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PRADA S.p.A.

Registered office at Via A. Fogazzaro n. 28, Milan, Italy
Registry of Companies of Milan, Monza, Brianza, Lodi (Italy): No. 10115350158
(Incorporated under the laws of Italy as a joint-stock company with limited liability)
(Stock Code: 1913)

INSIDE INFORMATION ANNOUNCEMENT

CAPITAL MARKETS DAY - UNAUDITED COMMERCIAL AND FINANCIAL UPDATE FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

PROPOSED ADDITIONAL DIRECTORS

The Board of Directors (the “**Board**”) of PRADA S.p.A. (the “**Company**” and, together with its consolidated subsidiaries, the “**Prada Group**”) is pleased to announce that the Group today hosts a Capital Markets Day on its strategy for long-term growth and on the actions it has taken to navigate the evolving luxury market.

This is an event dedicated to the financial community with the aim of providing an update of the performance of the Prada Group for the nine months ended September 30, 2021 and on the medium-term corporate strategy. The Board wishes to keep the shareholders of the Company and any potential investors, timely and duly informed about the latest business development of the Prada Group. This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

STRATEGY HIGHLIGHTS

- Consistently distinctive identity
- Investment in style, quality and product uniqueness
- Focus on direct distribution, to increase store productivity and online penetration
- Strengthened investment in industrial know-how and further vertical integration
- Increased commitment to sustainability, with concrete actions and ambitious targets
- Investment in people and technological infrastructure

2021 THIRD QUARTER TRADING UPDATE

- 2021 retail revenue well above 2019 levels for the first nine months of the year. Further acceleration in retail sales: up 18% in Q3-21 on 2 years stack at constant exchange rates (Americas +86%, Middle East +51%, Asia Pacific +28%, Europe -2% and Japan -19%)
- Net revenues of the Prada brand Euro 1,918 million (+52% at constant exchange rates against the same period of nine months of 2020). The net revenues for the same period of 2019 were Euro 1,844 million
- Net revenues of the Miu Miu brand Euro 279 million (+32% at constant exchange rates against the same period of nine months of 2020). The net revenues for the same period of 2019 were Euro 321 million. Strong performance in Asia and Middle East well above 2019 level.
- Gross margin steadily above 76% since Q3-21
- Continuing online outstanding growth: more than 400% in Q3-21 vs Q3-19
- Further profitability improvement in Q3-21 across key metrics
- EBIT margin above 2019 level
- Strong cash flow generation and Net Working Capital improvement
- Net Financial Position close to zero at the end of September 2021
- Strong sales momentum continuing in Q4-21 to date
- Dividend policy to return to pre pandemic level

MEDIUM-TERM FINANCIAL TARGETS

- Revenue target of about 4.5 billion EUR
- EBIT margin target of about 20% of total revenues
- Double online penetration to 15% of retail revenues
- Increase retail sales density by 30-40%

UNVEILING AN AMBITIOUS CLIMATE STRATEGY AND THE PROPOSED APPOINTMENT OF TWO ENVIRONMENTAL, SOCIAL AND GOVERNANCE EXPERTS TO THE BOARD OF PRADA S.P.A. TO FURTHER ESG STRATEGY AND PRACTICES

The Company is pleased to announce an ambitious road to a Net-zero Climate strategy and that it will soon start the usual procedures to propose Ms. Pamela Culpepper, a Founding Member of Have Her Back Consulting firm and Ms. Anna Maria Rugarli, Corporate Sustainability Vice President of Japan Tobacco International, both having a strong background and substantial experience in environmental, social and governance (“**ESG**”) matters, to be elected to the Board of the Company, which will be closer to gender equality, subject to the approval at a general meeting of the shareholders of the Company. The Company will publish a circular to the shareholders, which will include the particulars required under Rule 13.51(2) of the Listing Rules, in due course. The two proposed Board members, once elected, will advance the Group’s ESG strategy and practices and they will also be part of a new ESG Board Committee alongside Mr. Lorenzo Bertelli, Head of Corporate Social Responsibility.

COMPANY'S CEO COMMENT

Mr. Patrizio Bertelli, Chief Executive Officer of the Company, commented:

“The Prada Group has a thoughtful and pioneering vision of fashion. At a time of significant cultural and societal change, luxury needs to continue evolving coherently with the market. Our dialogues and fluid perspectives continually reinterpret luxury. By being relevant, sustainable and impactful, we will drive long-term growth.”

PRESENTATION TO INVESTORS

Immediately after publication of this Announcement, the Company will publish a presentation of the Capital Markets Day at the Company's website: www.pradagroup.com. Shareholders and potential investors may access the document by clicking “Reports and Presentations” under “Investors” on the home page of the Company's website.

The above information is based on the Board's preliminary review of the internal data currently available and gathered by the Company only and is not intended to be a comprehensive statement of the Prada Group's financial or operational result. The said information and data have not been audited or reviewed by the Company's auditors and may be subject to change and adjustment. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company and should not rely solely on such information.

By Order of the Board
PRADA S.p.A.
Mr. Paolo Zannoni
Chairperson

Milan (Italy), November 18, 2021

As at the date of this announcement, the Company's executive directors are Mr. Paolo ZANNONI, Ms. Miuccia PRADA BIANCHI, Mr. Patrizio BERTELLI, Ms. Alessandra COZZANI and Mr. Lorenzo BERTELLI; the Company's non-executive director is Mr. Stefano SIMONTACCHI and the Company's independent non-executive directors are Ms. Marina Sylvia CAPROTTI, Mr. Maurizio CEREDA and Mr. Yoël ZAOUÏ.