

PRESS RELEASE

PRADA GROUP HOSTS A CAPITAL MARKETS DAY

Milan 18 November 2021 - Prada 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.

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

- Further acceleration in retail sales: up 18% on 2 year stack
- Continuing online outstanding growth: more than 400% in Q3-21 vs Q3-19
- Further profitability improvement in Q3 across key metrics
- 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 to date

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 Prada Group announces an ambitious road to a Net-zero Climate strategy and the selection of two experienced professionals in ESG, to join the Board of Directors of Prada S.p.A., which will be closer to gender equality. The two Board Members will advance the Group's ESG (Environmental, Social and Governance) strategy and practices and they will also be part of a new ESG Board Committee alongside Lorenzo Bertelli, Head of Corporate Social Responsibility.

In alphabetical order:

- Pamela Culpepper: *Founding Member* of Have Her Back Consulting firm
- Anna Maria Rugarli: *Corporate Sustainability Vice President* of Japan Tobacco International

Patrizio Bertelli, Chief Executive Officer of Prada S.p.A., 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.”

For further information:

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Prada Group

Pioneer of a dialogue with contemporary society across diverse cultural spheres and an influential leader in luxury fashion, Prada Group founds its identity on essential values such as creative independence, transformation and sustainable development, offering its brands a shared vision to interpret and express their spirit. The Group owns some of the world's most prestigious luxury brands, Prada and Miu Miu, as well as Church's, Car Shoe and the historic Pasticceria Marchesi, and works constantly to enhance their value by increasing their visibility and appeal. The Group designs, manufactures and distributes ready-to-wear collections, leather goods and footwear in more than 70 countries through a network of 633 stores as well as e-commerce channels, selected e-tailers and department stores around the world. The Group, which also operates in the eyewear and fragrances sector through licensing agreements, has 23 owned factories and approximately thirteen thousand employees.