luxury worldwide, from Capri Holding for USD 1,395 million paid in cash, subject to final purchase price adjustment.
- Building on a remarkable brand awareness, Versace stands as a distinctive asset in the luxury landscape. Deeply rooted in the history of fashion, the brand displays strong potential to read contemporaneity and marked sensibility in capturing and anticipating the spirit of today's and future society. With its highly recognizable aesthetic, the brand constitutes a strongly complementary addition to the Prada Group's brands portfolio and displays significant untapped growth potential leveraging multiple value creation levers. Within the Prada Group, Versace will maintain its creative DNA and cultural authenticity, while benefitting from the full strength of the Group's consolidated platform, including industrial capabilities, retail execution and operational expertise.
- On March 3, 2025, Prada S.p.A. purchased 30% of the share capital of Crispino S.r.l..
- On July 10, 2025, Prada S.p.A. purchased 40% of the share capital of Mebagroup S.r.l..

Statement of Financial Position

1. Cash and cash equivalents

The composition of cash and cash equivalents as of December 31, 2025 and December 31, 2024 is presented hereunder:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Cash on hand | 3,677 | 3,883 |
| Bank deposit accounts | 812,661 | 573,368 |
| Bank current accounts | 17,557 | 24,492 |
| Total | 833,895 | 601,743 |

The Statement of Cash Flows provide additional information on the cash flows of the period.

2. Trade receivables

Trade receivables are detailed below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Trade receivables due from third parties | 169,988 | 172,485 |
| Trade receivables due from Parent companies | 66 | 96 |
| Trade receivables due from subsidiaries | 530,294 | 587,258 |
| Trade receivables due from associates | 1,477 | 812 |
| Trade receivables due from related companies | 12 | 21 |
| Total | 701,837 | 760,671 |

The breakdown by counterparty (except for receivables due from third parties) is provided in Note 28, "Transactions with parent companies, subsidiaries, associates and related parties".

The allowance for doubtful debts was estimated on an analytical basis, using all information available when the financial statements were prepared to align the receivables to their estimated realisable value. In addition, an allowance for expected credit losses, calculated based on specific credit rating assigned to each customer, was set up to represent the creditworthiness of clients.

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---------------------------------------|---------------------|---------------------|
| Trade receivables, third parties | 175,741 | 178,523 |
| Allowance for bad and doubtful debts | (5,753) | (6,038) |
| Trade receivables, third parties, net | 169,988 | 172,485 |

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Trade receivables from subsidiaries, associates, related and parent companies, gross | 541,209 | 598,658 |
| Allowance for bad and doubtful debts | (9,360) | (10,471) |
| Trade receivables from subsidiaries, associates, related and parent companies, net | 531,849 | 588,187 |
| Total | 701,837 | 760,671 |

The annual changes in the allowance for bad and doubtful debts were as follows:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Opening Balance | 16,509 | 16,188 |
| Increases | 511 | 1,383 |
| Utilized | (385) | (392) |
| Reversals | (1,522) | (669) |
| Other Movements | - | (1) |
| Closing Balance | 15,113 | 16,509 |

An aging analysis of the total trade receivables at the reporting date, before deducting the allowance for doubtful debts, is reported below:

| (amounts in thousands of Euro) | December 31, 2025 | Current | Overdue (in days) | | | | |
|------------------------------------|----------------------|---------|-------------------|---------|---------|----------|--------|
| | | | 1 ≤ 30 | 31 ≤ 60 | 61 ≤ 90 | 91 ≤ 120 | > 120 |
| Trade receivables third parties | 175,741 | 167,458 | 185 | 1,461 | 1,148 | 131 | 5,358 |
| Trade receivables subsidiaries | 539,654 | 443,644 | 10,139 | 2,495 | 1,513 | 2,233 | 79,630 |
| Trade receivables associates | 1,477 | 1,426 | 47 | 1 | - | - | 3 |
| Trade receivables parent companies | 66 | 20 | - | - | - | - | 46 |
| Trade receivables related parties | 12 | 12 | - | - | - | - | - |
| Total at December 31, 2025 | 716,950 | 612,560 | 10,370 | 3,957 | 2,662 | 2,364 | 85,037 |

| (amounts in thousands of Euro) | December 31, 2024 | Current | Overdue (in days) | | | | |
|------------------------------------|-------------------|----------------|-------------------|--------------|--------------|--------------|---------------|
| | | | 1 ≤ 30 | 31 ≤ 60 | 61 ≤ 90 | 91 ≤ 120 | > 120 |
| Trade receivables third parties | 178,523 | 158,080 | 13,293 | 1,556 | 377 | 335 | 4,881 |
| Trade receivables subsidiaries | 597,729 | 483,800 | 22,012 | 4,038 | 1,381 | 2,456 | 84,043 |
| Trade receivables associates | 812 | 809 | 2 | - | - | - | 1 |
| Trade receivables parent companies | 96 | 24 | - | - | 22 | - | 50 |
| Trade receivables related parties | 21 | 16 | - | - | 2 | - | 3 |
| Total at December 31, 2024 | 777,181 | 642,729 | 35,307 | 5,594 | 1,782 | 2,791 | 88,978 |

3. Inventories

Inventories can be broken down as follows:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|------------------|------------------|
| Raw materials | 121,332 | 125,153 |
| Work in progress | 40,142 | 34,947 |
| Finished products | 308,269 | 282,979 |
| Returns asset | 76,101 | 76,145 |
| Allowance for obsolete and slow-moving inventories | (105,313) | (117,190) |
| Total | 440,531 | 402,034 |

The stock increase was attributable to the need to support sales growth. In 2025, the inventory allowance decreased by Euro 11.9 million, net of new provisions.

Movements in the allowance for obsolete and slow-moving inventories during 2025 were as follow:

| (amounts in thousands of Euro) | Raw materials | Finished products | Total allowance for obsolete and slow-moving inventories |
|--------------------------------|---------------|-------------------|--|
| Opening balance | 45,463 | 71,727 | 117,190 |
| Increases | 1,675 | 10,943 | 12,618 |
| Utilized | (5,138) | (19,357) | (24,495) |
| Closing balance | 42,000 | 63,313 | 105,313 |

4. Derivative financial instruments: assets and liabilities

The current and non-current portions of the assets are presented below by derivative instrument:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|------------------|------------------|
| Financial assets regarding derivative instruments, current | 20,592 | 12,487 |
| Financial assets regarding derivative instruments, non-current | 5,761 | 2,571 |
| Total Financial Assets - Derivative financial instruments | 26,353 | 15,058 |

The current and non-current portions of the liabilities for derivatives are presented below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Financial liabilities regarding derivative instruments, current | (10,810) | (27,964) |
| Financial liabilities regarding derivative instruments, non-current | (371) | (1,996) |
| Total Financial Liabilities - Derivative financial instruments | (11,181) | (29,960) |
| Net carrying amount - current and non-current portion | 15,172 | (14,902) |

The net balance of derivative assets and liabilities (current and non-current portions combined) is detailed hereunder:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 | IFRS7 Category |
|--|---------------------|---------------------|-------------------|
| Forward contracts | 15,263 | 9,844 | Level II |
| Options | 4,976 | 2,658 | Level II |
| Interest rate swap - cash flow hedge | 5,366 | 708 | Level II |
| Interest rate swap - fair value through profit and loss | 749 | 1,848 | Level II |
| Derivative financial instruments with positive fair value | 26,353 | 15,058 | |
| Forward contracts | (7,671) | (24,472) | Level II |
| Options | (562) | (3,704) | Level II |
| Interest rate swap - cash flow hedge | (2,242) | - | Level II |
| Interest rate swap - fair value through profit and loss | (706) | (1,784) | Level II |
| Derivative financial instruments with negative fair value | (11,181) | (29,960) | |
| Net carrying amount | 15,172 | (14,902) | |

The fair value of all the above derivative instruments was classified as Level II in the fair value hierarchy. The Company has not entered into any derivative contracts that could be qualified as Level I or III.

The fair value of derivatives used to hedge interest rate risk (interest rate swaps or "IRS") and foreign exchange risk (forward contracts and options) was determined using market-standard valuation techniques based on interest rate curves and spot and forward exchange rates at the reporting date.

The Company uses derivative instruments solely for hedging purposes to manage risks to foreign exchange rate and interest rate fluctuations. Interest rate risk is further mitigated by balancing floating-rate borrowings with floating-rate liquidity investments.

Foreign exchange rate transactions

The Company's cash flows are exposed to exchange rate volatility due to its international operations.

To manage the risk, the Company enters into forward contracts and options to hedge identified cash flows including IC transactions, in Euro (and other local currency).

Expected future cash flows are identified mainly as the inflows from trade receivables, outflows for trade payables and financial cash flows. In terms of the hedged amounts, the most important currencies are: U.S. Dollar, Chinese Renminbi, Japanese Yen, Hong Kong Dollar, GB Pound, Swiss Franc and Korean Won.

The notional amounts of derivative contracts designated as foreign exchange risk hedges, translated at exchange rate as of December 31, 2025 are presented below.

Notional amounts of derivative financial instruments outstanding as of December 31, 2025, designated to hedge

forecast future cash flows relating to trade receivables and payables denominated in foreign currencies:

| (amounts in thousands of Euro) | Options | Forward sale contracts | December 31 2025 |
|--------------------------------|----------------|------------------------|------------------|
| <u>Currency</u> | | | |
| US Dollar | 131,872 | 259,319 | 391,191 |
| Chinese Renminbi | 133,634 | 227,736 | 361,370 |
| Korean Won | 49,147 | 125,514 | 174,661 |
| Japanese Yen | 121,462 | 127,226 | 248,688 |
| GB Pound | 32,776 | 59,019 | 91,795 |
| Canadian Dollar | - | 27,225 | 27,225 |
| Taiwan Dollar | - | 22,907 | 22,907 |
| Swiss Franc | - | 28,989 | 28,989 |
| Hong Kong Dollar | 13,350 | 30,504 | 43,853 |
| Malaysian Ringgit | - | 10,444 | 10,444 |
| Other currencies | - | 158,167 | 158,167 |
| Total | 482,241 | 1,077,050 | 1,559,291 |

Notional amounts of derivative financial instruments outstanding as of December 31, 2025, designated to hedge forecast future cash flows relating to financial receivables and payables denominated in foreign currencies:

| (amounts in thousands of Euro) | Forward sale contracts | Forward purchase contracts | December 31 2025 |
|--------------------------------|------------------------|----------------------------|------------------|
| <u>Currency</u> | | | |
| Swiss Franc | 24,204 | - | 24,204 |
| Korean Won | 17,679 | - | 17,679 |
| Taiwan Dollar | 8,123 | - | 8,123 |
| US Dollar | 30,570 | (1,872) | 28,698 |
| Other currencies | 12,596 | (756) | 11,840 |
| Total | 93,172 | (2,628) | 90,544 |

Notional amounts of derivative financial instruments outstanding as of December 31, 2024, designated to hedge forecast future cash flows relating to trade receivables and payables denominated in foreign currencies:

| (amounts in thousands of Euro) | Options | Forward sale contracts | December 31 2024 |
|--------------------------------|----------------|------------------------|------------------|
| <u>Currency</u> | | | |
| US Dollar | 86,630 | 294,542 | 381,172 |
| Chinese Renminbi | 69,627 | 235,518 | 305,145 |
| Korean Won | 91,375 | 74,732 | 166,107 |
| Japanese Yen | 104,869 | 117,748 | 222,617 |
| GB Pound | 43,416 | 70,552 | 113,968 |
| Canadian Dollar | - | 28,766 | 28,766 |
| Taiwan Dollar | - | 24,938 | 24,938 |
| Swiss Franc | - | 22,418 | 22,418 |
| Hong Kong Dollar | 7,436 | 48,893 | 56,329 |
| Malaysian Ringgit | - | 13,465 | 13,465 |
| Other currencies | - | 131,864 | 131,864 |
| Total | 403,353 | 1,063,436 | 1,466,787 |

Notional amounts of derivative financial instruments outstanding as of December 31, 2024, designated to hedge forecast future cash flows relating to financial receivables and payables denominated in foreign currencies:

| (amounts in thousands of Euro) | Forward sale contracts | Forward purchase contracts | December 31 2024 |
|--------------------------------|------------------------|----------------------------|------------------|
| Currency | | | |
| Swiss Franc | 23,952 | - | 23,952 |
| Korean Won | 19,580 | - | 19,580 |
| Taiwan Dollar | 8,802 | - | 8,802 |
| Malaysian Ringgit | 2,153 | (861) | 1,292 |
| US Dollar | 40,382 | - | 40,382 |
| Other currencies | 8,409 | - | 8,409 |
| Total | 103,278 | (861) | 102,417 |

All derivative contracts outstanding at December 31, 2025 mature within twelve months, except for certain forward contracts designed to hedge future cash flows of financial receivables and payables, which mature after December 31, 2026 and have a total notional amount of Euro 1.8 million (entirely relating to forward sale contracts).

All contracts at the reporting date were entered into with major financial institutions and no counterparty defaults are expected.

A liquidity analysis of derivative contract maturities is presented in the financial risks section of this Notes.

Interest rate transactions

The Company enters into interest rate swaps (IRS) to hedge the risk of interest rate fluctuations on loans and borrowings. These instruments convert floating-rate debts into fixed rates. The contracts were entered into with major financial institutions and no counterparty default is expected.

The main characteristics of the IRS agreements outstanding at December 31, 2025 and December 31, 2024 are summarised below:

| Interest Rate Swap (IRS) | | | | | | Hedged loan | | | |
|--------------------------|----------|-----------------|---------------|---------------|--------------|-------------|--------------|---------|----------|
| Contract | Currency | Notional amount | Interest rate | Maturity date | Dec. 31 2025 | Currency | Type of debt | Amount | Expiry |
| IRS | Euro/000 | 16,500 | 1.46% | May-2030 | 351 | Euro/000 | Term Loan | 16,500 | May-2030 |
| IRS | Euro/000 | 200,000 | 2.43% | Apr-2030 | 557 | Euro/000 | Term Loan | 200,000 | Apr-2030 |
| IRS | Euro/000 | 200,000 | 2.43% | Apr-2030 | 557 | Euro/000 | Term Loan | 200,000 | Apr-2030 |
| IRS | Euro/000 | 200,000 | 2.43% | Apr-2030 | 557 | Euro/000 | Term Loan | 200,000 | Apr-2030 |
| IRS | Euro/000 | 200,000 | 2.43% | Apr-2030 | 557 | Euro/000 | Term Loan | 200,000 | Apr-2030 |
| IRS | Euro/000 | 200,000 | 2.43% | Apr-2030 | 557 | Euro/000 | Term Loan | 200,000 | Apr-2030 |
| IRS | Euro/000 | 14,400 | 2.65% | Feb-2026 | (12) | Euro/000 | Term Loan | 14,400 | Feb-2026 |

| | |
|---|-------|
| Total fair value (amounts in thousands of Euro) | 3,124 |
|---|-------|

| Interest Rate Swap (IRS) | | | | | | Hedged loan | | | |
|--------------------------|----------|-----------------|---------------|---------------|--------------|-------------|--------------|---------|----------|
| Contract | Currency | Notional amount | Interest rate | Maturity date | Dec. 31 2024 | Currency | Type of debt | Amount | Expiry |
| IRS | Euro/000 | 20,168 | 1.46% | May-2030 | 449 | Euro/000 | Term Loan | 20,168 | May-2030 |
| IRS | Euro/000 | 100,000 | 1.33% | Apr-2025 | 346 | Euro/000 | Term Loan | 100,000 | Apr-2025 |
| IRS | Euro/000 | 27,000 | 2.65% | Feb-2026 | (88) | Euro/000 | Term Loan | 27,000 | Feb-2026 |

| | |
|---|-----|
| Total fair value (amounts in thousands of Euro) | 707 |
|---|-----|

According to the applicable regulations, the derivatives presented above meet the requirements for designation as cash flow hedges.

The Company entered into an IRS agreement for loans taken out by a UK subsidiary and stipulated an IRS agreement having the same characteristics with the same subsidiary. Therefore, those contracts are accounted for as non-hedging instruments (fair value through profit or loss):

| Contract | Currency | Notional amount | Interest rate paid | Interest rate received | Maturity date | December 31 | December 31 | Counterparty |
|--|----------|-----------------|--------------------|------------------------|---------------|-------------------|-------------------|--------------|
| | | | | | | 2025 | 2024 | |
| | | | | | | <i>Fair value</i> | <i>Fair value</i> | |
| | | | | | | <i>Euro/000</i> | <i>Euro/000</i> | |
| IRS | GBP/000 | 37,130 | 2.77% | Libor GBP/365 | 31/01/2029 | 749 | 1,848 | UniCredit |
| IRS | GBP/000 | 37,130 | 2.83% | Libor GBP/365 | 31/01/2029 | (706) | (1,784) | Kenon Ltd |
| <i>Total IRS - Fair value through profit or loss</i> | | | | | | 43 | 64 | |

Information on financial risks

Capital management

The Company's capital management strategy aims to guarantee a fair economic return to shareholders, protect the interests of other stakeholders, maintain a balanced capital structure with a high degree of creditworthiness, reducing the average cost of debt and minimizing financial risks.

Categories of financial assets and liabilities according to IFRS 7

Financial assets

The following is the detail of financial assets by measurement category:

| (amounts in thousands of Euro) | Fair value - hedging instruments | Amortised cost | Equity instruments | Total | Notes |
|--|----------------------------------|------------------|--------------------|------------------|-------|
| Cash and cash equivalents | - | 833,895 | - | 833,895 | 1 |
| Trade receivables | - | 701,837 | - | 701,837 | 2 |
| Derivative financial instruments | 26,353 | - | - | 26,353 | 4 |
| Financial assets with parent companies, subsidiaries, associates and related parties | - | 232,198 | - | 232,198 | 5 |
| Financial receivables IFRS16 - lease | - | 13,242 | - | 13,242 | 5 |
| Investments in subsidiaries and associates | - | - | 2,919,832 | 2,919,832 | 10 |
| Total at December 31, 2025 | 26,353 | 1,781,172 | 2,919,832 | 4,727,357 | |

| (amounts in thousands of Euro) | Fair value - hedging instruments | Amortised cost | Equity instruments | Total | Notes |
|--|----------------------------------|------------------|--------------------|------------------|-------|
| Cash and cash equivalents | - | 601,743 | - | 601,743 | 1 |
| Trade receivables | - | 760,671 | - | 760,671 | 2 |
| Derivative financial instruments | 15,058 | - | - | 15,058 | 4 |
| Financial assets with parent companies, subsidiaries, associates and related parties | - | 202,773 | - | 202,773 | 5 |
| Financial receivables IFRS16 - lease | - | 16,068 | - | 16,068 | 5 |
| Investments in subsidiaries and associates | - | - | 1,567,143 | 1,567,143 | 10 |
| Total at December 31, 2024 | 15,058 | 1,581,255 | 1,567,143 | 3,163,456 | |

Financial liabilities

The following is the detail of financial liabilities by measurement category:

| (amounts in thousands of Euro) | Fair value - hedging instruments | Amortised cost | Total | Notes |
|--|----------------------------------|------------------|------------------|--------|
| Financial liabilities - third parties | - | 1,644,676 | 1,644,676 | 13, 18 |
| Financial liabilities - parent companies, subsidiaries, associates and related parties | - | 169,931 | 169,931 | 14 |
| Trade payables | - | 680,294 | 680,294 | 15 |
| Derivative financial instruments | 11,181 | - | 11,181 | 4 |
| Lease liabilities | - | 361,866 | 361,866 | 12 |
| Total at December 31, 2025 | 11,181 | 2,856,767 | 2,867,948 | |

| (amounts in thousands of Euro) | Fair value - hedging instruments | Amortised cost | Total | Notes |
|--|----------------------------------|------------------|------------------|--------|
| Financial liabilities - third parties | - | 272,810 | 272,810 | 13, 18 |
| Financial liabilities - parent companies, subsidiaries, associates and related parties | - | 122,291 | 122,291 | 14 |
| Trade payables | - | 655,469 | 655,469 | 15 |
| Derivative financial instruments | 29,960 | - | 29,960 | 4 |
| Lease liabilities | - | 371,209 | 371,209 | 12 |
| Total at December 31, 2024 | 29,960 | 1,421,778 | 1,451,738 | |

Fair Value

The reported amount of the derivative instruments, whether recognised as assets or liabilities, reflects the fair value, as described in this Note.

The carrying amounts of cash and cash equivalents, financial receivables and trade receivables, net of impairment where applicable in accordance with IFRS 9, approximate their estimated recoverable value and therefore their fair value.

Investments in equity instruments are measured at fair value (Level II).

Lease liability is reported at the present value, while all the other financial liabilities are carried at approximately their fair value.

Credit risk

Credit risk represents the risk of financial loss arising from a counterparty's failure to meet its contractual obligations. The Company's maximum exposure to credit risk corresponds to the carrying amount of the financial assets recognised in the financial statements.

Management considers that the Company's credit risk mainly relates to trade receivables from wholesale and other commercial partners, as well as cash holdings. The Company has implemented specific control procedures to manage this risk, as described in the risk factors section of the Financial Review.

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties in obtaining sufficient funds to meet its financial obligations. The Directors oversee liquidity risk management, while the Group Chief Financial Officer (CFO), supported by the Deputy Group CFO, is responsible for the optimisation of financial resources.

Based on available information, the Directors believe that existing funds and credit facilities, together with cash flows expected from operating and financing activities, will enable the Group to meet its financial requirements related to investments, working capital, scheduled debt repayments and dividend distributions in the foreseeable future.

In connection with the financing of the Versace acquisition, Prada S.p.A. entered into a syndicated facilities agreement for a total amount of Euro 1,500 million, comprising a Euro 1,000 million term loan facility with a five-year maturity

and a bridge term loan facility of up to Euro 500 million with a maturity of up to two years. At the acquisition closing, Euro 1,000 million and Euro 300 million were drawn under the term loan and bridge facilities, respectively. In addition, Prada S.p.A. entered into a bilateral term loan facility of Euro 200 million with a seven-year maturity, which was also drawn at the acquisition closing.

As of December 31, 2025, the Company had undrawn cash credit lines available with banks totaling Euro 1,120 million, of which Euro 800 million committed and Euro 320 million uncommitted ones.

Financial liabilities under derivative financial instruments

The tables below present the maturities of financial liabilities based on the earliest date on which the Group may be required to make payment (worst-case scenario).

In accordance with IFRS 7, the following tables also include financial liabilities arising from forward contracts and options designated as cash flow hedges for which a negative cash flow is expected at the reporting date:

| (amounts in thousands of Euro) | Future contractual cash flows at December 31 2025 | 1 year | 1 to 2 years | 2 to 5 years | more than 5 years |
|--|---|----------|--------------|--------------|-------------------|
| Net cash flows (outflows/inflows) of forward contracts | (7,671) | (7,671) | - | - | - |
| Net cash flows (outflows/inflows) of options | (562) | (562) | - | - | - |
| Interest rate swaps | 3,167 | (2,225) | (149) | 5,542 | - |
| Net value | (5,066) | (10,458) | (149) | 5,542 | - |

| (amounts in thousands of Euro) | Future contractual cash flows at December 31, 2024 | 1 year | 1 to 2 years | 2 to 5 years | more than 5 years |
|--|--|----------|--------------|--------------|-------------------|
| Net cash flows (outflows/inflows) of forward contracts | (24,472) | (24,073) | (399) | - | - |
| Net cash flows (outflows/inflows) of options | (3,699) | (3,699) | - | - | - |
| Interest rate swaps | 770 | 475 | 91 | 204 | - |
| Net value | (27,401) | (27,297) | (308) | 204 | - |

Financial liabilities

| (amounts in thousands of Euro) | Reported amount at December 31, 2025 | Future contractual cash flows at December 31, 2025 | On demand | 1 year or less | 1 to 2 years | 2 to 5 years | more than 5 years |
|--|--------------------------------------|--|----------------|----------------|---------------|------------------|-------------------|
| Lease liabilities | 361,866 | 361,866 | - | 60,805 | 59,957 | 145,600 | 95,503 |
| Financial payables to banks | 1,644,676 | 1,642,011 | - | 429,178 | 3,667 | 1,009,167 | 200,000 |
| Financial payables to parent companies, subsidiaries, associates and related parties | 169,931 | 169,931 | 169,931 | - | - | - | - |
| Total | 2,176,473 | 2,173,807 | 169,931 | 489,983 | 63,624 | 1,154,766 | 295,503 |

| (amounts in thousands of Euro) | Reported amount at December 31, 2024 | Future contractual cash flows at December 31, 2024 | On demand | 1 year or less | 1 to 2 years | 2 to 5 years | more than 5 years |
|--|--------------------------------------|--|----------------|----------------|----------------|----------------|-------------------|
| Lease liabilities | 371,208 | 371,208 | - | 62,166 | 58,420 | 148,824 | 101,800 |
| Financial payables to banks | 272,810 | 272,390 | - | 130,378 | 129,178 | 12,833 | - |
| Financial payables to parent companies, subsidiaries, associates and related parties | 122,291 | 122,291 | 122,291 | - | - | - | - |
| Total | 766,309 | 765,889 | 122,291 | 192,543 | 187,597 | 161,657 | 101,800 |

Sensitivity to exchange rate risk

The Company is exposed to foreign exchange risk deriving from fluctuations of foreign currencies against the Euro. Foreign exchange risk consists of the risk that cash flows from distributors could fluctuate as a result of changes in exchange rates. Derivative instruments are used to mitigate this risk.

The currencies to which the Company is most exposed are the U.S. Dollar, Hong Kong Dollar, Japanese Yen, Chinese Renminbi and GB Pound.

The table below presents the sensitivity of profit for the year and equity to a range of hypothetical changes in the main foreign currencies against the Euro, based on the Statement of Financial Position of the Company as of December 31, 2025:

| (amounts in thousands of Euro) | Euro --> + 5% | | Euro --> - 5% | |
|--------------------------------|-------------------------------|------------------|-------------------------------|------------------|
| | Impact on profit for the year | Impact on equity | Impact on profit for the year | Impact on equity |
| GB Pound | 996 | 3,667 | (1,201) | (4,554) |
| Hong Kong Dollar | 1,155 | 2,621 | (1,318) | (3,016) |
| Japanese Yen | (4,611) | 3,965 | 5,679 | (2,974) |
| Chinese Renminbi | 2,286 | 13,575 | 3,304 | (17,908) |
| US Dollar | 174 | 12,379 | (263) | (14,113) |
| Other currencies | (2,275) | 13,143 | 2,393 | (14,754) |
| Total | (2,275) | 49,350 | 1,987 | (57,318) |

The total impact on equity (positive for Euro 49.3 million and negative for Euro 57.3 million) represents the aggregate of the theoretical effects on profit or loss and on the cash flow hedge reserve resulting from a hypothetical appreciation

or depreciation of the Euro against the other currencies.

The effects on the financial statement items are presented above before income taxes. The sensitivity analysis is based on currency exposures at the end of the reporting period and may not be representative of exposures during the year; it is therefore indicative only.

Sensitivity on interest rate risk

The Company is exposed to interest rate fluctuations primarily in relation to interest expense on the medium and long-term borrowing. Financial risk management is under the overall responsibility of the Group Chief Financial Officer.

The table below presents the sensitivity of net income and equity to a hypothetical shift in the interest rate curve, based on the Financial Position of the Company as of December 31, 2025.

| (amounts in thousands of Euro) | Shift in interest rate curve | Impact on profit for the year | Impact on equity | Shift in interest rate curve | Impact on profit for the year | Impact on equity |
|--------------------------------|------------------------------|-------------------------------|------------------|------------------------------|-------------------------------|------------------|
| Euro | + 0.50% | (4,636) | 15,559 | -0.50% | 4,263 | (15,679) |
| GB Pound | + 0.50% | (45) | (44) | -0.50% | 45 | 44 |
| Hong Kong Dollar | + 0.50% | (89) | (89) | -0.50% | 89 | 89 |
| US Dollar | + 0.50% | 158 | 158 | -0.50% | (158) | (158) |
| Other currencies | + 0.50% | 813 | 813 | -0.50% | (813) | (813) |
| Total | | (3,799) | 16,397 | | 3,426 | (16,516) |

The impact on equity (positive for Euro 16.3 million and negative for 16.5 million) represents the aggregate theoretical effect on profit or loss and on the cash flow hedge reserve resulting from a hypothetical shift in the interest rate curve. The effects on the financial statement items are presented before income taxes.

The sensitivity analysis is based on net financial position at the end of the reporting period and may not be representative of the actual exposure to interest rate risk during the year; it is therefore indicative only.

Other risks

Risk factors affecting the international luxury goods market, as well as those specific to the Company, are described in the Financial Review in the section "Risks factors and management".

5. Financial and other receivables due from parent companies, subsidiaries, associates and related parties

The current amounts due from subsidiaries and other companies are detailed below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|------------------|------------------|
| Financial assets | 196,757 | 162,927 |
| Other receivables | 20,335 | 2,458 |
| Current receivable IFRS16 | 2,122 | 3,333 |
| Financial and other receivables - current | 219,214 | 168,718 |

The financial assets include Euro 93.5 million (Euro 131 million as of December 31, 2024) of the principal on the loans

to subsidiaries due within 12 months, shown net of the allowance for expected credit losses of Euro 1.4 million (Euro 2.8 million as of December 31, 2024).

The amount is broken down by counterparty in Note 28.

Non-current financial receivables due from subsidiaries and associates are set forth below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Financial assets | 35,441 | 39,845 |
| Non-current receivable IFRS16 | 11,119 | 12,735 |
| Financial and other receivables - non-current | 46,560 | 52,581 |

The financial assets include the principal on the loans to subsidiaries due after more than 12 months, shown net of the allowance for expected credit losses of Euro 0.86 million.

The decrease of both short and long term financial receivable is due to repayments from subsidiaries; some financial assets were waived to carry out the recapitalisation of some subsidiaries as detailed in Note 10.

6. Other current assets

The other current assets are set forth below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| VAT | 11,693 | 14,417 |
| Income tax | 4,491 | 22,094 |
| Other tax receivables | 14,898 | 14,465 |
| Other assets | 3,859 | 7,220 |
| Prepayments | 56,493 | 35,925 |
| Deposits | 1,226 | 119 |
| Total | 92,661 | 94,240 |

The prepayments and accrued income are broken down below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Rental costs | 136 | 183 |
| Insurance | 3,200 | 172 |
| Design costs | - | - |
| Advertising costs | 21,020 | 14,890 |
| Others | 32,137 | 20,680 |
| Total | 56,493 | 35,925 |

The prepaid design costs related to the design of collections, the launch of advertising campaigns and the organisation of fashion shows that will generate revenue after the reporting period, were previously recognized as prepayments within "Other current assets". Starting from this reporting period these costs are recognized to profit or loss when incurred.

7. Property, plant and equipment

The historical cost and accumulated depreciation of the past three periods are set forth below:

| (amounts in thousands of Euro) | Land and buildings | Production plant and machinery | Leasehold improvements | Furniture and fittings | Other tangibles | Asset under construction | Total |
|--|--------------------|--------------------------------|------------------------|------------------------|-----------------|--------------------------|-----------|
| Historical cost | 679,112 | 254,914 | 151,385 | 220,650 | 126,891 | 35,865 | 1,468,817 |
| Accumulated depreciation | (157,886) | (190,168) | (119,130) | (96,350) | (85,042) | - | (648,576) |
| Net carrying amount at December 31, 2023 | 521,226 | 64,746 | 32,255 | 124,300 | 41,849 | 35,865 | 820,241 |
| Historical cost | 695,060 | 272,547 | 156,225 | 224,312 | 148,303 | 42,672 | 1,539,118 |
| Accumulated depreciation | (173,701) | (202,319) | (127,533) | (102,070) | (90,906) | - | (696,529) |
| Net carrying amount at December 31, 2024 | 521,359 | 70,228 | 28,692 | 122,242 | 57,397 | 42,672 | 842,589 |
| Historical cost | 796,019 | 290,918 | 171,928 | 229,592 | 141,614 | 92,386 | 1,722,457 |
| Accumulated depreciation | (190,343) | (215,749) | (137,579) | (107,091) | (97,058) | - | (747,819) |
| Net carrying amount at December 31, 2025 | 605,676 | 75,169 | 34,349 | 122,501 | 44,556 | 92,386 | 974,638 |

The changes in the carrying amount of "property, plant and equipment" for the year ended December 31, 2025 are as follows:

| (amounts in thousands of Euro) | Land and buildings | Production plant and machinery | Leasehold improvements | Furniture and fittings | Other tangibles | Asset under construction | Total |
|--------------------------------|--------------------|--------------------------------|------------------------|------------------------|-----------------|--------------------------|----------|
| Balance at December 31, 2024 | 521,359 | 70,228 | 28,692 | 122,242 | 57,397 | 42,672 | 842,589 |
| Additions | 92,978 | 13,527 | 2,642 | 2,743 | 5,441 | 81,122 | 198,453 |
| Depreciation | (17,078) | (14,043) | (10,061) | (5,029) | (8,597) | - | (54,808) |
| Disposals | (1,242) | (168) | (271) | (80) | (14,354) | (99) | (16,214) |
| Other movements | 9,659 | 5,625 | 13,347 | 2,625 | 4,669 | (31,309) | 4,616 |
| Balance at December 31, 2025 | 605,676 | 75,169 | 34,349 | 122,501 | 44,556 | 92,386 | 974,637 |

The increases for "land and buildings" and "production plant and machinery" are attributable mainly to the capital expenditure invested to bolster and improve the manufacturing and logistics activities, within a broader plan to expand the production capacity.

The increase in "Leasehold improvements" and "Furniture and fittings" related primarily restyling and relocation projects for the retail premises.

"Assets under construction" at the end of the period concern retail and industrial projects.

"Other tangibles" includes the product archive, which expresses the identity and history of the Group's brands and serves as a constant source of inspiration.

Impairment test

In accordance with IAS 36 "Impairment of Assets", the Company assessed whether indicators of impairment existed for property, plant and equipment, right of use and intangible assets (other than goodwill), allocated to CGUs. CGUs for which impairment indicators were identified were tested for impairment.

The Discounted Cash Flow method used to identify the recoverable amount of the CGUs consists of discounting the projected cash flows generated by the activities directly attributable to the CGU (value in use). Value in use is the sum of the present value of the future cash flows expected from the CGU (based on management's best estimate) and the present value of the related operating activities at the end of the period (terminal value).

The projected cash flows do not consider either significant improvements in the performance of the assets existing as of December 31, 2025 or future developments of new activities.

Based on the impairment tests performed as of December 31, 2025, no impairment losses were recognised on property, plant and equipment.

8. Goodwill and intangible assets

The historical cost and accumulated amortisation of the past three periods are set forth below:

| (amounts in thousands of Euro) | Goodwill | Trademarks and intellectual property rights | Store Lease Acquisitions | Software | Development costs and other intangibles | Assets in progress | Total |
|--|----------|---|--------------------------|-----------|---|--------------------|-----------|
| Historical cost | 115,976 | 14,456 | 33,665 | 289,358 | 29,149 | 49,670 | 416,298 |
| Accumulated depreciation | (5,544) | (13,951) | (33,665) | (187,066) | (29,035) | - | (263,717) |
| Net carrying amount at December 31, 2023 | 110,432 | 505 | - | 102,292 | 114 | 49,670 | 152,581 |
| Historical cost | 115,976 | 14,540 | 33,665 | 360,020 | 29,149 | 53,099 | 490,473 |
| Accumulated depreciation | (5,544) | (14,093) | (33,665) | (231,385) | (29,061) | - | (308,204) |
| Net carrying amount at December 31, 2024 | 110,432 | 447 | - | 128,635 | 88 | 53,099 | 182,269 |
| Historical cost | 115,976 | 14,625 | 33,665 | 338,955 | 185 | 54,534 | 441,964 |
| Accumulated depreciation | (5,544) | (14,256) | (33,665) | (178,625) | (111) | - | (226,657) |
| Net carrying amount at December 31, 2025 | 110,432 | 369 | - | 160,330 | 74 | 54,534 | 215,307 |

Capital expenditures in software relate to technological and digital initiatives in the retail, manufacturing and corporate areas.

The changes in the carrying amount of intangible assets for the year ended December 31, 2025 are set forth below:

| (amounts in thousands of Euro) | Goodwill | Trademarks and intellectual property rights | Store lease acquisition | Software | Development costs and other intangibles | Assets in progress | Total |
|--------------------------------|----------|---|-------------------------|----------|---|--------------------|----------|
| Balance at December 31, 2024 | 110,432 | 447 | - | 128,635 | 88 | 53,099 | 182,269 |
| Additions | - | 86 | - | 32,798 | - | 51,637 | 84,521 |
| Amortization | - | (163) | - | (46,122) | (14) | - | (46,300) |
| Disposals | - | - | - | (437) | - | - | (437) |
| Other movements | - | (1) | - | 45,456 | - | (50,202) | (4,747) |
| Balance at December 31, 2025 | 110,432 | 369 | - | 160,330 | 74 | 54,534 | 215,307 |

Other movements are related to assets under construction for projects which have been completed during 2025; the remaining amount is related to reduction of advance payment, and early termination of contracts.

Goodwill

Impairment test

"Goodwill" as at December 31, 2025 amount to Euro 110.4 million, of which Euro 90.9 million related to the CGU "Prada" and Euro 19.5 million related to the CGU "Miu Miu", as detailed below.

As required by IAS 36 "Impairment of assets", intangible assets with indefinite useful lives are not amortized, but they are tested for impairment at least once a year. The Company does not report intangible assets with indefinite useful lives other than goodwill.

Consistently with last year, the groups of CGUs - which represent the lowest level within the Group at which management tests goodwill for impairment - correspond to the brands Prada and Miu Miu (the operating segments identified for segment reporting purpose in compliance with IFRS 8).

The summary of the goodwill allocation to the two groups of CGUs corresponding to the operating segments Prada and Miu Miu is reported below:

| (amounts in thousands of Euro) | December 31 2025 |
|--------------------------------|------------------|
| Prada | 90,886 |
| Miu Miu | 19,546 |
| Total | 110,432 |

No impairment losses were identified based on the impairment tests as of December 31, 2025.

The Discounted Cash Flow method used to identify the recoverable amount of the group of CGUs consists of discounting the projected cash flows generated by the activities directly attributable to the operating segment to which the intangible asset or net invested capital has been assigned (value in use). Value in use is the sum of the present value of the future cash flows expected on the basis of the business plan projections prepared by the management for each group of CGUs and the present value of the related operating activities at the end of the period (terminal value). The recoverable amount was estimated with the assistance of a leading consulting firm.

The business plans used for the impairment tests were prepared by the management starting from the 2026 budget and cover a period that does not exceed five years. The business plans do not take into account either significant

improvements in the performance of the assets existing as of December 31, 2025 or future developments of new activities.

For each group of CGUs tested, the weighted average cost of capital ("WACC") was determined by taking into due consideration the risk profile of the CGUs' group activities, as well as other specific parameters, such as geographic location.

The "g" rate of growth used to calculate the terminal value was assumed equal to 2.5% (same as 2024), in line with inflation expectations and not higher than the long-term growth expected for the luxury goods market.

The WACC (post-tax) and g-rates used for impairment tests of groups of CGUs that include goodwill are reported below:

| CGU | WACC | |
|---------|------|------|
| | 2025 | 2024 |
| Prada | 8.5% | 7.2% |
| Miu Miu | 8.5% | 7.2% |

Concerning such group of CGUs, an analysis of the sensitivity of the impairment test has been performed to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. It has been verified that no reasonable change in the key assumptions would generate a reduction in the recoverable amount to the extent of constituting an impairment loss.

As value in use is measured on estimates and assumptions, management cannot exclude the possibility that goodwill or other tangible and intangible assets may be subject to impairment in future periods.

9. Right of use assets

The changes in the carrying amount of the right of use assets for the year ended December 31, 2025 are shown below:

| (amounts in thousands of Euro) | Right of Use Buildings | Right of Use Cars transport vehicles | Right of Use Hardware | Right of Use Plant & Machinery | Total carrying amount |
|---|------------------------|--------------------------------------|-----------------------|--------------------------------|-----------------------|
| Opening Balance | 347,049 | 2,059 | 3,926 | 3,649 | 356,683 |
| New contracts, initial direct costs and remeasurement | 61,957 | 2,039 | - | 490 | 64,486 |
| Depreciation | (58,235) | (1,681) | (881) | (980) | (61,777) |
| Contracts termination | (3,546) | 451 | (48) | (43) | (3,186) |
| Closing balance | 347,225 | 2,868 | 2,997 | 3,116 | 356,206 |

Right of use asset decrease by Euro 0.4 million, mainly as a result of new contracts and remeasurement of existing leases for Euro 64 million, net of depreciation for Euro 62 million and contracts termination for Euro 3 million.

Impairment test

Please refer to the Note 7 Property, plant and equipment for the details of the impairment test carried out. Based on the impairment test performed as of December 31, 2025, no impairment losses were recognised on the right of use assets of the CGUs tested.

10. Investments

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Investments in subsidiaries and associated undertakings | 2,919,831 | 1,567,143 |
| Other investments | 204 | 326 |
| Total | 2,920,035 | 1,567,469 |

The investments as at December 31, 2025 and December 31, 2024 are presented hereunder:

| (amounts in thousands of Euro) | Notes | December 31 2024 | Increases | Decreases | December 31 2025 |
|--|---------|---------------------|-----------|-----------|---------------------|
| Investments in subsidiaries: | | | | | |
| Artisans Shoes S.r.l. | | 2,706 | - | - | 2,706 |
| Church & Co Ltd | | 42,198 | - | - | 42,198 |
| Figline S.r.l. | (1) | 3,546 | - | (669) | 2,877 |
| Givi Holding S.r.l. | (2) | - | 1,265,099 | - | 1,265,099 |
| Hipic Prod Impex S.r.l. | | 22,863 | - | - | 22,863 |
| IPI Logistica S.r.l. | (1) | 1,798 | - | (592) | 1,206 |
| Kenon Ltd | | 99,478 | - | - | 99,478 |
| Luna Rossa Challenge S.r.l. | (3) | 2,326 | 2,607 | - | 4,933 |
| Marchesi 1824 S.r.l. | (1) | 3,569 | - | (3,008) | 561 |
| Pelletteria Scandicci S.r.l. | (1) (4) | - | 1,155 | (442) | 713 |
| Post Development Corp | (1) | 54,807 | - | (14,725) | 40,082 |
| Prada (Thailand) Co Ltd | (4) | 34,178 | 5,308 | - | 39,486 |
| Prada Asia Pacific Ltd | | 4,773 | - | - | 4,773 |
| Prada Australia Pty Ltd | | 7,267 | - | - | 7,267 |
| Prada Austria GmbH | | 3,208 | - | - | 3,208 |
| Prada Bahrain | (4) | 12 | 12,019 | - | 12,031 |
| Prada Belgium sprl | | 4,296 | - | - | 4,296 |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | (4) | 27,923 | 6,561 | - | 34,484 |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | (4) | 22,589 | 2,492 | - | 25,081 |
| Prada Canada Corp | | 5,086 | - | - | 5,086 |
| Prada Czech Republic Sro | | 3,426 | - | - | 3,426 |
| Prada Denmark Aps | | 12,426 | - | - | 12,426 |
| Prada Germany GmbH | | 41,422 | - | - | 41,422 |
| Prada Hellas Sole Partner Llc | | 21,764 | - | - | 21,764 |
| Prada Japan Co Ltd | | 30,786 | - | - | 30,786 |
| Prada Kazakhstan Llp | | 4,938 | - | - | 4,938 |
| Prada Korea Llc | (4) | 10,631 | 19,861 | - | 30,492 |
| Prada Middle East Fzco | | 6,643 | - | - | 6,643 |
| Prada Monte-Carlo Sam | (3) | 33,524 | 11,577 | - | 45,101 |
| Prada Netherlands Bv | | 3,623 | - | - | 3,623 |
| Prada New Zealand Ltd | | 3,592 | - | - | 3,592 |
| Prada Norway As | (4) | 1,801 | 7,989 | - | 9,790 |
| Prada Philippines Inc | | 3,956 | - | - | 3,956 |
| Prada Portugal Unipessoal Lda | | 955 | - | - | 955 |
| Prada Retail Aruba Nv | | 1,623 | - | - | 1,623 |
| Prada Retail France SaS | (4) | 119,595 | 15,400 | - | 134,995 |
| Prada Retail Malaysia Sdn Bhd | | 7,392 | - | - | 7,392 |

| (amounts in thousands of Euro) | Notes | December 31 2024 | Increases | Decreases | December 31 2025 |
|---|---------|---------------------|------------------|-----------------|---------------------|
| Prada Retail Mexico S. de R.L. de C.V. | | - | - | - | - |
| Prada Retail South Africa (Pty) Ltd | | 861 | - | - | 861 |
| Prada Retail UK Ltd | (4) | 73,758 | 9,974 | - | 83,732 |
| Prada Retail Wll | | 23,694 | - | - | 23,694 |
| Prada Rus LLC | | 21,356 | - | - | 21,356 |
| Prada SA | | 23,315 | - | - | 23,315 |
| Prada Saint Barthelemy SARL | | 1,600 | - | - | 1,600 |
| Prada Saipan Llc | (5) | 1,093 | 112 | (1,204) | - |
| Prada San Marino S.r.l. | | 156 | - | - | 156 |
| Prada Saudi Arabia Ltd | (3) (4) | 10,671 | 3,311 | - | 13,982 |
| Prada Singapore Pte Ltd | (4) | 10,093 | 8,246 | - | 18,339 |
| Prada Spain Sl | | 89,675 | - | - | 89,675 |
| Prada Sweden AB | | 11,523 | - | - | 11,523 |
| Prada Switzerland sa | (1) (4) | 69,174 | 6,857 | (31,844) | 44,187 |
| Prada Ukraine Llc | | - | - | - | - |
| Prada USA Corp | | 535,856 | - | - | 535,856 |
| Prada Vietnam Limited Liability Company | | 5,735 | - | - | 5,735 |
| Tannerie Limoges Sas | (6) | 1,440 | - | (1,440) | - |
| Subsidiaries | | 1,530,720 | 1,378,568 | (53,924) | 2,855,363 |
| Investments in associates / Join venture | | | | | |
| Conceria Superior S.p.A. | (6) | 20,100 | - | (20,100) | - |
| Crispino S.r.l. | (7) | - | 617 | - | 617 |
| Effepi S.r.l. | | 1,363 | 6 | - | 1,369 |
| Filati Biagioli Modesto S.r.l. | (4) | 7,148 | 356 | - | 7,504 |
| Les Femmes S.r.l. | | 3,088 | - | - | 3,088 |
| Luigi Fedeli e Figlio Srl | | 4,724 | - | - | 4,724 |
| Mebagroup S.r.l. | (8) | - | 373 | - | 373 |
| Associates / Joint ventures: | | 36,423 | 1,352 | (20,100) | 17,675 |
| Investments in related parties: | | | | | |
| Rino Mastrotto Group S.p.A. | (6) | - | 46,793 | - | 46,793 |
| Related | | - | 46,793 | - | 46,793 |
| Investments in other entities | | 326 | - | (122) | 204 |
| Total | | 1,567,469 | 1,426,713 | (74,146) | 2,920,035 |

Investments for which potential impairment indicators have been identified, were tested for impairment. In order to perform the impairment test, management determined the recoverable amount based on the investment value in use, calculated as the sum of the present value of future cash flows expected from the business plan projections and the present value of the subsidiary net assets at the end of the business plan period (terminal value). The business plans considered for the purpose of the impairment tests are based on turnover growths in line with market forecasts observable from external sources researches and studies and do not consider significant improvement in the performance nor future development of activities in relation to the tested investments.

The rate used to discount cash flows was calculated using the weighted average cost of capital ("WACC"). For the year ended December 31, 2025, the WACC used for discounting purposes is 8.5%. The WACC was calculated ad hoc for each investment subject to impairment test, taking into consideration the risk profile of the tested asset as well as the parameters specific to the related geographical area: market risk premium and sovereign bond yield.

The "g" rate of growth used to calculate the terminal value was assumed equal to 2.5% (same of 2024).

For some of the subsidiaries the recoverable amount has been determined based on the subsidiary net equity. If the subsidiaries' net equity is negative a provision for coverage of losses is accounted for.

As a result of the impairment test, the following impairment losses have been identified:

| (amounts in thousands of Euro) | Investment impairment | Provision for coverage of losses | December 31 2025 |
|--------------------------------|-----------------------|----------------------------------|------------------|
| Figline S.r.l. | (669) | - | (669) |
| Ipi Logistica Srl | (592) | - | (592) |
| Marchesi 1824 S.r.l. | (3,008) | - | (3,008) |
| Post Development Corp | (14,725) | - | (14,725) |
| Prada Switzerland sa | (31,844) | - | (31,844) |
| Prada Ukraine Llc | - | (475) | (475) |
| Total | (50,838) | (475) | (51,313) |

It should be noted that since the recoverable amounts of the above-mentioned investments are measured on the basis of estimates and assumptions, the Directors cannot guarantee that the value of such investments will not be subject to further impairment losses in the future.

Notes:

1. The decrease reflects the write-down ensuing from the analysis conducted to determine the recoverable amount.
2. On December 2, 2025, Prada S.p.A. completed the acquisition of 100% share capital of Givi Holding S.r.l. (Versace Group), one of the leading international fashion design houses and epitome of Italian luxury worldwide, from Capri Holding for USD 1,395 million paid in cash.
3. The increase in the investment refers to the capital contribution made by Prada S.p.A. through the waiver of its receivables.
4. The increase in the investment represents the capital contribution paid in by Prada S.p.A., approved by the Board of Directors in 2024.
5. On July 25, 2025, Prada Saipan Llc was dissolved, and the company's business has been wound up. Before the dissolution, the Company, reimbursed capital shares.
6. On June 5, 2025, Prada S.p.A. announced a 10% equity investment in Rino Mastrotto Group, a global provider of leather, textile and bespoke services for the luxury industry, strengthening its position over a highly strategic phase of the production process. The transaction entailed a contribution in cash and a contribution in kind of 100% of Conceria Superior S.p.A. - following the acquisition of full ownership - and Tannerie Limoges S.a.s..
7. On March 3, 2025, Prada S.p.A purchased 30% of the share capital of Crispino S.r.l..
8. On July 10, 2025, Prada S.p.A purchased 40% of the share capital of Mebagroup S.r.l..

Additional information on subsidiaries, associates and related parties:

| (amounts in thousands of Euro) | Carrying amount | Share Capital | Latest net income (loss) (**) | Shareholders' equity (**) | % interest held |
|--|-----------------|---------------|-------------------------------|---------------------------|-----------------|
| Subsidiaries | | | | | |
| Artisans Shoes S.r.l. | 2,706 | 1,000 | 1,650 | 7,697 | 66.7% |
| Church & Co Ltd | 42,198 | 3,221 | 2,039 | 29,662 | 100.0% |
| Figline S.r.l. | 2,877 | 10 | (669) | 2,877 | 100.0% |
| Givi Holding S.r.l. (***) | 1,265,099 | 10 | (557) | 1,072 | 100.0% |
| Hipic Prod Impex S.r.l. | 22,863 | 9,810 | 1,669 | 19,937 | 100.0% |
| IPI Logistica S.r.l. | 1,205 | 600 | 25 | 1,205 | 100.0% |
| Kenon Ltd | 99,478 | 96,264 | 4,362 | 106,472 | 100.0% |
| Luna Rossa Challenge S.r.l. | 4,933 | 10 | (7,662) | 2,231 | - |
| Marchesi 1824 S.r.l. | 561 | 987 | (2,972) | 561 | - |
| Pelletteria Scandicci S.r.l. | 713 | 10 | 368 | 713 | 100.0% |
| Post Development Corp | 40,082 | 23,823 | 1,766 | 19,355 | 100.0% |
| Prada Asia Pacific Ltd | 4,773 | 328 | 12,292 | 344,820 | 100.0% |
| Prada Australia Pty Ltd | 7,267 | 7,679 | 1,689 | 20,110 | 100.0% |
| Prada Austria GmbH | 3,208 | 40 | 315 | 9,699 | 100.0% |
| Prada Bahrain | 12,032 | 10,553 | (1,683) | 8,184 | 100.0% |
| Prada Belgium sprl | 4,296 | 4,075 | 45 | 5,388 | 100.0% |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | 34,484 | 21,868 | 5,500 | 25,586 | 100.0% |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | 25,081 | 62,147 | 1,415 | 30,207 | 100.0% |
| Prada Canada Corp | 5,086 | 187 | 2,263 | 34,235 | 100.0% |
| Prada Czech Republic Sro | 3,426 | 103 | 89 | 3,181 | 100.0% |
| Prada Denmark Aps | 12,426 | 1,004 | 56 | 13,018 | 100.0% |
| Prada Germany GmbH | 41,422 | 215 | 498 | 43,167 | 100.0% |
| Prada Hellas Sole Partner Llc | 21,764 | 4,350 | 48 | 22,078 | 100.0% |
| Prada Japan Co Ltd | 30,786 | 6,519 | 23,283 | 84,143 | 100.0% |
| Prada Kazakhstan Llp | 4,938 | 845 | (1,459) | 1,165 | 100.0% |
| Prada Korea Llc | 30,492 | 6,556 | 14,064 | 132,226 | 100.0% |
| Prada Middle East Fzco | 6,643 | 4,171 | 8,315 | 65,428 | 79.0% |
| Prada Monte-Carlo Sam | 45,101 | 3,000 | 998 | 37,392 | 100.0% |
| Prada Netherlands Bv | 3,623 | 20 | 684 | 15,070 | 100.0% |
| Prada New Zealand Ltd | 3,592 | 2,944 | 127 | 3,306 | 100.0% |
| Prada Norway As | 9,790 | 3 | (224) | 7,078 | 100.0% |
| Prada Panama Sa | - | 26 | (13) | 316 | 100.0% |
| Prada Philippines Inc | 3,957 | 5,486 | 194 | 5,821 | 60.0% |
| Prada Portugal Unipessoal Lda | 955 | 5 | 774 | 4,886 | 100.0% |
| Prada Retail Aruba Nv | 1,623 | 1,712 | 127 | 2,291 | 100.0% |
| Prada Retail France SaS | 134,995 | 12,658 | 5,843 | 123,019 | 100.0% |
| Prada Retail Malaysia Sdn Bhd | 7,392 | 7,550 | 390 | 16,377 | 100.0% |
| Prada Retail UK Ltd | 83,732 | 8,022 | 1,805 | 92,208 | 100.0% |
| Prada Retail Wll | 23,694 | 3,499 | 921 | 26,517 | 100.0% |
| Prada Rus LLC | 21,356 | 3 | (847) | 25,061 | 100.0% |
| Prada SA | 23,315 | 31 | 20,547 | 168,838 | 100.0% |
| Prada Saint Barthelemy SARL | 1,600 | 1,600 | 404 | 3,688 | 100.0% |
| Prada San Marino S.r.l. | 156 | 26 | 412 | 593 | 100.0% |
| Prada Saudi Arabia Ltd | 13,982 | 6,804 | (1,950) | 3,901 | 100.0% |
| Prada Singapore Pte Ltd | 18,339 | 15,889 | 2,784 | 49,742 | 100.0% |
| Prada Retail South Africa (Pty) Ltd | 861 | 2,572 | 18 | 868 | 100.0% |
| Prada Spain Sl | 89,675 | 240 | 2,960 | 82,677 | 100.0% |

| (amounts in thousands of Euro) | Carrying amount | Share Capital | Latest net income / (loss) (**) | Shareholders' equity (**) | % interest held |
|---|-----------------|---------------|---------------------------------|---------------------------|-----------------|
| Prada Sweden AB | 11,523 | 46 | 15 | 7,906 | 100.0% |
| Prada Switzerland sa | 44,188 | 25,768 | (450) | 53,858 | 100.0% |
| Prada (Thailand) Co Ltd | 39,485 | 44,924 | 658 | 56,236 | 100.0% |
| Prada Ukraine Llc | - | 4,820 | (630) | (1,740) | 100.0% |
| Prada USA Corp | 535,856 | 492,945 | 15,318 | 696,573 | 100.0% |
| Prada Vietnam Limited Liability Company | 5,735 | 4,956 | 117 | 4,116 | 100.0% |
| PRM Services S. de R.L. de C.V. | - | 131 | - | (45) | 100.0% |
| Associates / Joint ventures: | | | | | |
| Crispino S.r.l. (*) | 617 | 10 | (1) | 11 | 30.0% |
| Effepi S.r.l. (*) | 1,369 | 31 | 730 | 1,254 | 40.0% |
| Filati Biagioli Modesto S.r.l. (*) | 7,504 | 16,884 | (12) | 18,864 | 48.49% |
| Les Femmes S.r.l. (*) | 3,088 | 400 | 1,239 | 4,934 | 40.0% |
| Luigi Fedeli e Figlio Srl (*) | 4,724 | 3,358 | 617 | 9,567 | 15.0% |
| Mebagroup S.r.l. (*) | 373 | 10 | 97 | 651 | 40.0% |
| Related parties: | | | | | |
| Rino Mastroto Group S.p.A. (*) | 46,793 | 39,000 | (2.205) | 93.459 | 10.0% |
| | 2,919,831 | | | | |

(*) Statutory figures at 31/12/2024

(**) Exchange rates as at 31/12/2025

(***) Statutory figures at 31/03/2025

The amounts shown are those reported for consolidation purposes before the resolutions of the respective Boards of Directors which approve the financial statements were passed, so they could differ from the final version.

11. Other non-current assets

The composition of the other non-current assets is set forth below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|-----------------------------------|------------------|------------------|
| Prepaid for commercial agreements | 37,560 | 41,733 |
| Other non-current assets | 7,018 | 7,972 |
| Guarantee deposits | 4,766 | 4,618 |
| Total | 49,344 | 54,323 |

Deposits

The security deposits are set forth below by nature and maturity:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|------------------|------------------|
| Nature: | | |
| Stores | 2,291 | 2,201 |
| Offices | 81 | 44 |
| Warehouses | 25 | 18 |
| Other | 2,369 | 2,355 |
| Total | 4,766 | 4,618 |

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Maturity: | | |
| within 1-2 years | - | - |
| within 2-3 years | 201 | 46 |
| within 3-4 years | 11 | 51 |
| within 4-5 years | 108 | 149 |
| After 5 years | 4,447 | 4,372 |
| Total | 4,766 | 4,618 |

The guarantee deposits referred primarily to security deposits paid under retail leases.

12. Lease liabilities

The following table sets forth the lease liabilities:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Current lease liabilities | 60,548 | 61,733 |
| Non-current lease liabilities | 301,318 | 309,476 |
| Total | 361,866 | 371,209 |

The lease liabilities decrease from Euro 371.2 million at December 31, 2024 to Euro 361.9 million mainly as a result of new contracts net of payments and termination of the period.

13. Current financial liabilities and bank overdrafts

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Bank overdrafts | - | 4 |
| Short-term bank borrowings | 305,251 | 543 |
| Current portion of long-term loans | 129,178 | 130,378 |
| Deferred costs on loans | (83) | (83) |
| Short-term financial payables and bank overdrafts | 434,346 | 130,842 |

The increase in short-term bank borrowings as at December 31, 2025 is the results of the bridge term loan facility drawn in connection with the Versace acquisition. The current portion of long-term loans decrease of Euro 1.2 million during 2025; the long-term portion of long-term loans is detailed in Note 18.

The Company generally borrows at variable interest rates (see Note 18) and manages exposure to interest rate fluctuations through the use of hedging instruments (see Note 5).

Further information on the covenants applicable to long-term loans is provided in Note 18.

14. Financial and other liabilities due to parent companies, subsidiaries, associates and related parties

The composition of current liabilities due to parent companies, subsidiaries, associates and related parties is set forth below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Financial liabilities | 169,931 | 122,291 |
| Other liabilities | 5,544 | 6,375 |
| Total | 175,475 | 128,666 |

The amount is broken down by counterparty in Note 28.

15. Trade payables

The trade payables are details as a follow:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|----------------------------------|---------------------|---------------------|
| Trade payables - Third parties | 349,032 | 298,756 |
| Trade payables - Subsidiaries | 325,083 | 352,223 |
| Trade payables - Associates | 4,181 | 4,444 |
| Trade payables - Related parties | 1,998 | 46 |
| Total | 680,294 | 655,469 |

The increase of Trade Payables up by Euro 24.8 million is mainly due to third parties payables.

The breakdown by counterparty of payables due to subsidiaries and associates and to related parties is provided in Note 28, "transactions with parent companies, subsidiaries, associates and related parties".

An aging analysis of the total trade payables is set forth below:

| (amounts in thousands of Euro) | December 31 2025 | Current | Overdue (in days) | | | | |
|-----------------------------------|---------------------|----------------|-------------------|--------------|--------------|--------------|--------------|
| | | | 1 ≤ 30 | 31 ≤ 60 | 61 ≤ 90 | 91 ≤ 120 | > 120 |
| Trade payables third parties | 349,032 | 329,549 | 8,150 | 3,447 | 1,952 | 2,393 | 3,541 |
| Trade payables subsidiaries | 325,083 | 313,304 | 2,959 | 4,113 | 533 | 1,448 | 2,726 |
| Trade payables associates | 4,181 | 4,048 | - | 124 | - | - | 9 |
| Trade payables parent companies | 68 | 68 | - | - | - | - | - |
| Trade payables related parties | 1,930 | 1,930 | - | - | - | - | - |
| Total at December 31, 2025 | 680,294 | 648,899 | 11,109 | 7,684 | 2,485 | 3,841 | 6,276 |

| (amounts in thousands of Euro) | December 31, 2024 | Current | Overdue (in days) | | | | |
|-----------------------------------|-------------------|----------------|-------------------|--------------|--------------|--------------|--------------|
| | | | 1 ≤ 30 | 31 ≤ 60 | 61 ≤ 90 | 91 ≤ 120 | > 120 |
| Trade payables third parties | 298,756 | 246,180 | 44,019 | 1,761 | 684 | 1,178 | 4,934 |
| Trade payables subsidiaries | 352,223 | 331,436 | 13,324 | 1,356 | 780 | 288 | 5,037 |
| Trade payables associates | 4,444 | 3,181 | 1,263 | - | - | - | - |
| Trade payables parent companies | 35 | 7 | - | - | 23 | - | 5 |
| Trade payables related parties | 11 | 11 | - | - | - | - | - |
| Total at December 31, 2024 | 655,469 | 580,814 | 58,607 | 3,116 | 1,487 | 1,468 | 9,977 |

16. Income tax liabilities and other tax liabilities

Income tax liabilities and other tax liabilities are detailed hereunder:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|------------------|------------------|
| Current income taxes | 10,737 | 61,072 |
| VAT and other taxes | 12,549 | 15,030 |
| Social security and pension contribution liabilities | 20,056 | 17,744 |
| Total | 43,342 | 93,846 |

Details of "Current income taxes" are provided in Note 27 to the Financial Statements.

"VAT and other taxes" also include personnel income tax (IRPEF) withholdings on employee pay and professional fees, and VAT liabilities arising on e-commerce sales in EU countries.

17. Other current liabilities

Other current liabilities are as follows:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------------|------------------|------------------|
| Payables for capital expenditure | 56,962 | 46,714 |
| Payables to employees | 69,134 | 62,732 |
| Provision for return | 193,831 | 190,687 |
| Accrued expenses and deferred income | 6,112 | 5,142 |
| Other payables | 12,118 | 10,372 |
| Total | 338,156 | 315,646 |

The payables due to employees refer to wages and salaries, the 13th and 14th salary accruals, unused vacation time and performance bonuses.

The provision for returns is allocated to cover sales returns whose existence is certain but whose timing and amount are uncertain at the reporting date. The amount of the provision was estimated on the basis of historical/statistical data and forecasts of the number of items sold that could be returned in future.

"Payables for capital expenditures" includes the amounts due for capital expenditure as at December 31, 2025, described in Notes 7 and 8 on property, plant and equipment and intangible assets.

"Other payables" include mainly Euro 9 million of the current portion of deferred income on commercial agreements and Euro 1.5 million in advances received from customers.

18. Non-current financial liabilities

The non-current financial liabilities are as follows:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Long-term bank loans | 1,212,833 | 142,011 |
| Deferred costs on loans | (2,503) | (43) |
| Total | 1,210,330 | 141,968 |

In 2025, the current portions of long-term loans were repaid for a total amount of Euro 130 million. Moreover, on April 17, 2024 Prada S.p.A. signed a new Euro 800 million Sustainability-Linked Revolving Credit Facility (5-year duration), replacing the existing Euro 400 million facility. This new Revolving Credit Facility is undrawn as of December 31, 2025.

Prada S.p.A.'s mortgage loan is secured by the Group's headquarters building in Milan.

The Company generally borrows at variable interest rates and manages exposure to interest rate fluctuations through hedging agreements, as described in Note 4.

The long-term bank loans as at December 31, 2025, excluding amortised costs, are set forth below:

| Borrower | Amount (Euro thousands) | Type of loan | Currency | Expiry date | Interest rate (1) | Current portion (Euro thousands) | Non-current portion (Euro thousands) | Pledge | Covenant (2) |
|--------------|-------------------------------|-----------------|----------|----------------|----------------------|---|---|------------------|------------------------|
| Prada S.p.A. | 16,499 | Term-loan | EUR | 05/2030 | 2.737% | 3,666 | 12,833 | Mortgage loan | n.a. |
| Prada S.p.A. | 1,000,000 | Term-loan | EUR | 04/2030 | 3.231% | - | 1,000,000 | - | Leverage \leq 3.5 |
| Prada S.p.A. | 100,000 | Term-loan | EUR | 07/2026 | 2.684% | 100,000 | - | - | Leverage \leq 3.5 |
| Prada S.p.A. | 14,400 | Term-loan | EUR | 02/2026 | 3.549% | 14,400 | - | - | Leverage \leq 3.5 |
| Prada S.p.A. | 200,000 | Term-loan | EUR | 11/2032 | 3.235% | - | 200,000 | - | Leverage \leq 3.5 |
| Prada S.p.A. | 11,111 | Term-loan | EUR | 11/2026 | 2.819% | 11,111 | - | - | Leverage \leq 3.5 |
| Total | 1,342,010 | | | | | 129,177 | 1,212,833 | | |

(1) the interest rates include the effect of interest rate risk hedges

(2) "leverage" is the ratio between the net financial position (deficit) and the sum of "EBIT", "Interest expenses on lease liabilities" and "Depreciation, amortisation and impairment losses on property, plant and equipment and intangible assets"

Covenants are calculated on a semester basis based on the financial information as of December 31 and June 30

As of December 31, 2025, Prada S.p.A. complied with all loan covenants and expects to continue to do so over the following twelve months.

A maturity analysis is provided in Note 4.

19. Long-term employee benefits

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|-----------------------------------|---------------------|---------------------|
| Post-employment benefits | 15,287 | 16,438 |
| Other long-term employee benefits | 33,332 | 34,836 |
| Total | 48,619 | 51,274 |

Post-employment benefits

The post-employment benefits recognised as at December 31, 2025 amount to Euro 15.3 million; they all refer to the provision for leaving indemnities and all the benefits are classified as defined benefit plans. The provision for leaving indemnities was measured using the Projected Unit Credit Method with the support of Federica Zappari, an independent Italian actuary, member (n. 1134) of the Ordine Nazionale degli Attuari (Italian Society of Actuaries).

The main actuarial assumptions for the years of valuation were as follows:

| | December 31 2025 | | December 31 2024 |
|----------------------------------|---------------------|------|---------------------|
| Average duration of plan (years) | 7.6 | | 8.2 |
| Discount rate | 3.44% | | 3.11% |
| Inflation rate: | | | |
| | 2026: | 1.7% | Until 2027: |
| | 2027 and 2028: | 1.9% | 2028: |
| | from 2029 onwards: | 2.0% | 2029 and following: |
| | | | 1.8% |
| | | | 1.9% |
| | | | 2.0% |

The discount rate used to measure the defined benefit plans was determined by reference to yields on high-quality bonds (AA rating) with maturity date consistent with those of the related plans.

The discount rate used to measure defined benefit plans was determined on the basis of yields on bonds with an AA rating and a maturity date similar to that of the plans.

| Defined Benefit Plans (TFR) | |
|--------------------------------------|--------------|
| <u>Actuarial adjustments due to:</u> | |
| (a) Changes in financial assumptions | (412) |
| (b) Other assumptions | (1) |
| (c) experience adjustment | (28) |
| Actuarial (gains)/losses | (441) |

Sensitivity analysis conducted on the main actuarial assumptions used as of December 31, 2025 showed that a 50 basis points increase or decrease in the parameters (discount rates, salary changes, inflation rate, probability of termination of service and percentage of leaving indemnity advances) would have an impact of 5% or less on the obligations. Accordingly, the result of the analysis was considered immaterial with respect to possible effects on the financial statements.

Concerning the provision for leaving indemnities reported above, the following plan payments are expected in subsequent years:

| (amounts in thousands of Euro) | 2026 | 2027 | 2028 | 2029 | After 2029 |
|--------------------------------|-------|-------|-------|-------|------------|
| Defined Benefit Plans (TFR) | 1,784 | 1,100 | 1,071 | 1,191 | 15,542 |

The changes in the liabilities for post-employment benefits as of December 31, 2025 are shown hereunder:

| (amounts in thousands of Euro) | Post - employment benefits |
|--------------------------------|----------------------------|
| Balance at December 31, 2024 | 16,438 |
| Current service cost | 465 |
| Actuarial (Gains)/Losses | (441) |
| Indemnities paid | (1,174) |
| Balance at December 31, 2025 | 15,287 |

Other long-term employee benefits

Other long-term employee benefits meet the definition of long-term employee benefits under IAS 19 and IFRS 2 for the Company's key-management personnel. Their actuarial valuation as of December 31, 2025, determined using the projected unit credit method (PUCM) and fair value methodologies, amounted to Euro 33.3 million (Euro 34.8 million as at December 31, 2024), based on an independent actuarial appraisal.

The following table presents the changes in other long-term employee benefits for the year ended December 31, 2025:

| (amounts in thousands of Euro) | Other long term employee benefits |
|--------------------------------|-----------------------------------|
| Balance at December 31, 2024 | 34,836 |
| Current service cost | 4,930 |
| Utilization for payments | (6,434) |
| Balance at December 31, 2025 | 33,332 |

Beneficiaries of the phantom stock option plans are entitled to a cash payment based on the variable number of phantom shares assigned, subject to the achievement of the Group's economic and financial objectives and ESG targets over the vesting period of the plans.

The value of the phantom stock options is determined as the difference between the Prada share price at the end of the remuneration plan and the share price at the grant date.

As of December 31, 2025, four phantom stock option plans were outstanding for the Group's top management, with vesting period in 2026 (two plans), 2027 and 2028, for a total of 13,436,648 options.

Details of the phantom stock options assigned as of December 31, 2025 are set forth below:

| Number of Phantom stock options | |
|--------------------------------------|-------------------|
| Assigned as of December 31, 2024 | 7,026,188 |
| Increase of the period | 4,169,598 |
| Payments of the period | (539,014) |
| Forfeited shares | (143,194) |
| Total as of December 31, 2025 | 10,513,578 |

The fair value of the options assigned was determined using a Monte Carlo valuation model in accordance with IFRS2 and amounted to Euro 25.6 million.

20. Provisions for risks and charges

The changes in the provisions for risks and charges are summarised below:

| (amounts in thousands of Euro) | Provision for litigations | Provision for coverage of losses of subsidiaries / associates | Other provisions | Total |
|-------------------------------------|---------------------------|---|------------------|---------------|
| Balance at December 31, 2024 | 80 | 2,520 | 9,313 | 11,913 |
| Increases | 296 | 475 | 7,637 | 8,408 |
| Utilization | - | (1,155) | (6,354) | (7,509) |
| Reversals | - | (101) | - | (101) |
| Balance at December 31, 2025 | 376 | 1,740 | 10,595 | 12,711 |

The provisions for risks and charges represent the Directors' best estimate of the maximum outflow of resources required to settle probable liabilities. In the Directors' opinion, based on the information at the reporting date, the total amount provided is adequate to cover the obligations that may arise.

Other provisions

The other provisions for risks amounted to Euro 10.6 million as of December 31, 2025 and mainly relating to Euro 7.6 million for contractual obligations, include the Company's commitments in connections with the SEA BEYOND project.

Provision for coverage of losses of subsidiaries

The provision for coverage of losses of subsidiaries has been accrued as at December 31, 2025, as described in Note 10.

21. Other non-current liabilities

The other non-current liabilities are as follows:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Deferred income for commercial agreements | 80,765 | 89,739 |
| Other non-current liabilities | 70 | - |
| Total | 80,835 | 89,739 |

Deferred income for commercial agreements decreased by Euro 9 million compared to December 31, 2024.

22. Equity

Equity composition is set forth hereunder:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Share capital | 255,882 | 255,882 |
| Legal reserve | 51,176 | 51,176 |
| Share premium reserve | 410,047 | 410,047 |
| Other capital reserves | 182,899 | 182,899 |
| Retained Earnings | 1,954,957 | 1,524,694 |
| Cash flow hedge reserve | 8,497 | (9,341) |
| Profit for the year | 795,593 | 849,707 |
| Total | 3,659,051 | 3,265,065 |

Share capital

As of December 31, 2025, approximately 80% of Prada S.p.A.'s share capital was owned by Prada Holding S.p.A. and the remainder consisted of floating shares on the Main Board of the Hong Kong Stock Exchange.

Share capital consists of 2,558,824,000 shares with a par value of Euro 10 cents per share.

Share premium reserve

The share premium reserve has not changed from that of December 31, 2025.

Other capital reserves

The other capital reserves were created from cash contributions and debt waivers from shareholders.

Retained earnings

The increase in "retained earnings" is mainly attributable to the allocation of net income of the previous year.

Dividends

During 2025, the Company distributed dividends of Euro 419,647,136.00 (Euro 0.164 per share), as approved at the General Meeting held on April 30, 2025 to approve the December 31, 2024 financial statements.

Availability of equity

| (amounts in thousands of Euro) | December 31 2025 | Possible utilisation | Amount distributable | Summary of utilisation in the last of three years | |
|--------------------------------|---------------------|-------------------------|-------------------------|--|------------------------------|
| | | | | Coverage of losses | Distribution of dividends |
| Share capital | 255,882 | | | | |
| Share premium reserve | 410,047 | A, B, C | 410,047 | - | - |
| Legal reserve | 51,176 | B | | - | - |
| Other Reserves | 182,899 | A, B, C | 182,899 | - | - |
| Retained earnings | 1,954,957 | A, B, C | 1,934,440 | 16,176 | 811,147 |
| Cash flow hedge reserve | 8,497 | - | - | - | - |
| Distributable amount | | | 2,527,386 | 16,176 | 811,147 |

A: share capital increase
B: coverage of losses
C: distributable to shareholders

Pursuant to Article 2431 of the Italian Civil Code, the share premium reserve is fully distributable because the amount of the legal reserve is at least 20% of share capital.

In accordance with Article 7 of Italian Legislative Decree No.38/2005, Euro 20.5 million of the retained earnings is not distributable.

Statement of Profit or Loss

23. Net revenues

The net revenues are generated primarily by sales of finished products and are stated net of returns and discounts. The net sales for the year amount to almost Euro 2.9 billion (Euro 2 billion related of intercompany sales).

Royalty income is Euro 138 million and derives from cosmetic sales by L'Oreal and Coty Geneve S.a. and eyewear sales by the Luxottica Group. Royalty income rose by 13.9% on 2025.

The intercompany net sales is broken down by counterparty in Note 28.

| (amounts in thousands of Euro) | December 2025 | December 2024 |
|--------------------------------|------------------|------------------|
| Net Sales | 2,905,013 | 2,856,027 |
| Royalties | 137,756 | 120,944 |
| Total | 3,042,769 | 2,976,971 |

24. Cost of goods sold

The cost of goods sold is composed of:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| Purchases of raw materials and production costs | 934,755 | 919,719 |
| Logistic costs, duties and insurance and other | 101,434 | 86,421 |
| Change in Inventories | (35,152) | (58,188) |
| Total | 1,001,037 | 947,952 |

The cost of goods sold represented 33% of net revenues for the twelve months ended December 31, 2025, in line with 2024.

The amount of Cost of Goods Sold is broken down by counterparty in Note 28.

The following table sets forth depreciation, amortisation, impairment, labour costs and rent expenses included within the cost of goods sold:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Depreciation of right of use assets | 1,253 | 1,330 |
| Depreciation, amortisation and impairment on property, plant and equipment and intangible assets | 15,236 | 13,626 |
| Labour costs | 131,718 | 120,683 |
| Short term and low value lease (IFRS 16) | 20 | 20 |
| Fixed Rent | 7 | 3 |
| Total | 148,234 | 135,662 |

25. Operating expenses

Operating expenses are summarised below:

| (amounts in thousands of Euro) | December 31 2025 | % of net revenues | December 31 2024 | % of net revenues |
|--------------------------------------|---------------------|----------------------|---------------------|----------------------|
| Advertising and promotion expenses | 295,835 | 9.7% | 276,785 | 9.3% |
| Product design and development costs | 115,284 | 3.8% | 118,911 | 4.0% |
| Selling costs | 382,574 | 12.6% | 469,889 | 15.8% |
| General and administrative costs | 195,494 | 6.4% | 156,694 | 5.3% |
| Total | 989,187 | 32.5% | 1,022,279 | 34.3% |

The total operating expenses were Euro 989 million down by Euro 33 million from those of 2024. The decrease is attributable primarily to lower selling costs, net of greater communication activities and general and administrative expenses.

Advertising and communication costs consist of expenses incurred to carry out advertising campaigns, fashion shows and other events plus the overheads attributable to this business area. Advertising and communications costs, Euro 296 million in the twelve months ended December 31, 2025, were up by Euro 19 million from the same period of 2024.

Product design and development costs include both the design phase - i.e., research and testing of patterns, fabrics, leather and production techniques and determination of the design concept - and the product development phase, involving planning and creation of prototypes.

General and administrative costs, Euro 195 million in the twelve months ended December 31, 2025, showed an increase of Euro 39 million.

The following table sets forth depreciation, amortisation, impairment, personnel expenses and rent expenses included within the operating expenses in accordance with the requirements of IAS 1:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Depreciation of Right of Use | 59,857 | 58,166 |
| Depreciation, amortisation and impairment on property, plant and equipment and intangible assets | 81,173 | 76,976 |
| Labour costs | 310,013 | 299,710 |
| Pure Variable Lease (IFRS 16) | 7,483 | 5,927 |
| Short term and low value lease (IFRS 16) | 633 | 590 |
| Fixed Rent | 309 | 598 |
| Total | 459,468 | 441,967 |

26. Interest and other financial income / (expense), net

Interest and exchange differences are presented below in comparison with the prior reporting period:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--|---------------------|---------------------|
| Interest expenses on borrowings | (21,975) | (25,825) |
| Interest expenses IAS 19 | (591) | (831) |
| Exchange losses - realized | (2,984) | (4,127) |
| Exchange losses - unrealized | - | (2,848) |
| Interest and other financial expenses | (25,550) | (33,630) |
| Interest income | 21,602 | 24,390 |
| Exchange gains - unrealized | 1,739 | - |
| Other financial income | 5,929 | 5,797 |
| Interest and other financial income | 29,270 | 30,187 |
| Impairment on investments | (50,838) | (18,151) |
| Interest expenses on lease liabilities | (8,264) | (7,228) |
| Dividends from investments | 98,183 | 170,501 |
| Net financial income | 42,802 | 141,680 |

The exchange gains and losses refer exclusively to financial assets, including the effects of derivatives.

The interest on lease liabilities represents the present value adjustment of lease liabilities.

The impairment of investment represents the results of the impairment test performed as of December 31, 2025. For more details, please refer to Note 10.

The dividends received are presented below by counterparty, in comparison with those of the prior period:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|---|---------------------|---------------------|
| <u>From distribution of retained earnings reserves:</u> | | |
| Artisans Shoes S.r.l. | 500 | 500 |
| IPI Logistica S.r.l. | - | 2,000 |
| Prada Asia Pacific Ltd | 15,516 | 11,423 |
| Prada Canada Corp | - | 6,793 |
| Prada Japan Co Ltd | 19,451 | 14,613 |
| Prada SA | - | 90,000 |
| Prada SA - Swiss Branch | 50,000 | - |
| Prada Saipan Llc | 802 | - |
| PRM Services S. de R.L. de C.V. | - | 626 |
| Post Development Corp | 2,047 | - |
| Other equity investments | - | 111 |
| <u>From distribution of capital reserves:</u> | | |
| Post Development Corp | 9,867 | 43,660 |
| Prada Panama Sa | - | 546 |
| PRM Services S. de R.L. de C.V. | - | 230 |
| Total | 98,183 | 170,502 |

27. Income taxes

Income taxes for the year ended December 31, 2025 and the prior reporting period are set forth below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|--------------------------------|---------------------|---------------------|
| Current taxation | 305,111 | 297,094 |
| Prior year taxes | (7,085) | 10,099 |
| Deferred taxation | 1,728 | (9,230) |
| Pillar II - top-up tax | - | 750 |
| Total | 299,754 | 298,713 |

Income tax expense for the twelve months ended December 31, 2025 amounted to Euro 300 million, corresponding to an effective tax rate of 26% of profit before income taxes.

Based on the Group's best estimate, jurisdictions subject to the Pillar II rules that do not meet any of the Transitional Safe Harbour tests resulted in no accrual for the Qualified Domestic Minimum Top Up Tax (QDMTT) in Prada S.p.A. (Euro 750 thousand at December 31, 2024).

The deferred tax assets and liabilities recognised at the current and previous reporting dates are shown below by the item to which they refer:

| (amounts in thousands of Euro) | Deferred taxes, net | | Income statement effect | Equity effect |
|---|---------------------|------------------|-------------------------|----------------|
| | December 31 2025 | December 31 2024 | | |
| Employee benefits - defined benefit plans | (2) | 605 | (368) | (239) |
| Inventories | 28,587 | 31,932 | (3,345) | - |
| Property, plant and equipment | 5,594 | 4,231 | 1,363 | - |
| Intangible assets | (2,585) | (2,229) | (356) | - |
| Provisions for risks and charges | 33,582 | 32,781 | 800 | - |
| Allowance for doubtful debts | (581) | (581) | - | - |
| Derivative instruments | (2,683) | 2,950 | - | (5,633) |
| Other temporary differences | 7,277 | 7,099 | 178 | - |
| Total | 69,188 | 76,788 | (1,728) | (5,872) |

The following table shows the reconciliation between the effective tax rate and the theoretical tax rate:

| (amounts in thousands of Euro) | IRES | Eff. IRES rate | IRAP | Eff. IRAP rate | Total taxation | Eff. Total rate |
|---|----------------|----------------|---------------|----------------|----------------|-----------------|
| Theoretical tax on income before taxation | 262,883 | 24.00% | 43,086 | 3.93% | 305,970 | 27.93% |
| Dividends exempted | (20,828) | -1.90% | - | - | (20,828) | -1.90% |
| Impairment adjustment to investments | 12,414 | 1.13% | - | - | 12,414 | 1.13% |
| Other differences | 6,068 | 0.56% | (13,832) | -1.26% | (7,763) | -0.70% |
| Dividend withholding tax | 1,945 | 0.18% | - | - | 1,945 | 0.18% |
| Difference between income before taxation and net value of production | - | - | 14,291 | 1.30% | 14,291 | 1.30% |
| Foreign tax credit | (917) | -0.08% | - | - | (917) | -0.08% |
| Current taxation | 261,566 | 23.88% | 43,545 | 3.98% | 305,111 | 27.86% |
| Patent box benefit | (2,405) | -0.22% | (398) | -0.04% | (2,803) | -0.26% |
| Retroactive effects of agreements between tax authorities | (1,667) | -0.16% | (274) | -0.02% | (1,941) | -0.18% |
| Other prior year taxes | (2,133) | -0.19% | (208) | -0.02% | (2,341) | -0.21% |
| Temporary differences | 1,438 | 0.13% | 290 | 0.03% | 1,728 | 0.16% |
| Taxes for period | 256,798 | 23.44% | 42,955 | 3.93% | 299,754 | 27.37% |

28. Transactions with parent companies, subsidiaries, associates and related parties

The Company carries out trade and financial transactions with companies owned by entities that directly or indirectly control Prada S.p.A. (related parties). The balances listed in the following tables result from transactions with related parties.

The transactions regard mainly sales of goods, supplies of business services, loans, leases. The transactions take place on an arm's length basis.

The following tables report information on transactions with related parties in accordance with IAS 24, "Related Party Disclosures". The following transactions with related parties fall within the scope of application of the Hong Kong Stock Exchange Listing Rules.

Statement of financial position

| (amounts in thousands of Euro) | Trade receivables | Trade payables | Trade receivables | Trade payables |
|--|-------------------|------------------|-------------------|------------------|
| | December 31 2025 | December 31 2025 | December 31 2024 | December 31 2024 |
| Subsidiaries | 530,294 | 325,083 | 587,258 | 352,225 |
| Artisans Shoes S.r.l. | 733 | 22,035 | 756 | 22,326 |
| Church & Co Ltd | 292 | 3,011 | 348 | 3,939 |
| Figline S.r.l. | 504 | 1,260 | 526 | 3,338 |
| Hipic Prod Impex S.r.l. | 654 | 4,617 | 235 | 4,171 |
| IPI Logistica S.r.l. | 437 | 78 | 517 | 254 |
| Kenon Ltd | 6 | - | 3 | - |
| Luna Rossa Challenge S.r.l. | 86 | 43 | 2,413 | 11 |
| Luna Rossa Challenge S.r.l. - Sucursal en España | - | - | 231 | 2 |
| Marchesi 1824 S.r.l. | 1,679 | 4,084 | 768 | 1,889 |
| Marchesi 1824 S.r.l. - UK Branch | 7 | 164 | 26 | 245 |
| Pelletteria Scandicci S.r.l. | - | - | 556 | - |
| Post Development Corp | 1,948 | - | 7 | - |
| Prada (Thailand) Co Ltd | 3,033 | 10,148 | 5,431 | 6,767 |
| Prada Asia Pacific Ltd | 12,558 | 14,635 | 7,149 | 21,293 |
| Prada Australia Pty Ltd | 7,889 | 3,308 | 3,822 | 1,221 |
| Prada Austria GmbH | 5,873 | 985 | 6,173 | 908 |
| Prada Bahrain | 1,219 | 219 | - | - |
| Prada Belgium sprl | 1,780 | 1,217 | 1,620 | 1,423 |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | 20,452 | 5,126 | 31,051 | 905 |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | 13,082 | 3,849 | 15,668 | 5,281 |
| Prada Canada Corp | 8,453 | 5,887 | 4,853 | 6,694 |
| Prada Company SA | - | - | 1 | - |
| Prada Czech Republic Sro | 1,287 | 137 | 1,152 | 112 |
| Prada Denmark Aps | 1,351 | 218 | 1,559 | 613 |
| Prada Dongguan Trading Co Ltd | 39 | 9 | 57 | 62 |
| Prada Emirates Llc (*) | 3,268 | 1,419 | 3,378 | 1,259 |
| Prada Fashion Commerce (Shanghai) Co Ltd | 38,293 | 52,977 | 83,430 | 64,672 |
| Prada Germany GmbH | 11,737 | 10,974 | 14,203 | 12,355 |
| Prada Guam LLC | 282 | 855 | 263 | 752 |
| Prada Hawaii Corp. | - | - | - | - |
| Prada Hellas Sole Partner Llc | 2,660 | 143 | 1,854 | 107 |
| Prada Japan Co Ltd | 46,185 | 1,405 | 70,225 | 1,321 |
| Prada Kazakhstan Llp | 13,857 | 746 | 13,613 | 75 |
| Prada Korea Llc | 47,396 | 953 | 69,221 | 9,566 |
| Prada Kuwait Wll (*) | 548 | 5 | 579 | 0 |
| Prada Macau Co Ltd | 3,927 | 1,563 | 4,604 | 624 |
| Prada Middle East Fzco | 31,046 | 4,393 | 31,160 | 6,125 |
| Prada Monte-Carlo Sam | 3,640 | 130 | 2,801 | 60 |
| Prada Netherlands Bv | 4,707 | 2,100 | 4,671 | 1,065 |
| Prada New Zealand Ltd | 124 | 699 | 213 | 749 |
| Prada Norway As | 3,087 | 1,782 | 263 | - |
| Prada Philippines Inc | 358 | 529 | 888 | 870 |
| Prada Portugal Unipessoal Lda | 5,175 | 582 | 5,033 | 645 |
| Prada Retail Aruba Nv | 808 | 613 | 506 | 252 |
| Prada Retail France SaS | 33,397 | 21,420 | 35,032 | 15,526 |
| Prada Retail Malaysia Sdn Bhd | 1,152 | 1,137 | 1,963 | 1,023 |
| Prada Retail Mexico S. de R.L. de C.V. | 5,508 | 3,134 | 6,289 | 361 |
| Prada Retail South Africa (Pty) Ltd | 521 | 1,522 | 520 | 1,517 |
| Prada Retail UK Ltd | 25,812 | 21,015 | 28,185 | 26,372 |

| (amounts in thousands of Euro) | Trade receivables | Trade payables | Trade receivables | Trade payables |
|---|-------------------|------------------|-------------------|------------------|
| | December 31 2025 | December 31 2025 | December 31 2024 | December 31 2024 |
| Prada Retail UK Ltd - Ireland Branch | 338 | 51 | 609 | 74 |
| Prada Retail Wll | 4,982 | 380 | 4,509 | 1,744 |
| Prada Rus LLC | 23,619 | 21 | 19,794 | 18 |
| Prada SA | (8) | - | 46 | - |
| Prada Sa - Swiss Branch | 199 | 14,223 | 282 | 15,355 |
| Prada Saint Barthelemy SARL | 1,073 | 1,268 | 1,522 | 732 |
| Prada Saipan Llc | - | - | 14 | 867 |
| Prada San Marino S.r.l. | 2,067 | 1,733 | 2,237 | 184 |
| Prada Saudi Arabia Ltd | 4,786 | 4,628 | 4,521 | 3,729 |
| Prada Singapore Pte Ltd | 7,070 | 7,330 | 7,653 | 3,563 |
| Prada Spain Sl | 13,566 | 1,905 | 11,075 | 1,397 |
| Prada Sweden AB | 361 | 1,212 | 512 | 736 |
| Prada Switzerland sa | 7,383 | 6,954 | 10,382 | 4,623 |
| Prada Taiwan Ltd - Taipei Branch | 3,720 | 3,060 | 5,517 | 2,207 |
| Prada USA Corp | 92,375 | 70,728 | 51,780 | 88,429 |
| Prada Ukraine Llc | 1,204 | - | 1,204 | - |
| Prada Vietnam Limited Liability Company | 709 | 464 | 1,477 | 758 |
| Tannerie Limoges Sas | - | - | 308 | 1,059 |
| Associates / Joint ventures | 1,477 | 4,181 | 812 | 4,444 |
| Conceria Superior S.p.A. | - | - | - | 1,409 |
| Effepi S.r.l. | 48 | 789 | - | 779 |
| Filati Biagioli Modesto S.r.l. | 28 | 783 | - | 270 |
| Les Femmes S.r.l. | 1,401 | 2,607 | 812 | 1,985 |
| Luigi Fedeli e Figlio Srl | - | 2 | - | 1 |
| Parent companies | 66 | 68 | 96 | 35 |
| PRADA HOLDING S.P.A. | 66 | 68 | 96 | 35 |
| Related | 12 | 1,930 | 21 | 11 |
| Antica Buca di San Francesco SRL | 3 | - | 9 | - |
| Immobiliare Rivalsa S.p.A. (**) | - | 24 | - | 9 |
| LUDO DUE S.R.L. | - | 2,017 | - | - |
| Peschiera Immobiliare S.r.l. | 9 | 10 | 12 | 1 |
| Rino Mastrotto Group S.p.A | - | (121) | - | - |
| Total | 531,849 | 331,262 | 588,187 | 356,714 |

Note:

(*) Company consolidated based on definition of control per IFRS10

(**) Immobiliare Rivalsa S.p.A., previously an independent third party that owns a real estate property in Milan leased by the Company since 2019, was acquired in 2023 by a subsidiary of Prada Holding S.p.A. (the "Acquisition"). The right of use asset and lease liability amounts are recognised under lease agreements (including remeasurements pursuant to the automatic renewal of an existing lease) entered into between the Company and Immobiliare Rivalsa S.p.A. prior to the Acquisition.

| (amounts in thousands of Euro) | Financial receivables | Other receivables | Financial receivables | Other receivables |
|--|-----------------------|-------------------|-----------------------|-------------------|
| | December 31 2025 | December 31 2025 | December 31 2024 | December 31 2024 |
| Subsidiaries | 242,862 | 20,335 | 218,561 | 2,454 |
| Artisans Shoes S.r.l. | 7,947 | 1,623 | 8,942 | 728 |
| Church & Co Ltd | - | 153 | - | 153 |
| Figline S.r.l. | 1,305 | - | 2,658 | - |
| Hipic Prod Impex S.r.l. | 2,088 | - | 2,096 | - |
| IPI Logistica S.r.l. | - | 244 | - | 34 |
| Luna Rossa Challenge S.r.l. | 13,496 | 7,000 | 16,260 | - |
| Marchesi 1824 S.r.l. | 19,360 | 187 | 18,380 | 435 |
| Pelletteria Scandicci S.r.l. | - | - | - | 200 |
| Post Development Corp | - | 9,865 | - | - |
| Prada (Thailand) Co Ltd | 8,069 | - | 8,419 | - |
| Prada Asia Pacific Ltd | - | 404 | - | 279 |
| Prada Austria GmbH | 41 | - | 2,004 | - |
| Prada Bahrain | 3,379 | - | - | - |
| Prada Belgium sprl | 1 | - | 1,014 | - |
| Prada Dongguan Trading Co Ltd | - | 28 | - | 28 |
| Prada Fashion Commerce (Shanghai) Co Ltd | - | 3 | - | 27 |
| Prada Guam LLC | 1,184 | - | 1,665 | - |
| Prada Japan Co Ltd | 77,037 | 355 | - | 318 |
| Prada Korea Llc | 17,762 | - | 19,704 | - |
| Prada Maroc Sarlau | - | - | - | 3 |
| Prada Middle East Fzco | - | - | 13,827 | - |
| Prada Monte-Carlo Sam | - | - | 12,062 | - |
| Prada Norway As | 2,395 | 118 | 2,482 | 119 |
| Prada Retail Aruba Nv | 427 | - | 481 | - |
| Prada Retail France SaS | 14,655 | - | 24,179 | - |
| Prada Retail Malaysia Sdn Bhd | - | - | 1,294 | - |
| Prada Retail Mexico S. de R.L. de C.V. | 5,337 | - | - | - |
| Prada Retail UK Ltd | - | 73 | 11,264 | 60 |
| Prada SA | 82 | - | 10 | - |
| Prada Saudi Arabia Ltd | 28,559 | - | 23,929 | - |
| Prada Singapore Pte Ltd | - | 18 | - | 6 |
| Prada Spain Sl | - | - | 7 | - |
| Prada Switzerland sa | 30,224 | - | 28,920 | - |
| Prada Taiwan Ltd - Taipei Branch | 8,138 | - | 8,817 | - |
| Prada USA Corp | 290 | 264 | 2 | 64 |
| Prada Ukraine Llc | 1,087 | - | 1,049 | - |
| Tannerie Limoges Sas | - | - | 9,096 | - |
| Associates | 4,880 | - | 375 | - |
| Les Femmes S.r.l. | 4,880 | - | 375 | - |
| Related | - | - | - | 5 |
| Immobiliare Rivalva S.p.A. | - | - | - | 5 |
| Total | 247,742 | 20,335 | 218,936 | 2,459 |

| (amounts in thousands of Euro) | Fair value IRS "fair value through profit or loss" | |
|--------------------------------|--|------------------|
| | December 31 2025 | December 31 2024 |
| Kenon Ltd | 749 | 1,848 |

| (amounts in thousands of Euro) | Financial payables | Other payables | Financial payables | Other payables |
|--|--------------------|------------------|--------------------|------------------|
| | December 31 2025 | December 31 2025 | December 31 2024 | December 31 2024 |
| Subsidiaries | 169,931 | 5,541 | 122,291 | 6,376 |
| Artisans Shoes S.r.l. | - | 1,802 | - | 518 |
| Church & Co Ltd | 8,255 | - | 9,891 | - |
| Figline S.r.l. | 741 | 212 | - | 345 |
| Givi Holding S.r.l. | - | 177 | - | - |
| IPI Logistica S.r.l. | 1,778 | - | 1,654 | - |
| Kenon Ltd | 3,157 | - | 3,144 | - |
| Marchesi 1824 S.r.l. | - | 1,089 | - | 1,835 |
| Marchesi 1824 S.r.l. - UK Branch | 678 | - | 1,091 | - |
| Post Development Corp | 17,295 | 218 | 17,928 | - |
| Prada Asia Pacific Ltd | 21,685 | 20 | 6,425 | 189 |
| Prada Australia Pty Ltd | 7,479 | 10 | - | 15 |
| Prada Austria GmbH | 1,494 | (1) | 3,485 | - |
| Prada Belgium sprl | 130 | 2 | - | 1 |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | - | 6 | - | 6 |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | - | 8 | - | 24 |
| Prada Canada Corp | 6,192 | 12 | - | - |
| Prada Dongguan Trading Co Ltd | - | 61 | - | 61 |
| Prada Emirates Llc (*) | - | 2 | - | 2 |
| Prada Fashion Commerce (Shanghai) Co Ltd | - | 53 | - | 1,685 |
| Prada Germany GmbH | 9,357 | 2 | 5,376 | 2 |
| Prada Japan Co Ltd | - | 1 | - | 3 |
| Prada Monte-Carlo Sam | 2,619 | - | 5 | - |
| Prada Netherlands Bv | 873 | - | 6,628 | - |
| Prada New Zealand Ltd | - | - | - | 2 |
| Prada Portugal Unipessoal Lda | 1,727 | 1 | 1,332 | - |
| Prada Retail France SaS | 3,737 | 1 | 5,722 | 4 |
| Prada Retail South Africa (Pty) Ltd | - | - | - | 5 |
| Prada Retail UK Ltd | 5,883 | 6 | 4 | 18 |
| Prada Retail UK Ltd - Ireland Branch | 561 | - | 657 | - |
| Prada Sa - Swiss Branch | 4,894 | 1,572 | 30,100 | 1,572 |
| Prada Saudi Arabia | - | 1 | - | - |
| Prada Singapore Pte Ltd | 8,236 | (2) | - | (2) |
| Prada Spain Sl | 6,564 | 29 | 2,978 | 29 |
| Prada Switzerland sa | 1,386 | 2 | 14 | - |
| Prada Taiwan Ltd - Taipei Branch | - | (11) | - | (8) |
| Prada USA Corp | 55,210 | 268 | 25,857 | 70 |
| Parent companies | - | 3 | - | - |
| PRADA HOLDING S.P.A. | - | 3 | - | - |
| Total | 169,931 | 5,544 | 122,291 | 6,376 |

(*) Company consolidated based on definition of control per IFRS10

| (amounts in thousands of Euro) | Other liabilities | |
|------------------------------------|---------------------|---------------------|
| | December 31 2025 | December 31 2024 |
| Remuneration of Board of Directors | 11,702 | 10,285 |

Statement of profit or loss

| (amounts in thousands of Euro) | Net Revenues | Net Revenues | Cost of goods sold | Cost of goods sold |
|--|---------------------|---------------------|---------------------|---------------------|
| | December 31 2025 | December 31 2024 | December 31 2025 | December 31 2024 |
| Subsidiaries | 2,072,695 | 2,080,575 | 152,099 | 131,608 |
| Artisans Shoes S.r.l. | 3 | 7 | 90,920 | 80,378 |
| Church & Co Ltd | 9 | 26 | 322 | 697 |
| Figline S.r.l. | 5 | 22 | 10,316 | 8,359 |
| Hipic Prod Impex S.r.l. | 6 | 15 | 16,866 | 16,562 |
| IPI Logistica S.r.l. | - | 1 | 532 | 646 |
| Luna Rossa Challenge S.r.l. | 117 | 586 | - | - |
| Marchesi 1824 S.r.l. | 34 | 70 | 60 | 46 |
| Prada (Thailand) Co Ltd | 12,370 | 25,333 | 531 | 545 |
| Prada Asia Pacific Ltd | 47,580 | 35,547 | 2,346 | 1,388 |
| Prada Australia Pty Ltd | 15,896 | 16,962 | 3 | 4 |
| Prada Austria GmbH | 24,902 | 22,888 | 2 | 9 |
| Prada Bahrain | 2,144 | - | - | - |
| Prada Belgium sprl | 3,242 | 3,071 | 287 | 10 |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | 70,485 | 67,220 | 783 | 963 |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | 7,922 | 6,853 | - | - |
| Prada Canada Corp | 29,224 | 33,537 | 68 | 157 |
| Prada Czech Republic Sro | 3,319 | 3,344 | 1 | 4 |
| Prada Denmark Aps | 4,790 | 3,429 | 31 | - |
| Prada Dongguan Trading Co Ltd | - | - | 706 | 674 |
| Prada Emirates Llc (*) | 10 | 52 | 2,366 | 68 |
| Prada Fashion Commerce (Shanghai) Co Ltd | 285,032 | 303,801 | 285 | 174 |
| Prada Germany GmbH | 42,140 | 41,451 | 473 | 431 |
| Prada Guam LLC | (720) | (665) | - | - |
| Prada Hellas Sole Partner Llc | 9,397 | 8,344 | 1 | 3 |
| Prada Japan Co Ltd | 324,307 | 311,691 | 1,145 | 608 |
| Prada Kazakhstan Llp | 7,628 | 9,835 | (2) | (1) |
| Prada Korea Llc | 264,771 | 261,202 | 363 | 159 |
| Prada Kuwait Wll (*) | - | - | 182 | - |
| Prada Macau Co Ltd | 25,581 | 26,895 | - | - |
| Prada Middle East Fzco | 90,904 | 80,248 | (417) | (1,221) |
| Prada Monte-Carlo Sam | 12,242 | 10,386 | 36 | 256 |
| Prada Netherlands Bv | 22,384 | 21,217 | - | (0) |
| Prada New Zealand Ltd | (433) | (397) | - | - |
| Prada Philippines Inc | 660 | 1,141 | - | - |
| Prada Norway As | 3,458 | - | - | - |
| Prada Portugal Unipessoal Lda | 15,889 | 13,750 | 30 | 99 |
| Prada Retail Aruba Nv | 317 | 951 | - | 2 |
| Prada Retail France SaS | 117,171 | 124,474 | 4,894 | 4,900 |
| Prada Retail Malaysia Sdn Bhd | 8,757 | 10,663 | - | 3 |
| Prada Retail Mexico S. de R.L. de C.V. | 14,770 | 9,340 | 332 | - |
| Prada Retail UK Ltd | 78,581 | 83,688 | 7,475 | 3,319 |

| (amounts in thousands of Euro) | Net Revenues | Net Revenues | Cost of goods sold | Cost of goods sold |
|---|------------------|------------------|--------------------|--------------------|
| | December 31 2025 | December 31 2024 | December 31 2025 | December 31 2024 |
| Prada Retail UK Ltd - Ireland Branch | 1,168 | (176) | - | - |
| Prada Retail Wll | 10,825 | 6,347 | 1 | - |
| Prada Rus LLC | - | 1 | - | - |
| Prada Sa - Swiss Branch | - | 2 | - | - |
| Prada Saint Barthelemy SARL | 2,347 | 2,026 | - | - |
| Prada Saipan Llc | - | (2,063) | - | - |
| Prada San Marino S.r.l. | (218) | 2,178 | - | 1 |
| Prada Saudi Arabia Ltd | 9,470 | 6,547 | 80 | 82 |
| Prada Singapore Pte Ltd | 26,781 | 30,576 | 55 | 24 |
| Prada Spain Sl | 59,193 | 53,084 | 131 | 17 |
| Prada Sweden AB | (900) | 787 | - | (0) |
| Prada Switzerland sa | 16,429 | 19,814 | 664 | 331 |
| Prada Taiwan Ltd - Taipei Branch | 24,111 | 27,154 | 266 | 13 |
| Prada USA Corp | 376,815 | 395,422 | 7,522 | 5,413 |
| Prada Vietnam Limited Liability Company | 1,780 | 1,897 | 144 | 163 |
| Tannerie Limoges Sas | - | 1 | 2,299 | 6,322 |
| Associates / Joint ventures | - | - | 28,032 | 31,999 |
| Conceria Superior S.p.A. | - | - | 6,454 | 14,741 |
| Effepi S.r.l. | - | - | 4,779 | 182 |
| Filati Biagioli Modesto S.r.l. | - | - | 7,533 | 7,589 |
| Les Femmes S.r.l. | - | - | 8,739 | 8,577 |
| Luigi Fedeli e Figlio Srl | - | - | 527 | 910 |
| Parent companies | - | 1 | (5) | (5) |
| Antica Buca di San Francesco SRL | - | 1 | - | - |
| Peschiera Immobiliare S.r.l. | - | - | (5) | (5) |
| Total | 2,072,695 | 2,080,576 | 180,126 | 163,602 |

(*) Company consolidated based on definition of control per IFRS10

| (amounts in thousands of Euro) | Operating expenses | Operating expenses | Interest and other financial income (expenses), net | Interest and other financial income (expenses), net |
|--|--------------------|--------------------|---|---|
| | December 31 2025 | December 31 2024 | December 31 2025 | December 31 2024 |
| Subsidiaries | (20,899) | (116,498) | 6,088 | 11,006 |
| Artisans Shoes S.r.l. | (3,845) | (2,746) | 293 | 384 |
| Church & Co Ltd | (5,445) | (6,188) | (312) | (100) |
| Figline S.r.l. | 120 | 221 | 45 | 121 |
| Hipic Prod Impex S.r.l. | 346 | 304 | 110 | 404 |
| IPI Logistica S.r.l. | (98) | 198 | (11) | (60) |
| Kenon Ltd | 10 | 7 | (741) | (1,135) |
| Luna Rossa Challenge S.r.l. | (14,977) | (15,001) | 359 | 426 |
| Marchesi 1824 S.r.l. | (2,964) | (1,689) | 333 | 421 |
| Marchesi 1824 S.r.l. - UK Branch | (130) | (190) | (46) | (7) |
| Pelletteria Scandicci S.r.l. | 24 | 71 | - | - |
| Post Development Corp | 3 | 7 | (694) | (206) |
| Prada (Thailand) Co Ltd | 1,547 | 3,504 | 268 | 302 |
| Prada Asia Pacific Ltd | (4,006) | (7,166) | (148) | (3) |
| Prada Australia Pty Ltd | 1,775 | 1,812 | (26) | - |
| Prada Austria GmbH | 1,153 | 1,192 | 51 | 219 |
| Prada Bahrain | 365 | - | 394 | - |
| Prada Belgium sprl | 514 | 586 | 15 | 34 |
| Prada Bosphorus Deri Mamuller Ltd Sirketi | 3,152 | 2,308 | 1,089 | 24 |
| Prada Brasil Importação e Comércio de Artigos de Luxo Ltda | 1,110 | 1,164 | - | - |
| Prada Canada Corp | (7,592) | (8,786) | (33) | - |
| Prada Company SA | - | (63) | - | - |
| Prada Czech Republic Sro | 335 | 315 | - | - |
| Prada Denmark Aps | 480 | 590 | - | 152 |
| Prada Dongguan Trading Co Ltd | 39 | 56 | - | - |
| Prada Emirates Llc(*) | 4,740 | 3,412 | - | - |
| Prada Fashion Commerce (Shanghai) Co Ltd | 6,190 | 3,146 | - | - |
| Prada Germany GmbH | 3,740 | 4,479 | (10) | 214 |
| Prada Guam LLC | 83 | 70 | 113 | 165 |
| Prada Hellas Sole Partner Llc | 631 | 692 | - | - |
| Prada Japan Co Ltd | 15,801 | 14,742 | 385 | - |
| Prada Kazakhstan Llp | 184 | 1,394 | - | - |
| Prada Korea Llc | 7,377 | 7,917 | 456 | 531 |
| Prada Kuwait Wll | 398 | 515 | - | - |
| Prada Macau Co Ltd | 1,561 | 958 | - | - |
| Prada Middle East Fzco | 895 | 749 | 351 | 775 |
| Prada Monte-Carlo Sam | 511 | 533 | 136 | 3,341 |
| Prada Netherlands Bv | 1,034 | 993 | (42) | (126) |
| Prada New Zealand Ltd | 88 | 104 | - | 20 |
| Prada Norway As | 408 | 89 | 186 | 352 |
| Prada Philippines | (414) | (803) | - | - |
| Prada Portugal Unipessoal Lda | 772 | 690 | - | 12 |
| Prada Retail Aruba Nv | 104 | 85 | 31 | - |
| Prada Retail France SaS | 8,470 | 5,799 | 661 | 2,320 |
| Prada Retail Malaysia Sdn Bhd | 308 | 592 | 14 | 161 |
| Prada Retail Mexico S. de R.L. de C.V. | (1,099) | 3,001 | 48 | - |
| Prada Retail South Africa (Pty) Ltd | 1 | 3 | - | - |
| Prada Retail UK Ltd | 6,361 | 3,848 | 475 | 1,123 |
| Prada Retail UK Ltd - Ireland Branch | 148 | 156 | (5) | 42 |
| Prada Retail Wll | 824 | (402) | - | 755 |
| Prada Rus LLC | 5 | 96 | - | - |
| Prada SA | 15 | 48 | 3 | 1 |
| Prada Sa - Swiss Branch | (30,342) | (29,002) | (301) | (1,900) |

| (amounts in thousands of Euro) | Operating expenses | Operating expenses | Interest and other financial income (expenses), net | Interest and other financial income (expenses), net |
|---|--------------------|--------------------|---|---|
| | December 31 2025 | December 31 2024 | December 31 2025 | December 31 2024 |
| Prada Saint Barthelemy SARL | (707) | (396) | - | - |
| Prada Saipan Llc | (17) | 42 | - | 30 |
| Prada San Marino S.r.l. | 297 | 302 | 1 | 1 |
| Prada Saudi Arabia Ltd | (6,216) | (3,614) | 1,613 | 990 |
| Prada Singapore Pte Ltd | 1,538 | 2,777 | 8 | - |
| Prada Spain Sl | 2,791 | 2,708 | (16) | 89 |
| Prada Sweden AB | 271 | 352 | - | 31 |
| Prada Switzerland sa | 2,085 | 2,377 | 789 | 815 |
| Prada Taiwan Ltd - Taipei Branch | 1,540 | 2,287 | 285 | 285 |
| Prada USA Corp | (23,260) | (117,258) | (189) | (276) |
| Prada Ukraine Llc | - | - | 38 | 67 |
| Prada Vietnam Limited Liability Company | (2) | (569) | - | - |
| Tannerie Limoges Sas | 71 | 84 | 112 | 212 |
| Associates | (46) | (320) | 86 | 6 |
| Conceria Superior S.p.A. | (16) | (200) | - | - |
| Effepi S.r.l. | 139 | - | - | - |
| Filati Biagioli Modesto S.r.l. | (91) | (114) | (1) | (1) |
| Les Femmes S.r.l. | (76) | (3) | 87 | 7 |
| Luigi Fedeli e Figlio Srl | (2) | (3) | - | - |
| Parent companies | (43) | 73 | (5) | (2) |
| PRADA HOLDING S.P.A. | (43) | 73 | (5) | (2) |
| Related | (10,175) | (7,740) | (976) | (864) |
| Antica Buca di San Francesco SRL | 7 | 15 | - | - |
| Immobiliare Rivalsa Spa (**) | (5,936) | (6,023) | (887) | (645) |
| LUDO DUE S.R.L. | (903) | (1,091) | (75) | (103) |
| Peschiera Immobiliare S.r.l. | (413) | (641) | (14) | (116) |
| Rubaiyat Modern Lux.Pr. Co Ltd | (2,930) | - | - | - |
| Total | (31,163) | (124,630) | 5,191 | 10,146 |

(*) Company consolidated based on definition of control per IFRS10

(**) Immobiliare Rivalsa S.p.A., previously an independent third party that owns a real estate property in Milan leased by the Company since 2019, was acquired in 2023 by a subsidiary of Prada Holding S.p.A. (the "Acquisition"). The right of use asset and lease liability amounts are recognised under lease agreements (including remeasurements pursuant to the automatic renewal of an existing lease) entered into between the Company and Immobiliare Rivalsa S.p.A. prior to the Acquisition.

Commitments

Guarantees given

The guarantees concern:

- sureties of Euro 183 million given to third parties and related parties on behalf of Group companies;
- letters of comfort for Euro 343 million issued to banks on behalf of subsidiaries.

Other commitments

The Company had no significant binding purchase commitments as of December 31, 2025.

Additional information

Board of Director remuneration

Remuneration of Prada S.p.A. Board of Directors for the year ended December 31, 2025 is as follow:

| (amounts in thousands of Euro) | December 31 2025 |
|---|---------------------|
| Directors' fees | 48,235 |
| Salaries | 3,212 |
| Bonuses and other incentives | 4,857 |
| Benefits in kind | 146 |
| Pension, healthcare and TFR contributions | 2,280 |
| Total | 58,730 |

The Directors' Fees include both the remuneration approved by the shareholders at the Annual General Meeting and the remuneration approved by the Board of Directors, with the favorable opinion of the Board of Statutory Auditors, for the Directors holding special offices.

The Salaries of Andrea Guerra, Andrea Bonini and Lorenzo Bertelli are inclusive also of their Directors' Fees.

Statutory Auditors fees

The Statutory Auditors fees amount to Euro 150 thousands for the period.

| Fees in thousands of Euro | December 31 2025 |
|------------------------------|---------------------|
| Statutory Auditors fees: | |
| Prada S.p.A. | 150 |
| Total fees for period | 150 |

Independent Auditor's compensation

Since January 1, 2025, KPMG has been appointed as new Independent Auditor of the Company. The total fees and expenses accrued in favor of KPMG S.p.A. and its network for the audit of the financial statements for 2025, together with non-audit services, are illustrated below (amounts in thousands of Euro):

| Type of service | Audit firm | Fees in thousands of Euro |
|---|--------------|---------------------------|
| Audit services | KPMG S.p.A. | 565 |
| Audit related services | KPMG Network | 102 |
| Total fees of audit firm for period ended December 31, 2025 | | 667 |

The total fees and expenses accrued in favor of the former Independent Auditor Deloitte & Touche S.p.A. and its network for the audit of the financial statements for the year ended December 31, 2024, together with non-audit services, are illustrated below (amounts in thousands of Euro):

| Type of service | Audit firm | Fees in thousands of Euro |
|---|---------------------------|---------------------------|
| Audit services | Deloitte & Touche S.p.A. | 550 |
| Other advisory services | Deloitte & Touche Network | 150 |
| Total fees of audit firm for period ended December 31, 2024 | | 700 |

Number of employees

The average FTE (calculated through ratio between effective working hours and standard working hours) of the employees, by business division, is presented below:

| FTE | December 31 2025 | December 31 2024 |
|-------------------------------------|---------------------|---------------------|
| Production | 2,734 | 2,514 |
| Product design and development | 1,016 | 993 |
| Communications | 114 | 107 |
| Selling | 1,270 | 1,232 |
| General and administrative services | 768 | 727 |
| Total | 5,902 | 5,573 |

| Headcount | December 31 2025 | December 31 2024 |
|-----------|---------------------|---------------------|
| Executive | 158 | 140 |
| Manager | 556 | 526 |
| Staff | 2,650 | 2,542 |
| Labor | 2,491 | 2,262 |
| Total | 5,855 | 5,470 |

Employee remuneration

The remuneration of employees by business division as at December 31, 2025 and December 31, 2024 is presented below:

| (amounts in thousands of Euro) | December 31 2025 | December 31 2024 |
|-------------------------------------|---------------------|---------------------|
| Production | 147,562 | 135,485 |
| Product design and development | 82,831 | 82,045 |
| Advertising and Communications | 12,171 | 11,465 |
| Selling | 113,271 | 113,233 |
| General and administrative services | 100,717 | 91,889 |
| Total | 456,552 | 434,117 |

By order of the Board of Directors

Paolo Zannoni
Executive Deputy Chairman

Milan, March 5, 2026

CHAPTER 6

Independent Auditor's Reports



Independent Auditor's Reports

The Independent Auditor's Reports included in this Separate Annual Report are in two different formats taking into account the differences between the International Auditing Standards (ISAs) issued by the International Auditing and Assurance Standard Boards (IAASB) and the auditing standards adopted in the Italian jurisdiction (ISA Italia). Specifically, in accordance with the regulations applicable in Hong Kong, where the Company's shares are listed on the Main Board of the Hong Kong Stock Exchange, the Independent Auditor's report is issued in accordance with ISAs, while in Italy, where the Company is domiciled, the Independent Auditor's report is issued for statutory purposes in accordance with ISA Italia pursuant to art. 14 of Italian Legislative Decree no. 39 of January 27, 2010.



KPMG S.p.A.
Revisione e organizzazione contabile
Via Giovanni Battista Pirelli (snc)
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Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

Independent Auditors' Report

*To the Shareholders of
Prada S.p.A.*

Opinion

We have audited the separate financial statements of Prada S.p.A. ("the Company"), which comprise the statement of financial position as at December 31, 2025, the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union ("IFRS Accounting Standards").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the separate financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG S.p.A.
è una società per azioni
di diritto italiano
e fa parte del network KPMG
di entità indipendenti affiliate a
KPMG International Limited,
società di diritto inglese.



Ancona Bari Bergamo
Bologna Bolzano Brescia
Catania Como Firenze Genova
Lecce Milano Napoli Novara
Padova Palermo Parma Perugia
Pescara Roma Torino Treviso
Trieste Varese Verona

Società per azioni
Capitale sociale
Euro 10.415.500,00 i.v.
Registro Imprese Milano Monza Brianza Lodi
e Codice Fiscale N. 00708600159
R.E.A. Milano N. 512567
Partita IVA 00709600159
VAT number IT00709600159
Sede legale: Via Giovanni Battista Pirelli (snc)
20124 Milano MI ITALIA



Prada S.p.A.
Independent Auditors' Report
 December 31, 2025

Recoverability of investments

| Key audit matter | Audit procedures addressing the key audit matter |
|--|--|
| <p>As described in note 10 to the separate financial statements, the Company recognised investments in subsidiaries and an impairment loss of €2,855.4 million and €50.8 million, respectively.</p> <p>Investments in subsidiaries are tested for impairment whenever there is an indication of impairment. In order to perform the impairment test, the directors determined the recoverable amount based on the value in use, calculated as the sum of the present value of future cash flows expected from the business plan projections and the present value of the subsidiary's net assets at the end of the business plan period ("terminal value"). The rate used to discount cash flows was calculated using the weighted average cost of capital ("WACC") for each investment subject to impairment test, taking into consideration the parameters specific to the related geographical area. The perpetual growth rate used to calculate the terminal value was assumed to be equal to 2.5%. For some of the subsidiaries, the recoverable amount has been determined based on their equity.</p> <p>As a result of the tests performed, the company recognised impairment losses for a total of €50.8 million.</p> <p>Impairment testing is complex and requires a high level of judgement, especially in relation to:</p> <ul style="list-style-type: none"> • the expected cash flows; • the financial parameters used to calculate the discount rate. <p>For the above reasons and due to the materiality of the relevant captions, we believe that the recoverability of investments in subsidiaries is a key audit matter.</p> | <p>Our audit procedures, which also involved our specialists, included:</p> <ul style="list-style-type: none"> • understanding the process adopted to identify the investments in subsidiaries that might have been impaired; • understanding the process adopted to prepare the business plan and measure the value in use of the investments in subsidiaries and CGUs for which triggers events had been identified; • checking any discrepancies between the previous year forecast and actual figures, in order to check the accuracy of the estimation process adopted; • analysing the reasonableness of the expected cash flows and the main assumptions used by the directors to prepare the business plan for impairment testing purposes; • assessing the model used to measure value in use and the reasonableness of the related assumptions, especially in relation to the discount rate, and comparing them to external information, if any; • assessing the appropriateness of the disclosures provided in the notes. |

Other matter

The separate financial statements of the Company as at and for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on March 4, 2025.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Separate Annual Report 2025, but does not include the separate financial statements and our auditors' report thereon.



Prada S.p.A.
Independent Auditors' Report
December 31, 2025

Our opinion on the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors and those charged with governance for the separate financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;



Prada S.p.A.
Independent Auditors' Report
 December 31, 2025

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Milan, March 5, 2026

KPMG S.p.A.

Daniele Urso
 Director of Audit



(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Prada S.p.A.

**Separate financial statements as at and for
the year ended 31 December 2025**

(with independent auditors' report thereon)

KPMG S.p.A.
5 March 2026



KPMG S.p.A.
 Revisione e organizzazione contabile
 Via Giovanni Battista Pirelli (snc)
 20124 MILANO MI
 Telefono +39 02 6763.1
 Email it-fmauditaly@kpmg.it
 PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010

To the shareholders of
 Prada S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Prada S.p.A. (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended and notes thereto, including material accounting policy information.

In our opinion, the separate financial statements give a true and fair view of the financial position of Prada S.p.A. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the separate financial statements" section of our report. We are independent of the Company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other matters

The Company's 2024 separate financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 4 March 2025.

KPMG S.p.A.
 è una società per azioni
 di diritto italiano
 e fa parte del network KPMG
 di entità indipendenti affiliate a
 KPMG International Limited,
 società di diritto inglese.



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 Bologna Bolzano Brescia
 Catania Como Firenze Genova
 Lecce Milano Napoli Novara
 Padova Palermo Parma Perugia
 Pescara Roma Torino Treviso
 Trieste Varese Verona

Società per azioni
 Capitale sociale
 Euro 10.415.500,00 i.v.
 Registro Imprese Milano Monza Brianza Lodi
 e Codice Fiscale N. 00709600159
 R.E.A. Milano N. 512667
 Partita IVA 00709600159
 VAT number IT00709600159
 Sede legale: Via Giovanni Battista Pirelli (snc)
 20124 Milano MI ITALIA



Prada S.p.A.
Independent auditors' report
31 December 2025

Responsibilities of the Company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the Company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the Company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;



Prada S.p.A.
Independent auditors' report
31 December 2025

- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10

The Company's directors are responsible for the preparation of a directors' report at 31 December 2025 and for the consistency of such report with the related financial statements and its compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report with the separate financial statements;
- express an opinion on the compliance of the directors' report with the applicable law;
- issue a statement of any material misstatements in the directors' report.

In our opinion, the directors' report is consistent with the Company's separate financial statements at 31 December 2025.

Moreover, in our opinion, the directors' report has been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Milan, 5 March 2026

KPMG S.p.A.

(signed on the original)

Daniele Urso
Director of Audit

CHAPTER 7

Report of the Board of Statutory Auditors



Courtesy translation

PRADA S.p.A.
Registered Office: Via Antonio Fogazzaro, 28 - 20135 Milan
Registered with the Milan Companies Register under No. 1343952
Tax Code and VAT No. 10115350158

**REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS'
MEETING PURSUANT TO ARTICLE 2429, PARAGRAPH 2, OF THE ITALIAN CIVIL
CODE**

To the Shareholders of Prada S.p.A. (“Prada” or the “Company”),

During the financial year ended 31st December 2025, our activities have been conducted in accordance with the provisions of the law and the Rules of Conduct for the Board of Statutory Auditors of unlisted companies issued by the National Council of Chartered Accountants and Accounting Experts, Issued in December 2024 and effective as of 1 January 2025.

In compliance with the duties assigned to us by law, the Board of Statutory Auditors has carried out its supervisory activities concerning compliance with the law and the Company’s Articles of Association, adherence to principles of sound management, the adequacy and functioning of the organizational structure within its areas of competence, the adequacy and effectiveness of the internal control system, the adequacy and functioning of the administrative-accounting system, and the reliability of the latter in accurately representing the Company’s operations, as well as the practical implementation of corporate governance rules.

It should be noted that, with regard to the independent audit of accounts pursuant to Article 14 of Legislative Decree No. 39/2010, as well as Articles 2409-bis et seq. of the Italian Civil Code, such duties were entrusted to the audit firm KPMG S.p.A., following the reasoned proposal of the Board of Statutory Auditors and by resolution of the ordinary shareholders’ meeting held on 30 April 2025, in accordance with Article 2477 of the Italian Civil Code, for the three-year period 2025–2027.

With this report, we hereby inform you of the activities carried out and the results achieved.

The financial statements of Prada S.p.A. as of 31st December 2025, have been submitted for your review. These financial statements have been prepared in compliance with International Accounting Standards (IAS/IFRS) and the relevant interpretative principles and show a net profit of EUR 795,593,167.

The Independent Auditor, KPMG S.p.A., submitted its audit report to us on 5th March 2026, pursuant to Article 14 of Legislative Decree No. 39/2010 and the International Standards on Auditing (ISA Italia), containing an unqualified opinion. According to the statements included in the Independent Auditor’s report, the financial statements provide a true and fair view of the Company’s financial position as of 31st December 2025, as well as its financial performance and cash flows for the financial year ended on that date, in compliance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union. Furthermore, the aforementioned report contains an opinion, issued pursuant to Article 14, paragraph 2, letters e), e-bis), and e-ter) of Legislative Decree No. 39/2010, regarding the consistency of the management report with the corresponding financial statements for the financial year ended 31st December 2025, and its compliance with applicable legal provisions.

On the same date, 5th March 2026, KPMG S.p.A., in accordance with applicable regulations, issued the audit report on the consolidated financial statements pursuant to Article 14 of Legislative

Decree No. 39/2010 and the International Standards on Auditing (ISA Italia), also containing an unqualified opinion. According to the statements included in the independent auditor's report, the consolidated financial statements provide a true and fair view of the Prada Group's financial position as of 31st December 2025, as well as its financial performance and cash flows for the financial year ended on that date, in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Union. Furthermore, the aforementioned report contains an opinion, issued pursuant to Article 14, paragraph 2, letters e), e-bis), and e-ter) of Legislative Decree No. 39/2010, regarding the consistency of the management report with the corresponding consolidated financial statements for the financial year ended 31st December 2025, and its compliance with applicable legal provisions.

As the Board of Statutory Auditors is not responsible for conducting the legal audit, we performed the supervisory activities on the financial statements as required under Rule 3.8 of the "Rules of Conduct for the Board of Statutory Auditors of Unlisted Companies." These activities consisted of an overall summary review aimed at verifying that the financial statements have been properly prepared. It should be noted that the responsibility for verifying compliance with the accounting records rests exclusively with the Independent Auditor.

1) Supervisory Activities Pursuant to Article 2403 et seq. of the Italian Civil Code

We have supervised compliance with the law and the Company's Articles of Association, adherence to the principles of sound governance, and particularly the adequacy of the organizational structure, the administrative and accounting system, and their effective operation.

We have participated in Shareholders' Meetings and Board of Directors' meetings, during which, based on the information available to us, we did not identify, within the decisions taken, any violations of the law or the Articles of Association, nor any transactions that appeared manifestly imprudent, excessively risky, potentially conflicting with the Company's interests, or liable to compromise the integrity of the Company's assets.

We have obtained information from the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer during meetings regarding the general performance of operations and their foreseeable evolution, as well as strategic transactions and major transactions undertaken by the Company due to their size or nature. Based on the information acquired, we have no specific observations to report.

Throughout the 2025 financial year, we supervised the proper functioning of the Company's internal control system, participating in meetings of the Control and Risk Committee and being consistently informed about the internal audit activities carried out by the Internal Audit function. Particular attention was given to the timing and content of planned audits, their progress, results, and corrective actions implemented. We verified that these activities were conducted with the primary objective of safeguarding the Company's assets, ensuring the efficiency and effectiveness of corporate operations, enhancing the reliability of financial reporting, and ensuring compliance with applicable regulations.

The Board of Statutory Auditors has reviewed the Sustainability Report for the 2025 financial year, as approved by the Board of Directors, and has verified the consistency of the information contained therein with the Group's strategic objectives and the principles of transparency and accuracy of information.

We have periodically met with the Independent Audit Firm to obtain information regarding the results of the audit procedures performed on the financial statements to assess the effectiveness and actual functioning of the Company's internal control system. These meetings have not revealed any additional significant facts or information that require specific mention in this report.

We have met with the Supervisory Body and have been continuously informed about the initiatives undertaken by the Compliance function under Legislative Decree No. 231/2001, particularly in relation to training, prevention, and detection of conflicts of interest, as well as compliance monitoring with the Code of Conduct and regulatory provisions. These meetings have not revealed any critical issues regarding the correct implementation of the Organizational Model that would require mention in this report.

We have gained knowledge of and monitored, to the extent of our responsibilities, the adequacy and functionality of the Company's organizational structure, particularly by obtaining information on structural changes within the Company during the financial year, including gathering insights from function heads. In this regard, we have no specific observations to report. Similarly, we have gained knowledge of and monitored, to the extent of our responsibilities, the adequacy and functionality of the administrative and accounting system, as well as its reliability in accurately representing management events. This assessment was carried out by obtaining information from function heads, the statutory audit firm, and reviewing corporate documents. In this regard, we have no specific observations to report.

No reports have been submitted by shareholders pursuant to Article 2408 of the Italian Civil Code.

No petition has been filed with the Court pursuant to Article 2409 of the Italian Civil Code.

During the 2025 financial year, we did not submit any reports to the management body pursuant to Article 25-octies of Legislative Decree No. 14 of January 12th, 2019.

During the financial year 2025, we did not receive any reports from the Independent Auditor pursuant to and for the purposes of Article 25-octies of Legislative Decree No. 14 of 12 January 2019.

During the 2025 financial year, we did not receive any notifications from public creditors pursuant to Article 25-novies of Legislative Decree No. 14 of January 12th, 2019.

During the financial year 2025, the Board of Statutory Auditors issued the following opinions: on 22nd January 2025, the reasoned proposal concerning the appointment of the statutory audit firm for the financial years 2025, 2026 and 2027; and on 30th July 2025, during the meeting of the Board of Directors, a favourable opinion regarding the resolution approving the appointment, by way of co-optation, of Ms. Ilaria Resta as an Independent Non-Executive Director of the Company, replacing Ms. Marina Sylvia Caprotti, who had resigned from office.

During the course of the supervisory activities described above, no other significant facts have emerged that would require mention in this report.

2) Observations on the Financial Statements

We have examined the draft financial statements for the year ended 31st December 2025, which have been prepared in accordance with the International Accounting Standards IAS/IFRS and the related interpretative pronouncements ("IFRSs") issued by the International Accounting Standards Board (IASB) and adopted by the European Union. For the purposes hereof, the term IFRSs also includes the interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Since we have not been entrusted with the legal audit of the annual financial statements, we have supervised the general approach and the general compliance with the law with regard to their formation and structure. In this regard, we have no specific observations to report.

The Board of Statutory Auditors has verified compliance with legal provisions regarding the preparation of the management report, as well as the consistency of the financial statements with the facts and information of which we have been made aware. In this regard, we have no specific observations to report.

To the best of our knowledge, the Directors have not departed from legal provisions in the preparation of the financial statements pursuant to Article 2423, paragraph 5, of the Italian Civil Code.

The Board of Statutory Auditors has reviewed the impairment test procedure adopted, which has been examined by the Control and Risk Committee and approved by the Board of Directors.

With reference to the significant events that occurred during the financial year 2025, the Board of Statutory Auditors notes that, on 2nd December 2025, the Company completed the acquisition of 100% of the share capital of the Versace Group from Capri Holding, for a consideration of Euro 1,395 million, paid in cash and subject to adjustment upon determination of the final purchase price. With regard to the other significant events that occurred during the financial year 2025, the Board of Statutory Auditors refers to the information provided in the Explanatory Notes.

Pursuant to Article 2426, paragraph 6, of the Italian Civil Code, we have expressed our consent to the retention in the balance sheet assets of goodwill amounting to EUR 110,432 thousand, of which EUR 90.9 million pertains to the CGU "Prada" and EUR 19.5 million pertains to the CGU "Miu Miu". The impairment tests conducted as of 31st December 2025, have not identified any impairment losses for the aforementioned CGUs.


The Company has also prepared the consolidated financial statements and the consolidated management report.

3) Observations and Proposals on the Approval of the Financial Statements

Considering the results of the activities we performed and the unqualified opinion expressed in the audit report issued by the Independent Auditor, which was made available to us on 5th March 2026, the Board of Statutory Auditors finds no impediments to the approval of the financial statements of Prada S.p.A. for the financial year ended 31st December 2025, as prepared by the Directors, nor to the proposal submitted by the Directors regarding the allocation of net profit.

Milan, 12th March 2026

The Board of Statutory Auditors

Roberto Spada 

Patrizia Arienti 

Maria Luisa Mosconi 

