

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

PRADA S.p.A.

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

CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF A PROPERTY

THE ACQUISITION

The Board is pleased to announce that on January 28, 2025, the Company entered into the Agreement with Peschiera Immobiliare, pursuant to which the Company purchased, and Peschiera Immobiliare sold, the Property at the Consideration of EUR 12,600,000.

LISTING RULES IMPLICATIONS

As at the date of this Announcement, Peschiera Immobiliare is controlled by Mr. Patrizio Bertelli (directly for 50% of its share capital and indirectly through PA BE 1 for the remaining 50% of its share capital), the Chairman of the Board, an Executive Director, and a substantial shareholder of the Company; Peschiera Immobiliare is a connected person (as defined in the Listing Rules) of the Company. As such, the transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable Percentage Ratios of the Acquisition exceeds 0.1% but is less than 5%, the Acquisition is only subject to the reporting and announcement requirements and is exempted from the circular and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on January 28, 2025, the Company entered into the Agreement with Peschiera Immobiliare, pursuant to which the Company purchased, and Peschiera Immobiliare sold, the Property at the Consideration of EUR 12,600,000.

PRINCIPAL TERMS OF THE AGREEMENT

Date: January 28, 2025

Parties: (1) Peschiera Immobiliare, as the Vendor; and
(2) the Company, as the Purchaser

Property: Location: the following two separate buildings (respectively, “Building 1” and “Building 2”) located in Via Scalarini, 8, Milan, Italy:

Buildings:

- (1) Building 1, currently used as offices and showroom, consisting of a ground floor plus a basement, with total net area of 2,417 square metres; and
- (2) Building 2, currently used as offices and laboratory, consisting of a ground floor plus a basement plus three above-ground floors, with a total net area of 1,387 square metres.

Total net area of the Property: 3,804 square metres.

Consideration and payment terms

The Consideration for the Acquisition of the Property is EUR 12,600,000. The Consideration was entirely paid in cash by the Company to the Vendor at Completion.

Source of funding

The Company has funded the Acquisition through Group’s internal resources.

Basis of the Consideration

The Consideration was determined after arm’s length negotiations between the Parties on normal commercial terms with reference to, among other things, (i) the location and strategic value of the Property, (ii) the current Milan property market sentiment for offices and services locations, and (iii) the development underway in the area as further explained in the paragraph headed “Reasons for the Acquisition”. In addition, the Consideration falls in the valuation range for the Property of EUR 11,000,000 to EUR 14,820,000 determined on the basis of three appraisals by different independent professional real estate appraisers of primary standing appointed by the Company, which expressly confirmed their independence from either Party.

Other information on the Property

The original acquisition cost of the Property to the Vendor is not available as a standalone figure, because the Property was acquired, together with other assets and liabilities, by the Vendor in 2017

through the acquisition of a company, an independent third party, for a consideration of EUR 5,440,000.

INFORMATION ON THE PARTIES

The Group owns some of the world's most prestigious luxury brands: Prada, Miu Miu, Church's, Car Shoe, the historic Pasticceria Marchesi and Luna Rossa. The Group designs, manufactures and distributes ready-to-wear collections, leather goods and footwear in more than 70 countries through a network of 593 stores (as of June 30, 2024) as well as e-commerce channels, selected e-tailers, and department stores around the world. The Group also operates in the eyewear, fragrances, and cosmetic sector through licensing agreements.

Peschiera Immobiliare is a real estate holding company with limited liability incorporated under the laws of Italy and is controlled by Mr. Patrizio Bertelli, directly for 50% of its share capital and indirectly through PA BE 1 for the remaining 50% of its share capital.

REASONS FOR THE ACQUISITION

The Property is currently leased to the Group under the Existing Lease Agreements. The Company has been leasing Building 1 from Peschiera Immobiliare since 2023, while Marchesi has been leasing Building 1 from Peschiera Immobiliare from 2018 to 2023 and Building 2 from Peschiera Immobiliare since 2023.

The Property is located in a strategic area for the Company and the Group, nearby the offices at Via Orobia No. 3, and Fondazione Prada, as well as bordering on the property at Via Bernardo Quaranta No. 55, owned by Prada and currently leased by Marchesi as a warehouse.

The proximity of the Property to these other buildings facilitates the integration with existing activities, and the achievement of operational efficiencies and synergies. Furthermore, the acquisition of the Property provides the Company with additional flexibility in terms of space utilization and potential changes of use.

It is also worth noting that the surrounding area is affected by the vast re-building and development project of the so-called former "Scalo di Porta Romana", envisaging – among others – the development of the Olympic Village for the Milan-Cortina 2026 Winter Olympics, the construction of new residential and office buildings, as well as a park with a strong environmental and visual impact. The Property is therefore located in an area that has been undergoing significant real estate development, and which will be characterized by increasing scarcity of real estate properties available on the market.

The Directors (including all Independent Non-Executive Directors) believe that the Acquisition and the terms of the Agreement including the Consideration are on normal commercial terms or better and in the ordinary and usual course of business of the Group, fair and reasonable and in the interests of the Company and the Company's Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this Announcement, Peschiera Immobiliare is controlled by Mr. Patrizio Bertelli (directly for 50% of its share capital and indirectly through PA BE 1 for the remaining 50% of its share capital), the Chairman of the Board, an Executive Director, and a substantial shareholder of the Company; Peschiera Immobiliare is a connected person (as defined in the Listing Rules) of the Company. As such, the transaction contemplated under the Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Mr. Patrizio Bertelli is being regarded as having a material interest in the Acquisition. He did not attend Board meeting approving such transaction and therefore did not vote on the relevant resolution. Save as disclosed above, none of the other Directors has a material interest in the Acquisition and the transactions contemplated under the Agreement, and hence no other Director is required to abstain from voting on the relevant Board resolutions.

As the highest of the applicable Percentage Ratios of the Acquisition exceeds 0.1% but is less than 5%, the Acquisition is only subject to the reporting and announcement requirements and is exempted from the circular and the independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Acquisition”	the acquisition of the Property by the Company from Peschiera Immobiliare pursuant to the Agreement
“Agreement”	the agreement for the sale and purchase of the Property dated January 28, 2025, entered into by and between the Parties in relation to the Acquisition
“Board”	the board of directors of the Company
“Company” or “Prada” or “Purchaser”	PRADA S.p.A., a joint-stock company with limited liability incorporated in Italy and the shares of which are listed on the Stock Exchange
“Completion”	the completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Consideration”	the consideration of EUR 12,600,000 paid by the Company to Peschiera Immobiliare for the Acquisition
“Director(s)”	the director(s) of the Company
“EUR”	Euro, the lawful currency of 20 of the 27 member states of the European Union
“Existing Lease Agreements”	(1) Building 1: lease agreement between the Company, as lessee, and Peschiera Immobiliare, as lessor; (2) Building 2: lease agreement between Marchesi, as lessee, and Peschiera Immobiliare, as lessor.
“Group”	collectively, the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Marchesi”	Marchesi 1824 S.r.l., a limited liability company incorporated under the laws of Italy, wholly owned by the Company
“PA BE 1”	PA BE 1 S.p.A., a joint-stock company incorporated under the laws of Italy, wholly owned by Mr. Patrizio Bertelli
“Parties”	the parties to the Agreement, <i>i.e.</i> the Vendor and the Purchaser
“Percentage Ratio(s)”	shall have the meaning as ascribed to it under Chapter 14 of the Listing Rules
“Peschiera Immobiliare” or “Vendor”	Peschiera Immobiliare S.r.l., a real estate holding company with limited liability incorporated under the laws of Italy, controlled by Mr. Patrizio Bertelli, directly for a stake equal to 50% of its share capital, and indirectly through PA BE 1 for the other 50% of its share capital
“Property”	Two separate buildings located in Via Scalarini, 8, Milan, Italy
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Milan (Italy), 28 January 2025

As at 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. Marina Sylvia CAPROTTI, Ms. Cristiana RUELLA, Ms. Pamela Yvonne CULPEPPER and Ms. Anna Maria RUGARLI.