Agenda

Patrizio Bertelli – CEO
Business Update

Lorenzo Bertelli – Marketing Director and Head of CSR
Key ESG and Marketing Initiatives

Alessandra Cozzani – CFO
FY-2021 Financial Review

Paolo Zannoni – Executive Chairman
Outlook

Q&A Session
Agenda

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Q&A Session
2021 Strategic Progress (1/2)
On track

**Prada Group’s Distinctive Vision**
- Continued to evolve coherently with the market, reinterpreting luxury
- Relevant, sustainable and impactful

**Style, Quality, And Unique Products**
- Strong growth across all categories
- Increased product value and broadened price architecture
- Introduced new categories

**Focus on Direct Distribution**
- Strengthened direct channels and invested in store network
- Special pop-up: 68 Prada and 12 Miu Miu in FY-21
- Outstanding online growth
### 2021 Strategic Progress (2/2)

**On track**

### Industrial Know-How and Vertical Integration
- Increased vertical integration
- Reduced complexity
- Invested in manufacturing sites and capabilities

### Increased Commitment to Sustainability
- Two new Board members with strong sustainability credentials
- Substantial Board-level gender parity
- Scope 1 & 2 emissions reduction on track

### Investment in People and Technology infrastructure
- Continued to invest in human resources and new talents
- Technology and IT transformation programme ongoing

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**Industrial Know-How and Vertical Integration**

- Increased vertical integration
- Reduced complexity
- Invested in manufacturing sites and capabilities

**Increased Commitment to Sustainability**

- Two new Board members with strong sustainability credentials
- Substantial Board-level gender parity
- Scope 1 & 2 emissions reduction on track

**Investment in People and Technology infrastructure**

- Continued to invest in human resources and new talents
- Technology and IT transformation programme ongoing
Results Highlights - Revenues
Strong growth in 2021

• Retail sales up +15% vs. FY-19, with a marked acceleration in Q4 at +24%
• Relevance with domestic consumers globally
• Remarkable performance in Asia, Americas, Middle East. Europe also above 2019
• Acceleration across all product categories
• Outstanding online growth: FY-21 online sales 5x FY-19 level
• Total revenues up +8% vs. FY-19 notwithstanding voluntary meaningful wholesale rationalisation
Results Highlights - Profitability & Cash Flow
Excellent progress in 2021

• Gross margin at 75.7% for FY-21, with H2 at 76.8%

• EBIT margin at 14.5% for FY-21, with H2 at 17.4%

• Strong operating cash flow (€ 751 mln) with further improvement in net working capital driven by supply chain excellence

• Positive net financial position of € 238 mln at year-end
2022 Priorities
Continue long-term strategy for growth

• Constantly adapt to highly complex and fast-evolving environment

• Continue to increase product content, quality and uniqueness

• Reinforce dialogue with younger generations and customer engagement

• Further invest in digital and in our retail network to enhance the customer experience

• Streamline manufacturing processes and shorten supply chain

• Integrate ESG strategy fully within the business
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Q&A Session
Prada: pioneer in marketing and communications
Highly successful brand moments and campaigns

Innovative fashion show formats.
Excellent performance
- Prada FW22 Menswear show
  Mentions: 72k + 42% vs FW21
- Prada FW22 Womenswear show
  Mentions: 63k +132% vs FW21

Successful Prada Men’s advertising campaign featuring Tom Holland
- Engagement rate: +181% vs avg 2021

TikTok Prada Bucket Hat Challenge
- 9.5 bn views
- #2 searched women’s product brand in Q4-21 LYST ranking

New interpretation of gaming
- Prada Linea Rossa Riders Republic® in partnership with Ubisoft

First-of-its-kind NFT collaboration
- adidas for Prada re-source
Miu Miu: high visibility marketing and communications
Coherent with brand DNA

Miu Miu successful fashion show format

Partnership with New Balance to further support the Miu Miu exposure

- Mentions: +88% vs SS21

**Basic Instincts: Miu Miu SS22 advertising campaign featuring Hailey Bieber**

- Engagement rate:
  +8,3% vs avg 2021

**Viral Mini-Skirt:**

- Most in demand item of the collection
- Outstanding visibility in media exposure and celebrities
- Dedicated independent fan pages and social media accounts
Brand heat and leadership: Prada & Miu Miu FY 2021

**PRADA**

- Prada.com website traffic\(^1\): +59% visits YOY

- Share of Search effectiveness\(^2\): +55% 2021 vs 2020

- Among the hottest brands: Top 3 Q4 2021 Lyst Index

**Miu Miu**

- miumiu.com website traffic\(^1\): +13% visits YOY

- Share of Search effectiveness\(^2\): +35% 2021 vs 2020

- Entering the ranking: #20 Q4 2021 Lyst Index

\(^1\) Source Adobe Analytics

\(^2\) Source Adobe Analytics - Growth of search traffic to website, including natural and paid search (not limited to Google)
ESG Agenda
Three pillars across Group activities

DRIVERS OF CHANGE

for PLANET
We commit to shape our operations to reduce our footprint
• Mitigate our impact on climate change
• Preserve the ecosystems
• Embrace circular thinking

for PEOPLE
We commit to an inclusive, creative and fair workplace
• Champion diversity and promote inclusion
• Foster creativity and knowhow preservation
• Ensure wellbeing and fair workplace

for CULTURE
We commit to share our values and to build a sustainable society
• Contribute to cultural debate
• Further sustainability literacy
• Inspire scientific evolution

WITH PARTNERS
We commit to engage with our partners to strengthen our sustainability path
## Continued ESG focus
### Concrete actions and progress

<table>
<thead>
<tr>
<th>Governance</th>
<th>Climate Strategy</th>
<th>Materials Innovation</th>
<th>Diversity &amp; Inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>- ESG Board Committee formalized</td>
<td>- SBTs business ambition for 1.5°C (*)</td>
<td>- Re-Nylon: achieved full conversion</td>
<td>- Substantial gender parity at Board level</td>
</tr>
<tr>
<td>- Pamela Culpepper and Anna Maria Rugarli appointed to the Board and already focused on ESG progress</td>
<td>- Scope 1 &amp; 2 emissions reduction on track, identification of scope 3 reduction actions</td>
<td>- New strategic membership with Textile Exchange</td>
<td>- First luxury fashion Group to join The Valuable 500</td>
</tr>
<tr>
<td></td>
<td>- Carbon neutral for scope 1 &amp; 2 emissions by mid-2022</td>
<td>- Full certification by Leather Working Group by 2023</td>
<td>- Progress on DE&amp;I agenda (**)</td>
</tr>
<tr>
<td></td>
<td>- Leading position in LEED green building certifications</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(*) Science based targets initiatives

(**) Diversity, Equity and Inclusion
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Q&A Session
Key Financials Summary
Solid growth and continued profitability improvement

FY Revenues:
€3,366m (+41% vs. 20 / +8% vs. 19) *

Retail Revenues (€m) and growth (%) *

FY EBIT:
€489m

EBIT (€m) and margin (%)

FY Operating Cash Flow **:
€ 751m

Net Financial Position (€m) ***

(*) at constant exchange rates (%)

(**) Generated by operating activities

(***) (Net debt) / Net Cash position
Net sales by Channel
Retail sales well above 2019 levels more than offsetting wholesale rationalisation

<table>
<thead>
<tr>
<th>€ mln / % change same FX</th>
<th>FY 21</th>
<th>FY 21 vs. FY 20</th>
<th>FY 21 vs. FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>2,931</td>
<td>+40%</td>
<td>+15%</td>
</tr>
<tr>
<td>Wholesale</td>
<td>386</td>
<td>+41%</td>
<td>-29%</td>
</tr>
<tr>
<td>Total</td>
<td>3,317</td>
<td>+40%</td>
<td>+8%</td>
</tr>
</tbody>
</table>

**Retail**
- Excellent performance driven by full price sales
- 10% of stores closed on average during the period (17% in H1 and 3% in H2)
- Outstanding growth in online sales (5x FY-19 and strong double digit vs. FY-20)
- Stable retail network: 635 DOS end of December 2021, +2 net vs. FY-20

**Wholesale**
- Selective approach to traditional wholesale and e-tailers
Retail sales trend
Strong acceleration vs. 2019

% average store closed

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q1-21</th>
<th>Q2-21</th>
<th>Q3-21</th>
<th>Q4-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>% average</td>
<td>22%</td>
<td>13%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Q1-21</td>
<td>3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2-21</td>
<td></td>
<td>13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3-21</td>
<td></td>
<td></td>
<td>18%</td>
<td></td>
</tr>
<tr>
<td>Q4-21</td>
<td></td>
<td></td>
<td></td>
<td>24%</td>
</tr>
</tbody>
</table>
**Retail sales by Geography**  
Outstanding growth in US, Asia and ME, good rebound in EU and JP

<table>
<thead>
<tr>
<th>€ mln / % change same FX</th>
<th>FY-21</th>
<th>FY 21 vs. FY 20</th>
<th>FY 21 vs. FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>1,192</td>
<td>+29%</td>
<td>+30%</td>
</tr>
<tr>
<td>Europe</td>
<td>749</td>
<td>+35%</td>
<td>-11%</td>
</tr>
<tr>
<td>Americas</td>
<td>572</td>
<td>+103%</td>
<td>+69%</td>
</tr>
<tr>
<td>Japan</td>
<td>297</td>
<td>+16%</td>
<td>-17%</td>
</tr>
<tr>
<td>Middle East</td>
<td>121</td>
<td>+62%</td>
<td>+43%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,931</td>
<td>+40%</td>
<td>+15%</td>
</tr>
</tbody>
</table>

**Asia Pacific**  
- Very solid double digit growth on a 2-year stack notwithstanding renewed restrictions in August and December  
- Sustained demand in key markets throughout the period vs. 2019: China +56%, Korea +90%, Taiwan +61%

**Europe**  
- Solid rebound in H2-21 driven by local customers  
- Turned positive in Q4-21 above 2019 levels, in spite of renewed COVID-19 restrictions

**Americas**  
- Sharp increase throughout the year  
- Strong progress across all countries: US, Canada and Latin America

**Japan**  
- Covid-19 restrictions highly impacting sales in the first 9 months  
- Gradual recovery, returning to 2019 sales levels in Q4-21

**Middle East**  
- Strong growth driven by locals and some resumption in tourism
Retail sales organic growth vs. 2019 by Geography
Outstanding growth in US, Asia and ME, good rebound in EU and JP

Asia Pacific

Europe

Americas

Japan

Middle East

PRADA Group
## Retail sales by Product

**Acceleration across all categories – all growing double digit in H2-21 vs. 2019**

<table>
<thead>
<tr>
<th></th>
<th>£ mln / % change same FX</th>
<th>FY 21</th>
<th>FY 21 vs. FY 20</th>
<th>FY 21 vs. FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leather Goods</td>
<td></td>
<td>1,530</td>
<td>+31%</td>
<td>+7%</td>
</tr>
<tr>
<td>Ready to Wear</td>
<td></td>
<td>826</td>
<td>+53%</td>
<td>+36%</td>
</tr>
<tr>
<td>Footwear</td>
<td></td>
<td>521</td>
<td>+49%</td>
<td>+16%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>54</td>
<td>+70%</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2,931</td>
<td>+40%</td>
<td>+15%</td>
</tr>
</tbody>
</table>

### Leather Goods
- High demand from iconic and new bags lines
- Outstanding growth from accessories
- Well balanced growth across multiple price points and materials

### Ready to Wear
- Superior performance testifying design leadership
- Success of Prada and Miu Miu collections
- Progress in high-performance fashion sportswear: Linea Rossa, Adidas/Prada Re-nylon

### Footwear
- Lifestyle and new collections drove a sharp acceleration in H2-21
## Retail sales by Brand

Outstanding performance of the Prada brand, Miu Miu turnaround on track

<table>
<thead>
<tr>
<th>Brand</th>
<th>€ mln / % change same FX</th>
<th>FY 21</th>
<th>FY 21 vs. FY 20</th>
<th>FY 21 vs. FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prada</td>
<td></td>
<td>2,537</td>
<td>+44%</td>
<td>+21%</td>
</tr>
<tr>
<td>Miu Miu</td>
<td></td>
<td>347</td>
<td>+20%</td>
<td>-7%</td>
</tr>
<tr>
<td>Church’s</td>
<td></td>
<td>30</td>
<td>+11%</td>
<td>-41%</td>
</tr>
<tr>
<td>Other (*)</td>
<td></td>
<td>17</td>
<td>+67%</td>
<td>-9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>2,931</td>
<td>+40%</td>
<td>+15%</td>
</tr>
</tbody>
</table>

(*) includes Marchesi and Car Shoe

### Prada
- Robust growth on a 2-year basis, accelerating QoQ
- Double digit growth across all categories relative to 2019 in both semesters

### Miu Miu
- Sequential improvement across the year vs. 2019
- Outstanding performance in RTW, strong double-digit growth vs. 2019
- Success of denim collections / *Upcycled by Miu Miu* collaboration with Levi’s

### Church’s
- Heavily impacted by the unfavourable geographic exposure (~80% sales generated in EU)
Gross margin development
Margins at record high

- Gross margin increased to ~ 77% in H2
- Driven by richer product mix, channel / country mix and scale
Operating costs
Effective cost management, increasing investments in A&P

€ mln

- Total opex increased by:
  +19% vs. 2020 (+20% at constant fx)
  +2% vs. 2019 (+4% at constant fx)
**EBIT bridge**

Sharp profitability improvement in H2

€ mln

**H1-19**
- **Revenues**: 150
- **Opex**: -69
- **Gross Margin**: +58
- **EBIT Margin**: 10%
- **H1-21**: 166

**H2-19**
- **Revenues**: 156
- **Opex**: -71
- **Gross Margin**: +209
- **EBIT Margin**: 11%
- **H2-21**: 324

**H2-19 vs. H2-21**
- **Revenues**: +107% vs. 2019
- **Gross Margin**: +50% vs. 2020
- **Opex**: -71
- **EBIT Margin**: 17%
Capex
Invest in our retail network, supply chain and IT backbone

€ mln

- Corporate, IT & Industrial
- Real estate
- Retail

FY-20
- 122
- 61
- 61

FY-21
- 216
- 71
- 59
- 86

- 2 net openings
- ~120 renovation and relocation projects
• Significant improvement in NWC, closing the year at 18% on sales, well below 2019 level
• Trade payables up due to increasing production activities
# Net Financial Position

| € mln |
|-----------------------------|-----------------|
| **Opening Net financial position surplus / (deficit) - 31/12/2020** | (311) |
| Consolidated Net Result | 295 |
| Net Working Capital | 72 |
| Depreciation and Amortization / other non monetary items | 388 |
| Investments | -219 |
| Dividends | -91 |
| Other | 104 |
| **Closing Net financial position surplus / (deficit) - 31/12/2021** | 238 |
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Q&A Session
2021 was a turning point for Prada

Decisive actions to evolve the business delivered strong growth and increased profitability

Robust start to 2022, long-term strategy well on track

On course to meet our medium-term targets

The Group will continuously monitor, react and adapt to increasingly complex business environment
PRADA Group

Q&A session
PRADA Group

APPENDIX
<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>3,226</td>
<td>2,423</td>
<td>3,366</td>
</tr>
<tr>
<td><strong>COGS</strong></td>
<td>-906</td>
<td>-679</td>
<td>818</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>2,320</td>
<td>1,743</td>
<td>2,547</td>
</tr>
<tr>
<td><strong>Selling</strong></td>
<td>-1,470</td>
<td>-1,260</td>
<td>1,421</td>
</tr>
<tr>
<td><strong>Advertising &amp; Promotion</strong></td>
<td>-231</td>
<td>-207</td>
<td>294</td>
</tr>
<tr>
<td><strong>Design and Product Development</strong></td>
<td>-127</td>
<td>-102</td>
<td>115</td>
</tr>
<tr>
<td><strong>G&amp;A</strong></td>
<td>-184</td>
<td>-154</td>
<td>227</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>-2,013</td>
<td>-1,723</td>
<td>-2,058</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>307</td>
<td>20</td>
<td>489</td>
</tr>
<tr>
<td><strong>Total Financial expenses</strong></td>
<td>-72</td>
<td>-72</td>
<td>-68</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>235</td>
<td>-52</td>
<td>422</td>
</tr>
<tr>
<td><strong>Income Taxes</strong></td>
<td>23</td>
<td>-3</td>
<td>-127</td>
</tr>
<tr>
<td><strong>Minority Income</strong></td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Group Net income / (Loss)</strong></td>
<td>256</td>
<td>-54</td>
<td>294</td>
</tr>
<tr>
<td><strong>Total D&amp;A</strong></td>
<td>-690</td>
<td>-669</td>
<td>-631</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>997</td>
<td>689</td>
<td>1,120</td>
</tr>
</tbody>
</table>
## Condensed Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>31 Dec 2019</th>
<th>31 Dec 2020</th>
<th>31 Dec 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Right of use</td>
<td>2,363</td>
<td>2,054</td>
<td>1,956</td>
</tr>
<tr>
<td>Non current assets (excl deferred tax assets)</td>
<td>2,671</td>
<td>2,507</td>
<td>2,490</td>
</tr>
<tr>
<td>Net operating working capital</td>
<td>703</td>
<td>667</td>
<td>602</td>
</tr>
<tr>
<td>Other current assets / (liabilities), net</td>
<td>-6</td>
<td>25</td>
<td>-163</td>
</tr>
<tr>
<td>Other non current assets / (liabilities), net</td>
<td>79</td>
<td>42</td>
<td>51</td>
</tr>
<tr>
<td><strong>Net invested capital</strong></td>
<td><strong>5,809</strong></td>
<td><strong>5,296</strong></td>
<td><strong>4,936</strong></td>
</tr>
<tr>
<td>Consolidated shareholders’ equity</td>
<td>2,989</td>
<td>2,852</td>
<td>3,129</td>
</tr>
<tr>
<td>Net financial position (surplus) / deficit</td>
<td>406</td>
<td>311</td>
<td>-238</td>
</tr>
<tr>
<td>Long term lease liability</td>
<td>2,006</td>
<td>1,730</td>
<td>1,627</td>
</tr>
<tr>
<td>Short term lease liability</td>
<td>410</td>
<td>404</td>
<td>418</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,809</strong></td>
<td><strong>5,296</strong></td>
<td><strong>4,936</strong></td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>362</td>
<td>262</td>
<td>751</td>
</tr>
<tr>
<td>Net working Capital / Sales</td>
<td>22%</td>
<td>28%</td>
<td>18%</td>
</tr>
<tr>
<td>Capex</td>
<td>302</td>
<td>122</td>
<td>216</td>
</tr>
<tr>
<td>Debt / Equity</td>
<td>14%</td>
<td>11%</td>
<td>negative</td>
</tr>
</tbody>
</table>