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PRADA Group

Prada S.p.A.
(Stock Code: 1913)

ANNOUNCEMENT OF THE CONSOLIDATED RESULTS FOR THE TWELVE-MONTH PERIOD ENDED DECEMBER 31, 2025

- The Prada Group generated net revenues of Euro 5,717.5 million, up 9.1% at constant exchange rates compared with 2024 (+7.8% organic growth ^[1]);
- Retail net sales increased by 9.3% at constant exchange rates compared with 2024 (8.2% organic growth ^[1]);
- Retail net sales of the Prada brand remained resilient over the period, while the Miu Miu brand increased by 34.8% at constant exchange rate, confirming a sustained trajectory;
- Retail net sales grew across all regions compared with 2024, at constant exchange rates: Americas +17.7%, Middle East +15.5%, Asia Pacific +10.9%, Europe +4.7%, Japan +3.1%;
- Steady profitability in context of significant investments, with EBIT Adjusted margin improving versus 2024 pre Versace and strong currency headwinds;
- EBIT Adjusted of Euro 1,323.6 million, with EBIT Adjusted margin at 23.2%, reflecting the dilutive impact of Versace consolidation;
- Group profit for the year amounted to Euro 851.9 million, up 1.6% versus 2024;
- Net financial deficit amounted to Euro 465.8 million as of December 31, 2025;
- Proposed dividend distribution of Euro 0.166 per share.

^[1] calculated at constant exchange rates, excluding the contribution of Versace

Presentation of the Prada Group

Prada S.p.A. ("Prada" or the "Company"), together with its subsidiaries (collectively the "Group" or the "Prada Group"), is listed on the Hong Kong Stock Exchange (HKSE identification number: 1913). The Prada Group is a global leader in the luxury industry and a pioneer in its unconventional dialogue with contemporary society across diverse cultural spheres. Home to prestigious brands as Prada, Miu Miu, Versace, Church's, Car Shoe, the historic Pasticceria Marchesi 1824 and Luna Rossa, the Group remains committed to enhancing their value by increasing their visibility and desirability over time. Promoting creativity and sustainable growth, the Group offers its brands a shared vision that gives each of them the opportunity to stand out and express their essence.

With 25 owned factories (23 in Italy, 1 in the United Kingdom, and 1 in Romania) and around 18,000 employees, the Group designs and produces ready-to-wear, leather goods, footwear and jewellery collections, and distributes its products in more than 70 countries, through 843 Directly Operated Stores (the contribution of Versace acquisition was 220 stores as of December 31, 2025), e-commerce channels and selected e-tailers and department stores. The Prada Group also operates in the eyewear and beauty sectors through licensing agreements with industry leaders.

On December 2, 2025, the Prada Group completed the acquisition of 100% share capital of Versace, 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.

The Company is a joint-stock company with limited liability, registered and domiciled in Italy. Its registered office is located at Via A. Fogazzaro 28, Milan. As of December 31, 2025 (the reporting date of these Consolidated 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. The ultimate indirect shareholders of Prada Holding S.p.A. are Ms. Miuccia Prada Bianchi and Mr. Patrizio Bertelli.

Basis of presentation

The financial information presented herein refers to the group of companies controlled by the Company, the operating parent of the Prada Group, and it is based on the Consolidated Financial Statements for the year ended December 31, 2025.

As of the date of presentation of these Consolidated Financial Statements, there were no differences between the IFRS Accounting Standards endorsed by the European Union ("IFRSs") and those issued by the International Accounting Standards Board ("IASB"), except for the standards and amendments not yet endorsed, as described below.

IFRSs also include all International Accounting Standards ("IAS") and all interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"), formerly known as the Standing Interpretations Committee ("SIC").

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

Amendments to existing standards	Effective date for the Prada Group	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

These amendments had no impact on these Consolidated Financial Statements.

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

New standards and amendments to existing standards	Effective date for the Prada Group	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 to existing standards issued by the IASB, but not yet endorsed by the European Union as of December 31, 2025.

New standards and amendments to existing standards	Date of possible application	EU endorsement status
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

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

- following the business combination completed during the year (described in the section "Presentation of the Prada Group"), goodwill previously included within "Intangible assets" has been presented separately in the Consolidated 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 Consolidated 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;
- costs related to the design of collections, the launch of advertising campaigns and the organisation of fashion shows were partly recognised as prepayments within "Other current assets". From the current reporting period, these costs are recognised 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 Consolidated Statement of profit or loss as of December 31, 2025: interest and other financial expenses, interest and other financial income, and interest expense on lease liabilities, with the comparative period reclassified accordingly. Dividends from investments, previously disclosed separately, are now included in interest and other financial income.

Key financial information

Key economic indicators (amounts in thousands of Euro)	twelve months ended December 31 2025	twelve months ended December 31 2024
Net revenues	5,717,521	5,431,557
EBIT Adjusted (*)	1,323,646	1,279,550
% incidence on net revenues	23.2%	23.6%
EBIT (**)	1,299,040	1,279,550
% incidence on net revenues	22.7%	23.6%
Profit for the year attributable to the owners of Prada S.p.A.	851,936	838,907
Basic and diluted earnings per share (Euro)	0.333	0.328
Net operating cash flow (***)	1,201,882	1,212,784

(*) Non-IFRS measure equal to EBIT before non-recurring expenses

(**) Non-IFRS measure equal to earnings before net financial expenses and income taxes

(***) Non-IFRS measure equal to net cash flow from operating activities less payment of lease liabilities

Key financial position indicators (amounts in thousands of Euro)	December 31 2025	December 31 2024 (*)
Net operating working capital (**)	899,342	808,278
Net invested capital (***)	8,223,456	6,128,888
Net financial surplus / (deficit) (****)	(465,810)	599,602
Equity attributable to the owners of Prada S.p.A.	4,644,229	4,333,312

(*) Please refer to the section "Basis of presentation"

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

(***) Non-IFRS measure equal to the sum of total equity, lease liabilities and net financial surplus / (deficit)

(****) Non-IFRS measure equal to current and non-current financial liabilities due to third parties and related parties, less cash and cash equivalents and current and non-current financial assets with third parties and related parties

2025 Highlights

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

Group's net revenues grew by 9% at constant exchange rates compared to 2024, +8% on an organic basis^[1], a performance delivered against high comps throughout the period and marking 5 consecutive years of growth for the Group.

At brand level, Prada delivered a solid and resilient performance with retail net sales at -1% in the 12 months. Miu Miu confirmed a sustained trajectory with retail net sales up by 35% in 2025.

The EBIT Adjusted margin at 23.2% reflects the dilutive impact of Versace consolidation; excluding Versace, margins were steady in a context of significant investments and fx headwinds. The Group closes the year with a healthy balance

^[1] calculated at constant exchange rates, excluding the contribution of Versace

sheet thanks to significant cash generation: the net financial deficit of Euro 466 million reflects capex cash-out of Euro 595 million and the financing of the acquisition of Versace.

As for Prada, the 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.

Enhanced retail concepts contributed to strengthening client engagement: new hospitality venues in Shanghai and Singapore, the landmark retail opening in New York and the refined setting of Prada Alexandra House in Hong Kong are some of the key milestones in the evolution of the store footprint over the year.

Through initiatives such as Prada Mode, Prada Frames and Sound of Prada, the brand continued to shape the cultural conversation.

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.

A mix of openings and renovations elevated the store network for an enhanced customer journey: Wuhan, London and Tokyo were among the most significant projects unveiled over the period.

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. Following 31 openings and 17 closures over the period, and the integration of 220 stores of Versace, the Group ends the year with 843 Directly Operated Stores.

Strengthening of the industrial capabilities continued to be an area of focus, as the Group kept expanding its production premises and reinforced its control over highly strategic phases of the production process. The announcement in June of a minority investment in Rino Mastrotto, a global provider of materials and bespoke services for the luxury industry, is a testament to the Group's drive to foster long-term industrial development with longstanding partners.

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

Finally, the Group 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 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 Group 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 Group 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 the Prada Group's and Versace's digital transformation journeys.

In 2025, Versace reported net revenues of Euro 684 million. In 2026, the creative leadership transition and the initial repositioning steps are expected to translate into some degree of topline contraction. The Group has taken decisive action on operating expenses, generating initial synergies and savings that will be selectively reinvested in strategic areas. Versace incurred operating losses in

2025 and, all above factors considered, it is expected to continue incurring operating losses of not dissimilar magnitude in 2026.

Scope of work of Messrs. KPMG S.p.A.

The figures in respect of the Group's "Consolidated Statement of profit or loss for the year ended December 31, 2025", "Consolidated Statement of financial position as at December 31, 2025", "Consolidated Statement of changes in equity for the year ended December 31, 2025", "Consolidated Statement of cash flows for the year ended December 31, 2025", "Consolidated Statement of comprehensive income for the year ended December 31, 2025" as set out in this announcement have been agreed by the Group's auditors, Messrs. KPMG S.p.A., to the amounts set out in the Group's audited Consolidated Financial Statements for the twelve-month period ended December 31, 2025 and some of the "Notes to the Consolidated financial statements" thereto. The work performed by Messrs. KPMG S.p.A. in this respect does not constitute an assurance engagement in accordance with International Standards on Auditing and consequently no opinion or assurance conclusion has been expressed by Messrs. KPMG S.p.A. on this announcement.

Consolidated Statement of profit or loss for the year ended December 31, 2025 (includes non-IFRS measures)

(amounts in thousands of Euro)	twelve months ended December 31 2025	% on net revenues	twelve months ended December 31 2024 (*)	% on net revenues	change	% change
Net sales	5,572,512	97.5%	5,310,026	97.8%	262,486	4.9%
Royalties	145,009	2.5%	121,531	2.2%	23,478	19.3%
Net revenues (Note 1)	5,717,521	100%	5,431,557	100%	285,964	5.3%
Cost of goods sold	(1,125,444)	-19.7%	(1,094,865)	-20.2%	(30,579)	2.8%
Gross margin	4,592,077	80.3%	4,336,692	79.8%	255,385	5.9%
Product design and development costs	(160,261)	-2.8%	(158,084)	-2.9%	(2,177)	1.4%
Advertising and communications costs	(537,198)	-9.4%	(473,095)	-8.7%	(64,103)	13.5%
Selling costs	(2,206,190)	-38.6%	(2,082,752)	-38.3%	(123,438)	5.9%
General and administrative costs	(364,782)	-6.4%	(343,211)	-6.3%	(21,571)	6.3%
Operating expenses	(3,268,431)	-57.2%	(3,057,142)	-56.3%	(211,289)	6.9%
Recurring operating income - EBIT Adjusted	1,323,646	23.2%	1,279,550	23.6%	44,096	3.4%
Non-recurring expenses	(24,606)	-0.4%	-	-	(24,606)	N/A
Operating income - EBIT	1,299,040	22.7%	1,279,550	23.6%	19,490	1.5%
Interest and other financial expenses	(34,531)	-0.6%	(40,410)	-0.7%	5,879	-14.5%
Interest and other financial income	24,539	0.4%	19,206	0.4%	5,333	27.8%
Interest expenses on lease liabilities	(87,764)	-1.5%	(69,623)	-1.3%	(18,141)	26.1%
Net financial expenses	(97,756)	-1.7%	(90,827)	-1.7%	(6,929)	7.6%
Profit before income taxes	1,201,284	21.0%	1,188,723	21.9%	12,561	1.1%
Income taxes	(346,362)	-6.1%	(345,323)	-6.4%	(1,039)	0.3%
Profit for the year	854,922	15.0%	843,400	15.5%	11,522	1.4%
Profit for the year att. to non-controlling interests	2,986	0.1%	4,493	0.1%	(1,507)	-33.5%
Profit for the year att. to the owners of Prada S.p.A.	851,936	14.9%	838,907	15.4%	13,029	1.6%

(*) Please refer to the section "Basis of presentation"

Consolidated Statement of financial position

(amounts in thousands of Euro)	Notes	December 31 2025	December 31 2024 (*)
<u>Assets</u>			
<u>Current assets</u>			
Cash and cash equivalents		1,261,676	1,011,563
Trade receivables	4	468,466	423,733
Inventories	5	1,059,042	866,160
Derivative financial instruments - current		20,592	12,487
Receivables due from, and advance payments to, related parties - current	6	185	141
Other current assets	7	232,289	179,271
Total current assets		3,042,250	2,493,355
<u>Non-current assets</u>			
Property, plant and equipment	8	2,459,155	2,255,055
Goodwill	8	1,517,902	515,507
Intangible assets	8	382,085	352,413
Right of use assets	9	2,983,620	2,278,955
Investments in equity instruments and associates		67,523	37,624
Deferred tax assets		391,997	408,971
Other non-current assets	10	157,827	139,086
Derivative financial instruments - non-current		5,761	2,571
Receivables due from, and advance payments to, related parties - non-current		4,817	369
Total non-current assets		7,970,687	5,990,551
Total assets		11,012,937	8,483,906
<u>Liabilities and equity</u>			
<u>Current liabilities</u>			
Lease liabilities - current		524,699	434,135
Current financial liabilities and bank overdrafts		439,861	183,247
Liabilities due to related parties - current	11	21	8,279
Trade payables	12	628,166	481,615
Income tax liabilities		41,603	99,306
Other taxes liabilities		87,404	77,832
Derivative financial instruments - current		10,475	27,778
Other current liabilities	13	467,212	371,260
Total current liabilities		2,199,441	1,683,452
<u>Non-current liabilities</u>			
Lease liabilities - non-current		2,567,180	1,940,978
Non-current financial liabilities		1,292,505	220,941
Long-term employee benefits		75,928	81,749
Provisions for risks and charges	14	83,336	64,284
Deferred tax liabilities		42,897	43,416
Other non-current liabilities		85,883	95,310
Derivative financial instruments - non-current		-	399
Total non-current liabilities		4,147,729	2,447,077
Total liabilities		6,347,170	4,130,529
Share capital		255,882	255,882
Total other reserves		3,533,026	3,089,564
Translation reserve		3,385	148,959
Profit for the year		851,936	838,907
Equity attributable to the owners of Prada S.p.A.		4,644,229	4,333,312
Equity attributable to non-controlling interests		21,538	20,065
Total equity		4,665,767	4,353,377
Total liabilities and total equity		11,012,937	8,483,906

(*) Please refer to the section "Basis of presentation"

Consolidated Statement of changes in equity (amounts in thousands of Euro, except number of shares)

(amounts in thousands of Euro)	Number of shares (in thousands)	Share capital	Translation reserve	Share premium reserve	Cash flow hedge reserve	Defined benefit plans reserve	Fair Value of equity instruments at OCI reserve	Other reserves	Total other reserves	Profit for the year	Equity		
											Equity attributable to the owners of Prada S.p.A.	Equity attributable to non-controlling interests	Total equity
Balance as of December 31, 2023 (*)	2,558,824	255,882	92,998	410,047	6,296	(10,147)	(8,773)	2,370,413	2,767,836	671,026	3,787,742	23,014	3,810,756
Allocation of 2023 profit	-	-	-	-	-	-	-	671,026	671,026	(671,026)	-	-	-
Dividends	-	-	-	-	-	-	-	(350,559)	(350,559)	-	(350,559)	(250)	(350,809)
Acquisition of additional shares from non-controlling interests	-	-	-	-	-	-	-	5,295	5,295	-	5,295	(9,576)	(4,281)
Monetary revaluation IAS 29	-	-	-	-	-	-	-	13,480	13,480	-	13,480	-	13,480
Other movements	-	-	-	-	-	-	-	(1,768)	(1,768)	-	(1,768)	1,768	-
Comprehensive income / (loss) for the year	-	-	55,961	-	(14,360)	833	8,773	(10,992)	(15,746)	838,907	879,122	5,109	884,231
Balance as of December 31, 2024 (*)	2,558,824	255,882	148,959	410,047	(8,064)	(9,314)	-	2,696,895	3,089,564	838,907	4,333,312	20,065	4,353,377
Allocation of 2024 profit	-	-	-	-	-	-	-	838,907	838,907	-838,907	-	-	-
Dividends	-	-	-	-	-	-	-	(419,647)	(419,647)	-	(419,647)	(250)	(419,897)
Acquisition of additional shares from non-controlling interests	-	-	-	-	-	-	-	(3,962)	(3,962)	-	(3,962)	324	(3,638)
Monetary revaluation IAS 29	-	-	-	-	-	-	-	10,839	10,839	-	10,839	-	10,839
Comprehensive income / (loss) for the year	-	-	(145,574)	-	17,103	222	-	-	17,325	851,936	723,687	1,399	725,086
Balance as of December 31, 2025	2,558,824	255,882	3,385	410,047	9,039	(9,092)	-	3,123,032	3,533,026	851,936	4,644,229	21,538	4,665,767

(*) Please refer to the section "Basis of presentation"

Consolidated Statement of cash flows for the year ended December 31, 2025

(amounts in thousands of Euro)	twelve months ended December 31 2025	twelve months ended December 31 2024
Profit before income taxes	1,201,284	1,188,723
<u>Profit or loss adjustments</u>		
Depreciation of the right of use assets	485,777	454,163
Depreciation and amortisation of property, plant and equipment and intangible assets	329,321	280,500
Impairment of the right of use assets	-	8,563
Impairment of property, plant and equipment and intangible assets	-	16,193
Financial expenses	6,228	19,441
Interest expenses on lease liabilities	87,764	69,623
Other non-monetary expenses	7,309	54,531
<u>Balance sheet changes</u>		
Other non-current assets and liabilities	(10,856)	(12,112)
Trade receivables	(19,969)	(22,955)
Inventories	(52,146)	(83,546)
Trade payables	86,206	25,699
Other current assets and liabilities	5,560	(54)
Cash flows from operating activities	2,126,478	1,998,769
Interest paid including interest on lease liabilities	(85,884)	(76,600)
Income taxes paid	(386,336)	(270,552)
Net cash flows from operating activities	1,654,258	1,651,617
Purchases of property, plant and equipment and intangible assets	(610,972)	(459,575)
Proceeds from the sale of assets	16,209	-
Proceeds from disposals of equity instruments	-	2,963
Dividends from equity investments	-	111
Acquisition of subsidiaries, net of cash acquired, and equity instruments	(1,222,837)	(1,363)
Acquisition of additional shares from non-controlling interests	-	(4,589)
Net cash flows from investing activities	(1,817,600)	(462,453)
Dividends paid to the owners of Prada S.p.A.	(419,647)	(350,559)
Dividends paid to non-controlling interests	(250)	(250)
Payment of lease liabilities	(452,376)	(438,833)
Loans to related parties	(4,448)	-
Reimbursement of loans to related parties	(8,149)	-
Repayment of current portion of long-term borrowings - third parties	(159,842)	(83,773)
Proceeds from long-term borrowings - third parties	1,216,610	27,994
Change in short-term borrowings - third parties	277,771	(30,049)
Transaction with non-controlling interests	(3,600)	-
Net cash flows from financing activities	446,069	(875,470)
Change in cash and cash equivalents, net of bank overdrafts	282,727	313,694
Foreign exchange rate differences	(32,574)	8,325
Opening cash and cash equivalents, net of bank overdrafts	1,011,523	689,503
Closing cash and cash equivalents, net of bank overdrafts	1,261,676	1,011,522

Consolidated Statement of comprehensive income for the year ended December 31, 2025

(amounts in thousands of Euro)	twelve months ended December 31 2025	twelve months ended December 31 2024
Profit for the year	854,922	843,400
A) Items that may be reclassified subsequently to profit or loss:	(130,062)	42,213
Foreign exchange rate differences on translation of foreign operations	(147,165)	56,573
Tax impact	-	-
Change in Translation reserve net of tax impact	(147,165)	56,573
Gains / (losses) on cash flow hedging instruments	22,491	(18,890)
Tax impact	(5,388)	4,530
Change in Cash flow hedge reserve net of tax impact	17,103	(14,360)
B) Items that will not be reclassified subsequently to profit or loss:	226	(1,382)
Change in Fair Value of equity instruments at OCI	-	(2,219)
Tax impact	-	-
Change in Fair Value of equity instruments reserve net of tax impact	-	(2,219)
Remeasurement of defined benefit plans	558	1,128
Tax impact	(332)	(291)
Change in defined benefit plans reserve net of tax impact	226	837
Total comprehensive income for the year	725,086	884,231
Comprehensive income for the year att. to non-controlling interests	1,399	5,109
Comprehensive income for the year att. to the owners of Prada S.p.A.	723,687	879,122

Non-IFRS measures

The Group 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.

The reconciliation of the Prada Group’s EBIT Adjusted and EBIT with the nearest IFRS measure (Profit for the year) is reported below:

(amounts in thousands of Euro)	twelve months ended December 31 2025	% on net revenues	twelve months ended December 31 2024	% on net revenues
Profit for the year	854,922	15.0%	843,400	15.5%
Income taxes	346,362	6.1%	345,323	6.4%
Net financial expenses	97,756	1.7%	90,827	1.7%
Operating income - EBIT	1,299,040	22.7%	1,279,550	23.6%
Non-recurring expenses	24,606	0.4%	-	-
Recurring operating income - EBIT Adjusted	1,323,646	23.2%	1,279,550	23.6%

Notes to the consolidated results for the period closed as of December 31, 2025

1. Analysis of net revenues

(amounts in thousands of Euro)	twelve months ended December 31 2025		twelve months ended December 31 2024		% change current exc. rates	% change constant exc. rates (*)	% organic change constant exc. rates (**)	Q4-25 vs Q4-24 % change constant exc. rates (*)
<u>Net revenues</u>								
Retail net sales (Directly Operated Stores and e-commerce)	5,101,790	89.2%	4,849,208	89.3%	5.2%	9.3%	8.2%	9.3%
Wholesale net sales (independent customers and franchisees)	470,722	8.2%	460,818	8.5%	2.1%	4.3%	2.6%	4.1%
Royalties	145,009	2.5%	121,531	2.2%	19.3%	19.3%	14.2%	42.4%
Total net revenues	5,717,521	100%	5,431,557	100%	5.3%	9.1%	7.8%	9.5%
<u>Retail net sales by brand</u>								
Prada	3,392,861	66.5%	3,563,376	73.5%	-4.8%	-1.0%	-1.0%	0.4%
Miu Miu	1,594,581	31.3%	1,228,053	25.3%	29.8%	34.8%	34.8%	19.7%
Versace (***)	51,343	1.0%	-	-	-	-	-	-
Church's	33,688	0.7%	31,659	0.7%	6.4%	7.1%	7.1%	9.4%
Other	29,317	0.6%	26,120	0.5%	12.2%	12.7%	12.7%	13.3%
Total retail net sales	5,101,790	100%	4,849,208	100%	5.2%	9.3%	8.2%	9.3%
<u>Retail net sales by geographic area</u>								
Asia Pacific	1,699,448	33.3%	1,604,413	33.1%	5.9%	10.9%	10.0%	12.0%
Europe	1,562,797	30.6%	1,531,622	31.6%	2.0%	4.7%	3.9%	0.9%
Americas	932,047	18.3%	829,809	17.1%	12.3%	17.7%	15.0%	24.2%
Japan	656,101	12.9%	656,431	13.5%	-0.1%	3.1%	2.8%	4.4%
Middle East	251,397	4.9%	226,933	4.7%	10.8%	15.5%	15.5%	3.4%
Total retail net sales	5,101,790	100%	4,849,208	100%	5.2%	9.3%	8.2%	9.3%

(*) calculated by applying 2024 exchange rates to 2025 figures, excluding the effect of the hyperinflation in Turkey

(**) calculated at constant exchange rates, excluding the contribution of Versace

(***) consolidated from December 2, 2025

2. Number of stores

As of December 31, 2025, the Group operated 843 stores, following 31 openings and 17 closures. The integration of Versace contributed to 220 additional stores, primarily located in Asia Pacific (107) and Americas (45).

	December 31, 2025		December 31, 2024		December 31, 2023	
	Owned	Franchises	Owned	Franchises	Owned	Franchises
Prada	423	16	425	17	428	20
Versace (*)	220	-	-	-	-	-
Miu Miu	162	6	147	6	141	5
Church's	27	-	28	-	28	-
Car Shoe	2	-	2	-	2	-
Marchesi 1824 and other Food and Beverage	9	-	7	-	7	-
Total	843	22	609	23	606	25

	December 31, 2025		December 31, 2024		December 31, 2023	
	Owned	Franchises	Owned	Franchises	Owned	Franchises
Asia Pacific	318	20	215	21	196	23
Europe	245	-	197	-	200	-
Americas	145	-	93	-	102	-
Japan	107	-	80	-	85	-
Middle East	28	2	24	2	23	2
Total	843	22	609	23	606	25

(*) consolidated from December 2, 2025

3. Earnings and dividends per share

Earnings per share are calculated by dividing the profit for the year attributable to the owners of Prada S.p.A. by the weighted average number of ordinary shares outstanding.

	twelve months ended December 31 2025	twelve months ended December 31 2024
Profit for the year attributable to the owners of Prada S.p.A. (in Euro)	851,936,397	838,907,132
Weighted average number of ordinary shares in issue	2,558,824,000	2,558,824,000
Basic and diluted earnings per share in Euro, calculated on weighted average number of shares	0.333	0.328

The Board of Directors of the Company has proposed a final dividend of Euro 424,764,784 (Euro 0.166 per share) for the twelve months ended December 31, 2025.

During 2025, the Company distributed dividends of Euro 419,647,136 (Euro 0.164 per share), as approved by the Annual General Meeting held on April 30, 2025 to approve the December 31, 2024 financial statements.

The dividends and the related Italian withholding tax due (Euro 21.8 million), determined by applying the ordinary Italian tax rate to the entire amount of the dividends distributed to the beneficial owners of the Company's shares held through the Hong Kong Central Clearing and Settlement System, were fully paid during the year.

4. Trade receivables

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Trade receivables - third parties	498,803	435,403
Allowance for bad and doubtful debts	(34,548)	(14,062)
Trade receivables - related parties	4,211	2,392
Total	468,466	423,733

The change in the allowance for bad and doubtful debts is set forth below:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Opening balance	14,062	11,341
Change in the consolidation scope	12,124	-
Exchange differences	(633)	150
Increases	12,522	4,277
Reversals	(3,093)	(932)
Utilization	(434)	(774)
Closing balance	34,548	14,062

An aging analysis of the gross trade receivables and the related allowance for bad and doubtful debts is shown below for 2025 and 2024:

(amounts in thousands of Euro)	Dec. 31 2025	Not overdue	1 ≤ 30	Overdue (in days)			
				31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables - gross amount	503,014	450,731	12,476	8,005	5,834	3,713	22,255
Allowance for bad and doubtful debts	(34,548)	(6,806)	(1,448)	(2,161)	(2,583)	(2,582)	(18,968)
Trade receivables	468,466	443,925	11,028	5,844	3,251	1,131	3,287

(amounts in thousands of Euro)	Dec. 31 2024	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables - gross amount	437,795	376,641	34,956	8,277	2,981	817	14,123
Allowance for bad and doubtful debts	(14,062)	(2,788)	(30)	(170)	(142)	(26)	(10,906)
Trade receivables	423,733	373,853	34,926	8,107	2,839	791	3,217

5. Inventories

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Raw materials	148,581	132,455
Work in progress	59,237	45,893
Finished products	1,020,172	799,772
Return assets	24,176	16,862
Allowance for obsolete and slow-moving inventories	(193,124)	(128,822)
Total	1,059,042	866,160

The increase in inventories mainly reflected the impact of the Versace acquisition (Euro 169.8 million).

In 2025, the change in the inventory allowance amounted to Euro 66.0 million, net of exchange rate differences, primarily due to the contribution of the Versace acquisition (Euro 71.5 million). Movements in the allowance for obsolete and slow-moving inventories during 2025 were as follows:

(amounts in thousands of Euro)	Raw materials	Finished products	Total allowance for obsolete and slow-moving inventories
Opening balance	45,833	82,989	128,822
Change in the consolidation scope	10,006	61,501	71,507
Exchange differences	(10)	(1,676)	(1,686)
Increases	1,743	38,924	40,667
Utilisation	(5,373)	(15,681)	(21,054)
Reversal	(6)	(25,126)	(25,132)
Closing balance	52,193	140,931	193,124

6. Receivables due from, and advance payments to, related parties – current and non-current

Current amounts due from, and advance payments to, related parties are detailed as follows:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Financial assets	63	7
Other receivables and advances	122	134
Receivables due from, and advance payments to, related parties - current	185	141

Non-current amounts due from, and advance payments to, related parties are detailed as follows:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Financial assets	4,817	369
Receivables due from, and advance payments to, related parties - non-current	4,817	369

7. Other current assets

(amounts in thousands of Euro)	December 31 2025	December 31 2024 (*)
VAT	51,489	37,833
Income tax receivables	29,667	34,342
Other taxes receivables	24,250	27,941
Advances on advertising campaigns	21,045	14,890
Rental costs	14,838	6,309
Insurance	6,490	3,203
Advances to suppliers	5,781	9,589
Guarantee deposits	5,662	5,613
Other	73,067	39,551
Total	232,289	179,271

(*) Please refer to the section "Basis of presentation"

The Versace acquisition contributed Euro 46.6 million to other current assets as of December 31, 2025.

Guarantee deposits referred primarily to security deposits paid under retail leases.

8. Capital expenditure

The changes in the carrying amount of property, plant and equipment for the period ended December 31, 2025 are shown below:

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improvements	Furniture & fittings	Other tangibles	Assets under construction	Total carrying amount
Opening balance	1,231,300	79,791	427,099	347,880	68,624	100,361	2,255,055
Change in the consolidation scope	(1,896)	(261)	48,849	15,951	1,920	4,771	69,334
Additions	95,778	15,395	171,040	88,060	11,284	148,649	530,206
Depreciation	(29,141)	(15,986)	(146,684)	(64,848)	(13,204)	-	(269,863)
Disposals	(1,249)	(185)	(458)	(332)	(13,319)	(229)	(15,772)
Exchange differences	(50,529)	(128)	(36,160)	(16,061)	(660)	(5,106)	(108,644)
Other movements	13,096	6,100	38,783	25,196	4,620	(93,079)	(5,284)
Revaluation IAS 29	-	-	4,023	59	41	-	4,123
Closing balance	1,257,359	84,726	506,492	395,905	59,306	155,367	2,459,155

The increase in leasehold improvements and furniture and fittings primarily related to restyling and relocation projects for the retail premises.

The assets under construction at the end of the period concern retail and industrial projects.

Impairment test

In accordance with IAS 36 "Impairment of Assets", the Group assessed whether indicators of impairment existed for property, plant and equipment allocated to cash-generating units ("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 improvement 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.

The changes in the carrying amount of goodwill and intangible assets for the period ended December 31, 2025 are shown below:

(amounts in thousands of Euro)	Goodwill	Trademarks and intellectual property rights	Software	Other intangibles	Assets in progress	Total intangible assets
Opening balance	515,507	168,730	130,159	236	53,288	352,413
Change in the consolidation scope	1,002,395	-	7,045	93	-	7,138
Additions	-	1,020	34,330	-	51,877	87,227
Amortisation	-	(10,729)	(47,287)	(1,442)	-	(59,458)
Disposals	-	-	(437)	-	-	(437)
Exchange differences	-	(1,470)	(79)	43	(22)	(1,528)
Other movements	-	-	45,565	1,422	(50,236)	(3,249)
Impairment	-	-	(4)	(17)	-	(21)
Closing balance	1,517,902	157,551	169,292	335	54,907	382,085

The increase in "Goodwill" of Euro 1,002.4 million reflects the provisional goodwill recognized in connection with the Versace acquisition (described in the section "Presentation of the Prada Group").

Impairment test

As required by IAS 36 "Impairment of assets", intangible assets with indefinite useful lives are not amortised, but they are tested for impairment at least once a year. The Group 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 (the operating segments identified for segment reporting purpose in compliance with IFRS 8).

As of December 31, 2025, the goodwill recognised in the consolidated financial statements amounted to Euro 1,517.9 million, and it was allocated to the following group of CGUs:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Versace	1,002,395	-
Prada	424,262	424,262
Miu Miu	91,245	91,245
Total	1,517,902	515,507

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 consider either significant improvement 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) 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.

Versace

As disclosed in the section "Presentation of the Prada Group", the Versace acquisition was completed on December 2, 2025. Given its proximity to the year-end, management assessed the purchase consideration and concluded that it is consistent with the fair value of the acquired business.

Church's

An impairment test was carried out on Church's group of CGUs, which include the value of the brand for Euro 36.8 million subject to amortisation with a residual useful life of 14 years, in order to identify any further potential impairment following the reorganisation process started in 2022.

The Discounted Cash Flow method used to identify the recoverable amount (value in use) consisted of discounting the projected cash flows generated by the net invested capital. The recoverable amount was estimated with the assistance of a leading consulting firm. The cash flow projections used for the impairment test were based on the business plan prepared by management. The rate used to discount the cash flows is the weighted average cost of capital (WACC) in a post-tax configuration. For the year ended December 31, 2025, the WACC used to discount the cash flows generated by the Church's group of CGUs was 8.6% (7.3% in 2024), and it was determined by taking into due consideration the risk profile of the group of CGU's activities. The "g" rate of growth used to calculate the terminal value was assumed equal to 2.5% (same as last year), in light of the medium-term inflation rate in the countries where Church's operates and of the growth outlook for the luxury goods market.

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

A sensitivity analysis of the impairment test was carried out to changes in the key assumptions used to determine the recoverable amount for the group of CGUs and did not show any potential impairment loss. The "break-even" WACC at which the recoverable amount would be equal to the carrying amount is 12.2% (10.2% in 2024).

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)	Real estate	Other	Total carrying amount
Opening balance	2,268,833	10,122	2,278,955
Change in the consolidation scope	486,813	-	486,813
New contracts, initial direct costs and remeasurements	864,825	3,523	868,348
Depreciation	(481,452)	(4,325)	(485,777)
Contracts termination	(5,851)	(49)	(5,900)
Exchange differences	(163,387)	479	(162,908)
Revaluation IAS 29	4,089	-	4,089
Closing balance	2,973,870	9,750	2,983,620

Right of use assets increased by Euro 704.7 million, mainly reflecting new leases and remeasurements of existing leases totalling Euro 868.3 million, less depreciation of Euro 485.8 million, contract terminations of Euro 5.9 million and

negative foreign exchange rate differences of Euro 162.9 million. The Versace acquisition contributed Euro 486.8 million.

Additions relating to new leases, initial direct costs and remeasurements primarily related to lease renewals (mainly in Asia, Europe and America) and the remeasurement of the liability to reflect indexes commonly used in the real estate sector, principally the consumer price index.

“Other” right of use assets, amounting to Euro 9.8 million, include plant and machinery, vehicles and hardware.

Impairment test

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. Other non-current assets

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Guarantee deposits	96,755	84,513
Prepayments for commercial agreements	37,560	41,733
Pension fund surplus	4,097	4,773
Other non-current assets	19,415	8,067
Total	157,827	139,086

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

11. Liabilities due to related parties - current

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Financial liabilities	-	8,149
Other liabilities	21	130
Total	21	8,279

The change in financial liabilities mainly reflected the repayment of loans granted by non-controlling interests in the Middle East.

12. Trade payables

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Trade payables - third parties	620,715	475,822
Trade payables - related parties	7,451	5,793
Total	628,166	481,615

The year-on-year increase in trade payables to third parties was primarily attributable to the Versace acquisition.

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

(amounts in thousands of Euro)	Dec. 31 2025	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade payables	628,166	579,723	24,770	8,699	2,522	4,225	8,227
Total December 31, 2025	628,166	579,723	24,770	8,699	2,522	4,225	8,227

(amounts in thousands of Euro)	Dec. 31 2024	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade payables	481,615	404,736	54,869	5,349	3,671	3,313	9,677
Total December 31, 2024	481,615	404,736	54,869	5,349	3,671	3,313	9,677

13. Other current liabilities

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Short-term benefits for employees and other personnel	157,293	121,969
Payables for capital expenditure	125,383	124,163
Accrued expenses and deferred income	55,301	26,560
Provision for returns from customers	75,510	50,451
Customer advances	47,190	46,342
Other	6,535	1,775
Total	467,212	371,260

14. Provisions for risks and charges

The changes in provisions for risks and charges are as follows:

(amounts in thousands of Euro)	Provision for legal disputes	Provision for tax disputes	Other risk provisions	Total
Opening balance	529	1,508	62,247	64,284
Change in the consolidation scope	1,898	4,130	6,590	12,618
Exchange differences	(12)	(44)	(4,652)	(4,708)
Reversals	(137)	(494)	(1,475)	(2,106)
Utilisation	(207)	(509)	(7,546)	(8,262)
Increases	641	1,516	19,353	21,510
Closing balance	2,712	6,107	74,517	83,336

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 available at the reporting date, the total amount provided is adequate to cover the obligations that may arise.

Other risk provisions amounted to Euro 74.5 million as of December 31, 2025, mainly relating to contractual obligations to restore leased commercial properties to their original condition for Euro 63.0 million and to the Group's commitments in connection with the SEA BEYOND project.

Management discussion and analysis for the year ended December 31, 2025

(in the comments below all changes are at constant exchange rates, unless differently specified)

The Prada Group generated net revenues of Euro 5,717.5 million in the twelve months ended December 31, 2025, up 9.1% compared with 2024 (+7.8% organic growth^[1]). Exchange rate fluctuations had a negative impact of 3.8 percentage points, resulting in reported growth of 5.3%.

Retail net sales increased by 9.3% compared with the same period of 2024 (+8.2% organic growth^[1]), driven by full-price like-for-like sales. In the fourth quarter, the Group recorded a solid performance, with sales up 9.3% year-on-year despite challenging comps. Over the period, retail net sales accounted for 89.2% of total net revenues, in line with 2024.

Net sales in the wholesale channel increased by 4.3% (+2.6% organic growth^[1]) compared with the corresponding period of 2024, driven by a highly selective approach to independent partners.

Royalty income grew by 19.3% year-on-year (+14.2% organic growth^[1]), supported by contributions from both eyewear and fragrances.

Brands

Prada retail net sales remained resilient over the period, reflecting solid strategic positioning, with full-year performance broadly flat year-on-year. In the fourth quarter, sales showed sequential improvement and returned to growth despite more challenging comps.

Miu Miu retail net sales rose by 34.8% for the year, maintaining sustained growth throughout the quarters despite very high comps. The fourth quarter recorded solid performance (+19.7%), supported by well balanced growth across categories and regions.

Church's retail net sales maintained a positive trajectory, driven by like-for-like growth, and increased by 7.1% compared with the prior year.

^[1] calculated at constant exchange rates, excluding the contribution of Versace

Net revenues by brand amounted to Euro 3,795.6 million for Prada, Euro 1,786.8 million for Miu Miu, Euro 65.1 million for Versace, Euro 39.5 million for Church's, and Euro 30.6 million for the other brands.

Markets

Over the period, the Group delivered growth across all regions.

In Asia-Pacific, retail net sales increased by 10.9% (+10.0% organic growth⁽¹⁾), showing good progression over the year, with fourth-quarter performance broadly in line with the third quarter notwithstanding higher comps.

Europe recorded a positive performance, with retail net sales up 4.7% (+3.9% organic growth⁽¹⁾); trends softened in the second half of the year, as local consumption faced strong comps and tourism flows moderated.

In the Americas, retail net sales rose by 17.7% (+15.0% organic growth⁽¹⁾), delivering consistent double-digit growth supported by local demand.

Japan reported retail net sales growth of 3.1% (+2.8% organic growth⁽¹⁾) against exceptionally high tourism levels in the prior year, with quarter-on-quarter improvement in the fourth quarter despite heightened geopolitical tensions.

Retail net sales in the Middle East also performed solidly (+15.5%), with the second half moderating on high comps.

Wholesale net sales by geographic area amounted to Euro 219.1 million in Europe, Euro 149.2 million in Asia-Pacific, Euro 96.0 million in the Americas, Euro 2.4 million in the Middle East, Euro 0.6 million in Japan and Euro 3.4 million in other countries.

Royalties were entirely attributable to Europe.

Operating results

For the twelve-month period ended December 31, 2025, gross margin amounted to 80.3% of net revenues, compared with 79.8% in 2024.

Operating expenses, excluding non-recurring items, amounted to Euro 3,268.4 million, up Euro 211.3 million year-on-year. The increase was mainly attributable to higher variable costs linked to business growth, together with increases in rental expenses, personnel expenses, marketing and communication costs and depreciation. The Group also continued its investments in information systems and digital transformation across retail, manufacturing and corporate areas.

Recurring operating income (or EBIT adjusted) for the period amounted to Euro 1,323.6 million, representing 23.2% of net revenues, including the dilutive impact of the Versace acquisition, compared with Euro 1,279.6 million (23.6% of net revenues) in 2024.

⁽¹⁾ calculated at constant exchange rates, excluding the contribution of Versace

Non-recurring expenses mainly related to transaction costs incurred in connection with the acquisition of Versace from Capri Holdings Ltd., completed on December 2, 2025.

Operating income for the period (or EBIT) amounted to Euro 1,299.0 million, representing 22.7% of net revenues, compared with Euro 1,279.6 million (23.6% of net revenues) in 2024.

Net financial expenses and income taxes

Net financial expenses amounted to Euro 97.8 million, an increase of Euro 6.9 million compared with 2024. The change mainly reflected higher interest expense on lease liabilities, partially offset by lower interest on borrowings and higher interest income on bank deposits.

Income taxes for the twelve months ended December 31, 2025 totalled Euro 346.4 million, corresponding to an effective tax rate of 28.8% of profit before income taxes.

Profit for the year

Profit for the year amounted to Euro 854.9 million, representing 15.0% of net revenues, compared with Euro 843.4 million (15.5% of net revenues) in 2024.

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	2,983,620	2,278,955
Non-current assets (excluding deferred tax assets), net	4,552,692	3,260,523
Trade receivables	468,466	423,733
Inventories	1,059,042	866,160
Trade payables	(628,166)	(481,615)
Net operating working capital (**)	899,342	808,278
Other current assets, net	242,502	182,918
Other current liabilities (excluding items of financial position)	(596,214)	(567,332)
Other current assets / (liabilities), net	(353,712)	(384,414)
Provisions for risks and charges	(83,336)	(64,284)
Long-term employee benefits	(75,928)	(81,749)
Other long-term liabilities, net	(48,322)	(53,976)
Deferred taxes, net	349,100	365,555
Other non-current assets / (liabilities), net	141,514	165,546
Net invested capital (***)	8,223,456	6,128,888
Equity attributable to the owners of Prada S.p.A.	(4,644,229)	(4,333,312)
Equity attributable to non-controlling interests	(21,538)	(20,065)
Total equity	(4,665,767)	(4,353,377)
Non-current financial deficit, net	(1,287,688)	(220,572)
Current financial surplus, net	821,878	820,174
Net financial surplus / (deficit) (****)	(465,810)	599,602
Net financial surplus / (deficit) to total equity ratio	10.0%	-13.8%
Lease liabilities - non-current	(2,567,180)	(1,940,978)
Lease liabilities - current	(524,699)	(434,135)
Total lease liabilities	(3,091,879)	(2,375,113)
Net financial surplus / (deficit), including lease liabilities (*****)	(3,557,689)	(1,775,511)
Total equity and net financial surplus / (deficit), including lease liabilities	(8,223,456)	(6,128,888)

(*) Please refer to the section "Basis of presentation"

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

(***) Non-IFRS measure equal to the sum of total equity, lease liabilities and net financial surplus / (deficit)

(****) Non-IFRS measure equal to current and non-current financial liabilities due to third parties and related parties, less cash and cash equivalents and current and non-current financial assets with third parties and related parties

(*****) Non-IFRS measure equal to net financial position surplus / (deficit), including lease liabilities

Net invested capital as of December 31, 2025 amounted to Euro 8,223 million, comprising (i) total equity of Euro 4,666 million, (ii) lease liabilities of Euro 3,092 million and (iii) a net financial deficit of Euro 465.8 million.

Right of use assets increased by Euro 704.7 million, mainly reflecting new leases and remeasurements of existing leases totalling Euro 868.3 million, less depreciation for Euro 485.8 million, contract terminations of Euro 5.9 million

and negative foreign exchange rate differences of Euro 162.9 million. The Versace acquisition contributed Euro 486.8 million.

Non-current assets (excluding deferred tax assets), net, rose by Euro 1,292 million to Euro 4,553 million as of December 31, 2025, compared with Euro 3,261 million as of December 31, 2024. The change primarily reflects capital expenditure of Euro 617.4 million, less amortisation and depreciation for Euro 335.1 million, investments in non-consolidated entities of Euro 29.9 million (acquisition of a 10% stake in the Rino Mastrotto Group) and negative foreign exchange rate differences of Euro 110.2 million. The contribution from the Versace acquisition amounted to Euro 1,083 million, including provisional goodwill of Euro 1,002 million.

Total capital expenditure for property, plant and equipment and intangible assets in the twelve months ended December 31, 2025 amounted to Euro 617.4 million, as detailed below:

(amounts in thousands of Euro)	twelve months ended December 31 2025	twelve months ended December 31 2024
Retail	320,531	324,039
Real estate	82,895	30,855
Industrial, logistics and corporate	214,007	138,360
Total	617,433	493,254

The Group continued to strengthen its business, investing in the enhancement of its store network through selected new openings and enlargements, reinforcing its industrial capabilities and further advancing its technological and digital roadmap, as multi-year initiatives begin to deliver results.

Net operating working capital as of December 31, 2025 amounted to Euro 899.3 million, an increase of Euro 91.1 million compared with December 31, 2024. The change mainly reflected higher trade receivables of Euro 44.7 million and inventories of Euro 192.9 million, partly offset by an increase in trade payables of Euro 146.6 million. The contribution of the Versace acquisition to net operating working capital at period-end amounted to Euro 146.4 million. Excluding this contribution, the Group demonstrated effective working capital management, with overall ratios improving as a percentage of sales.

Other current assets/(liabilities), net, amounted to Euro 353.7 million as of December 31, 2025, compared with Euro 384.4 million as of December 31, 2024. The change mainly reflects the impact of the Versace acquisition and prepaid expenses relating to Luna Rossa's participation in the upcoming 38th America's Cup.

Other non-current assets/(liabilities), net, amounted to Euro 141.5 million as of December 31, 2025, a decrease of Euro 24.0 million compared with 2024, mainly reflecting provisions related to contractual obligations to restore leased commercial property and changes in deferred taxes.

Net financial position

The following table provides details of the net financial position:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Non-current financial liabilities	(1,292,505)	(220,941)
Current financial liabilities and bank overdrafts	(439,861)	(183,247)
Liabilities due to related parties - current	-	(8,149)
Total financial liabilities	(1,732,366)	(412,337)
Cash and cash equivalents	1,261,676	1,011,563
Financial assets with related parties - non-current	4,817	369
Financial assets with related parties - current	63	7
Total financial assets and cash and cash equivalents	1,266,556	1,011,939
Net financial surplus / (deficit)	(465,810)	599,602

Net operating cash flow for the twelve-month period, after lease liability payments of Euro 452.4 million, amounted to Euro 1,201.9 million. After cash outflows related to investing activities of Euro 1,817.6 million, dividend payments of Euro 419.9 million, negative foreign exchange effects on the net financial position of Euro 24.8 million and other minor items, the Group reported a net financial deficit of Euro 465.8 million at the end of the period.

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Cash flow from operating activities	2,126,478	1,998,769
Net cash interest received (paid)	1,880	(6,977)
Lease liabilities: interest paid	(87,764)	(69,623)
Tax paid	(386,336)	(270,552)
Net cash flow from operating activities	1,654,258	1,651,617
Payment of lease liabilities	(452,376)	(438,833)
Net operating cash flow (*)	1,201,882	1,212,784
Net cash flow from investing activities	(1,817,600)	(462,453)
Free cash flow (**)	(615,718)	750,331

(*) Non-IFRS measure equal to net cash flow from operating activities less payment of lease liabilities

(**) Non-IFRS measure equal to net operating cash flow, less net cash flow from investing activities

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 Group had undrawn cash credit lines available with banks totalling Euro 1,398 million (Euro 1,296 million as of December 31, 2024), of which Euro 854 million were committed credit lines and Euro 544 million uncommitted ones.

All financial covenants were fully complied with as of December 31, 2025 and are expected to remain complied with over the next twelve months.

The following table sets forth the lease liabilities:

(amounts in thousands of Euro)	December 31 2025	December 31 2024
Lease liabilities - non-current	2,567,180	1,940,978
Lease liabilities - current	524,699	434,135
Total	3,091,879	2,375,113

Lease liabilities increased from Euro 2,375 million as of December 31, 2024 to Euro 3,092 million as of December 31, 2025, primarily reflecting new contracts and remeasurements of Euro 858.2 million, less payments made during the period of Euro 452.4 million, contract terminations of Euro 7.7 million and negative foreign exchange rate differences of Euro 172.6 million. The Versace acquisition contributed Euro 491.3 million.

Lease liabilities were mainly concentrated in the U.S.A., Italy and Japan.

Net financial indebtedness, including lease liabilities, amounted to Euro 3,558 million as of December 31, 2025, compared with Euro 1,776 million as of December 31, 2024.

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.

Outlook

Looking ahead, we remain committed to the ambition to deliver above-market growth for the Group. With respect to profitability, ex Versace, we continue to aim for 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.

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"). Full details on the Company's corporate governance practices are set out in the Company's 2025 Annual Report.

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 ("2025"), 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.

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") 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 2025. There were no incidents of non-compliance during 2025.

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.

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.

During 2025, 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, Internal Audit Department, External Auditor and Board of Statutory Auditors, the significant internal and external 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 2025, the findings of both the Internal Audit Department and the External 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 2025, 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 External 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 final 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 2025, the annual results, the Sustainability Report, the continuing connected transactions, and the Internal Audit Department and Audit and Risk Committee reports.

Purchase, sale or redemption of the Company's listed securities

During 2025, neither the Company nor any of its subsidiaries purchased, sold, or redeemed any of the Company's listed securities. The Company did not hold any treasury shares as of December 31, 2025.

Shareholders' general meeting

The Shareholders' general meeting of the Company will be held on Thursday,

April 30, 2026 (the "AGM").

Notice of the AGM will be published on the Company's website at www.pradagroup.com and on the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk and dispatched to the shareholders of the Company in due course.

Final dividend

The Board recommends, for 2025, a final dividend of Euro 424,764,784 (Euro 0.166 per share). The payments shall be made:

- (i) in Euro to the shareholders recorded in the section of the Company's shareholders register kept by the Company at its registered office in Milan (Italy), and
- (ii) in Hong Kong dollars to the shareholders recorded in the section of the Company's shareholders register kept in Hong Kong.

The relevant exchange rate will be the opening buying T/T rate of Hong Kong dollars to Euros as announced by the Hong Kong Association of Banks (www.hkab.org.hk) on the day the final dividend is approved by the shareholders.

Subject to the shareholders' approval at the AGM of the final dividend, such dividend will be paid on Tuesday, May 19, 2026.

Book closure and record dates

For determining shareholders' right to attend and vote at the AGM:

Latest time to lodge transfer documents with the Company's Hong Kong Share Registrar or the Company in Milan (<i>Note 1</i>)	April 27, 2026 - 4:30 pm HK time/10:30 am CET time
Book closure (both sections) (<i>Note 2</i>)	From April 28 to April 30, 2026 (both days inclusive)
Record date	April 28, 2026

For determining shareholders' entitlement to the payment of the proposed final dividend:

Latest time to lodge transfer documents with the Company's Hong Kong Share Registrar or the Company in Milan (<i>Note 1</i>)	May 7, 2026 - 4:30 pm HK time/10:30 am CET time
Book closure (both sections) (<i>Note 2</i>)	May 8, 2026
Record Date	May 8, 2026
Dispatch date of dividend warrants	May 19, 2026

Notes:

1. *All transfers accompanied by the relevant share certificate(s) must be lodged with:*
 - (i) *the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited whose address is at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, if the transfer concerns shares registered in the section of the Company's shareholders register kept by the Company's Hong Kong share registrar itself; or*
 - (ii) *the Company's registered office at Via Antonio Fogazzaro no. 28, Milan 20135, Italy, if the transfer concerns shares registered in the section of the Company's shareholders register kept by the Company itself.*

2. *No transfer of shares will be registered on the book closure date.*

Publication of Annual Results Announcement and Annual Report

This Annual Results Announcement is published on the Company's website at www.pradagroup.com and on the Hong Kong Exchanges and Clearing Limited's website at www.hkexnews.hk. The Company's 2025 Annual Report will be published on the same websites and dispatched to shareholders of the Company in due course.

By Order of the Board
Prada S.p.A.
Mr. Paolo Zannoni
*Executive Deputy
Chairman*

Milan (Italy), March 5, 2026

As of the date of this Announcement, the Company's executive directors are Mr. Patrizio BERTELLI, Mr. Paolo ZANNONI, Ms. Miuccia PRADA BIANCHI, Mr. Andrea GUERRA, Mr. Andrea BONINI and Mr. Lorenzo BERTELLI; and the Company's independent non-executive directors are Mr. Yoël ZAOUÏ, Ms. Ilaria RESTA, Ms. Cristiana RUELLA, Ms. Pamela Yvonne CULPEPPER and Ms. Anna Maria RUGARLI.