

PRADA Group



2023 Interim Financial Report

PRADA spa
(Hong Kong Stock code: 1913)

2023 INTERIM FINANCIAL REPORT

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Miuccia Prada and Patrizio Bertelli

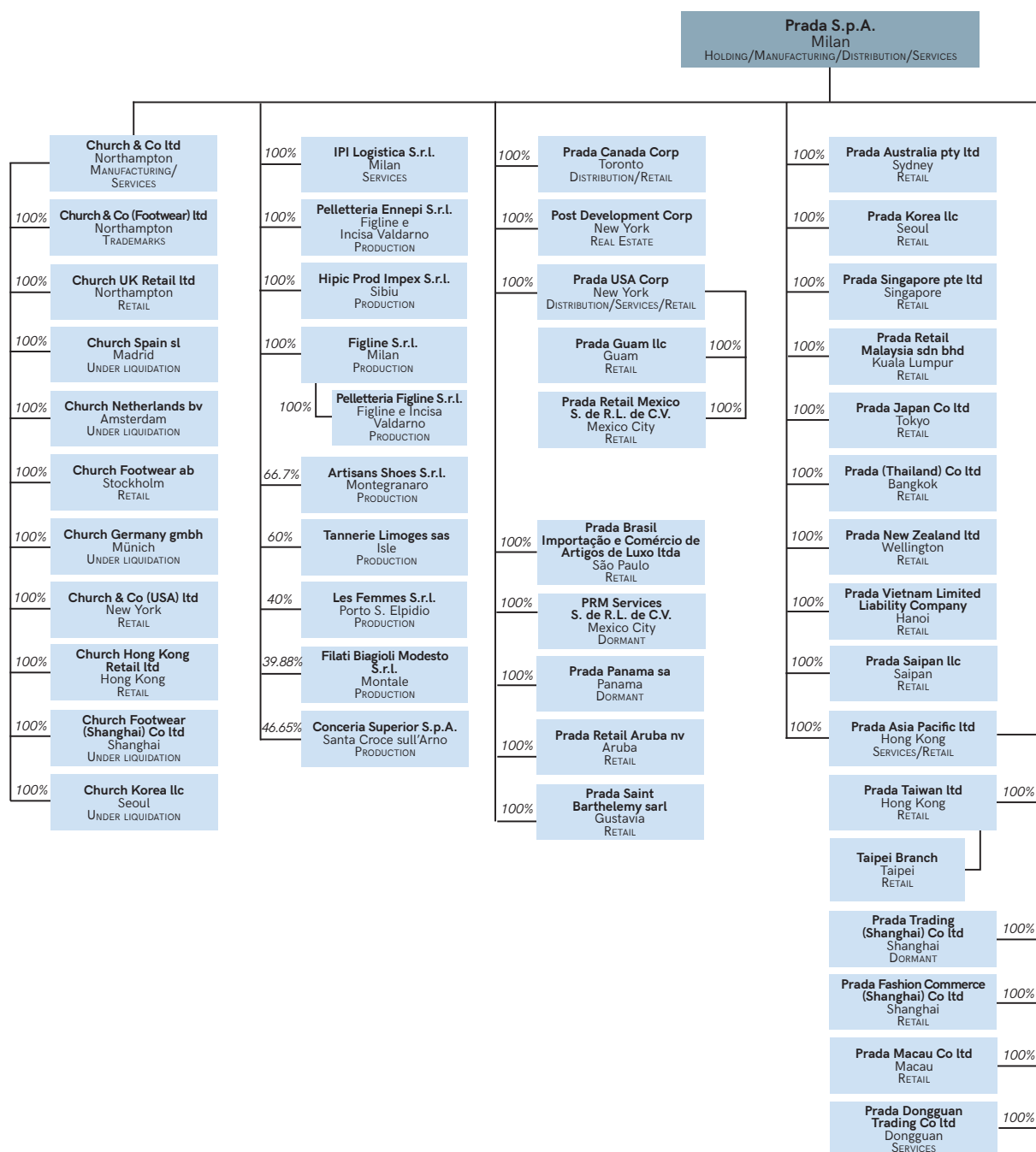
THE PRADA GROUP

PRADA S.P.A. COMPANY INFORMATION

Registered Office	Via A. Fogazzaro, 28 20135 Milan, Italy
Head Office	Via A. Fogazzaro, 28 20135 Milan, Italy
Place of business in Hong Kong registered under Part 16 of the Hong Kong Companies Ordinance	8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.)
Company Corporate website	www.pradagroup.com
Hong Kong Stock Exchange Identification Number	1913
Share Capital	Euro 255,882,400 (represented by 2,558,824,000 shares of Euro 0.10 each)
Board of Directors	Patrizio Bertelli <i>(Chairman & Executive Director)</i> Paolo Zannoni <i>(Executive Deputy Chairman & Executive Director)</i> Andrea Guerra <i>(Chief Executive Officer & Executive Director)</i> Miuccia Prada Bianchi <i>(Executive Director)</i> Andrea Bonini <i>(Chief Financial Officer & Executive Director)</i> Lorenzo Bertelli <i>(Executive Director)</i> Yoël Zaoui <i>(Lead Independent Non-Executive Director)</i> Marina Sylvia Caprotti <i>(Independent Non-Executive Director)</i> Maurizio Cereda <i>(Independent Non-Executive Director)</i> Pamela Yvonne Culpepper <i>(Independent Non-Executive Director)</i> Anna Maria Rugarli <i>(Independent Non-Executive Director)</i>
Audit and Risk Committee	Yoël Zaoui <i>(Chairman)</i> Marina Sylvia Caprotti Maurizio Cereda

Remuneration Committee	Marina Sylvia Caprotti (<i>Chairwoman</i>) Paolo Zannoni Yoël Zaoui
Nomination Committee	Maurizio Cereda (<i>Chairman</i>) Lorenzo Bertelli Marina Sylvia Caprotti
Sustainability Committee	Pamela Yvonne Culpepper (<i>Chairwoman</i>) Lorenzo Bertelli Anna Maria Rugarli
Board of Statutory Auditors	Antonino Parisi (<i>Chairman</i>) Roberto Spada David Terracina
Organismo di Vigilanza (Supervisory Body) (Italian Legislative Decree 231/2001)	Stefania Chiaruttini (<i>Chairwoman</i>) Armando Simbari (replaced Yoël Zaoui on July 26, 2023) Roberto Spada
Main Shareholder	Prada Holding S.p.A. Via A. Fogazzaro, 28 20135 Milan, Italy
Company Secretary	Ying-Kwai Yuen 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.)
Authorized Representatives in Hong Kong S.A.R.	Patrizio Bertelli Via A. Fogazzaro, 28 20135 Milan, Italy Ying-Kwai Yuen 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.)
Alternate Authorized Representative to Patrizio Bertelli in Hong Kong S.A.R.	Wendy Pui-Ting Tong 8th Floor, One Taikoo Place 979 King's Road Quarry Bay, Hong Kong S.A.R. (P.R.C.)
Hong Kong Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai, Hong Kong S.A.R. (P.R.C.)
Auditor	Deloitte & Touche S.p.A. Via Tortona, 25 20144 Milan, Italy

PRADA GROUP STRUCTURE



FINANCIAL REVIEW

BASIS OF PREPARATION

The Board of Director's Financial Review refers to the group of companies controlled by Prada S.p.A. ("Prada" or the "Company"), the operating parent company of the Prada Group (the "Group" or "Prada Group"), and it is based on the unaudited Interim Condensed Consolidated Financial Statements for the six-month period ended June 30, 2023.

The tables reported in the Financial Review have been prepared in accordance with the measurement and classification criteria of the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and adopted by the European Union. Some "non-IFRS measures" are also used within the Financial Review in order to represent some financial aspects of the period from a management perspective.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED
JUNE 30, 2023 (INCLUDES NON-IFRS MEASURES)

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	%	six months ended June 30 2022 (unaudited)	%	change	% change
Net sales	2,184,896	97.9%	1,872,418	98.5%	312,478	16.7%
Royalties	47,483	2.1%	28,524	1.5%	18,959	66.5%
Net revenues	2,232,379	100%	1,900,942	100%	331,437	17.4%
Cost of goods sold	(438,984)	-19.7%	(423,451)	-22.3%	(15,533)	3.7%
Gross margin	1,793,395	80.3%	1,477,491	77.7%	315,904	21.4%
Product design and development costs	(72,489)	-3.2%	(68,581)	-3.6%	(3,908)	5.7%
Advertising and communications costs	(187,274)	-8.4%	(155,168)	-8.2%	(32,106)	20.7%
Selling costs	(894,587)	-40.1%	(795,510)	-41.8%	(99,077)	12.5%
General and administrative costs	(147,626)	-6.6%	(127,430)	-6.7%	(20,196)	15.8%
Total operating expenses	(1,301,976)	-58.3%	(1,146,689)	-60.3%	(155,287)	13.5%
Recurring operating income / (loss) - EBIT Adjusted	491,419	22.0%	330,802	17.4%	160,617	48.6%
Other non-recurring income / (expenses)	-	-	(26,000)	-1.4%	26,000	-100%
Operating income / (loss) - EBIT	491,419	22.0%	304,802	16.0%	186,617	61.2%
Interest and other financial income / (expenses), net	(19,292)	-0.9%	(8,584)	-0.5%	(10,708)	124.7%
Interest expenses on lease liability	(27,342)	-1.2%	(18,887)	-1.0%	(8,455)	44.8%
Dividends from investments	226	0.0%	119	0.0%	107	89.9%
Total financial income / (expenses)	(46,408)	-2.1%	(27,352)	-1.4%	(19,056)	69.7%
Income / (loss) before taxation	445,011	19.9%	277,450	14.6%	167,561	60.4%
Taxation	(138,381)	-6.2%	(88,033)	-4.6%	(50,348)	57.2%
Net income / (loss) for the period	306,630	13.7%	189,417	10.0%	117,213	61.9%
Net income / (loss) - Non-Controlling interests	1,462	0.1%	1,153	0.1%	309	26.8%
Net income / (loss) - Group	305,168	13.7%	188,264	9.9%	116,904	62.1%

KEY FINANCIAL INFORMATION

Key economic figures (amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Net revenues	2,232,379	1,900,942
EBIT Adjusted (*)	491,419	330,802
% Incidence on net revenues	22.0%	17.4%
EBIT (**)	491,419	304,802
% Incidence on net revenues	22.0%	16.0%
Net income / (loss) of the Group	305,168	188,264
Earnings / (losses) per share (Euro)	0.119	0.074
Net operating cash flow (***)	181,753	158,202

(*) Non-IFRS measure equal to EBIT less other non-recurring income / (expenses)

(**) Non-IFRS measure equal to earnings before interest and taxation

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

Key indicators (amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Net operating working capital	723,262	690,573
Net invested capital (right of use assets included)	5,427,546	5,073,699
Net financial surplus / (deficit) (*)	282,887	534,900
Group shareholders' equity	3,501,416	3,482,217

(*) Non-IFRS measure equal to short-term and long-term financial payables due to third parties and related parties, net of cash and cash equivalents and short-term and long-term financial receivables due from third parties and related parties

HIGHLIGHTS FOR THE SIX MONTHS ENDED JUNE 30, 2023

In the first half of 2023 Prada Group achieved solid performance driven by strong brand identity, creativity and disciplined execution amidst an ever-changing global macroeconomic scenario.

Group's net revenues grew by 20.5% at constant exchange rates compared to first half of 2022, with retail sales marking double-digit growth across all product categories.

At brand level, Prada retail net sales increased by 17.7% in the first six months of 2023, reporting a growth of +14.7% in the second quarter, a more moderate but solid pace compared to the +21.1% of the first quarter, on a high basis of comparison with the exception of China. Miu Miu retail net sales grew at 50.1% in the semester, with the second quarter in further acceleration at +57.3% versus the +41.9% of the first quarter, an excellent performance supported by the higher exposure to China and Asia.

Both gross margin (80.3%) and EBIT margin (22.0%) showed further expansion, notwithstanding higher investments behind the brands. The net financial position remained robust, providing comfortable headroom to fund future strategic

initiatives.

With respect to Prada, over the period the focus has been on nurturing the desirability of the brand, whose Menswear FW23 / SS24 and Womenswear FW23 shows confirmed excellent reception across all audiences. Through the highly successful "The Glass Age" campaign, the iconic Galleria bag has been reinterpreted and celebrated; at the same time, the introduction of novelties continued across all categories with the ongoing and broad-based success of the brand's collections. Contributing to the dialogue with growing audiences, in the second quarter, Prada and Adidas unveiled the "adidas Football for Prada" collection. Throughout the semester, the brand also realised a number of successful activations, including dedicated events for the Eternal Gold fine jewellery collection, Prada Extends in Bangkok, Prada Mode in Tokyo, and the opening of the very impactful Prada Caffè at Harrods.

As for Miu Miu, the standout performance was supported by the highly successful FW23 fashion show, the launch of the SS23 campaign with exceptional personalities, and continued investment to amplify the brand awareness to a growing client base. The "matelassé" leather and its dedicated campaigns resonated strongly, as demonstrated by the success of Wander and recently launched Arcadie bags; likewise, the second drop of the New Balance x Miu Miu sneakers created strong commercial response, increasing the brand visibility. Miu Miu consolidated formats, like the Miu Miu Women's Tales as well as Miu Miu Select, also contributed to foster the relationship with the community on a global scale. The brand strategy remains focused on reinforcing brand codes, with a constant flow of contemporary collections that fuel desirability across all product categories.

Adding to the client engagement initiatives of the brands, the Group continued to invest in the retail network upgrade at pace, with c.70 renovation projects completed in the semester, instrumental to elevate the client experience in store and to increase productivity.

On the industrial front, the focus has been on expanding capacity and reinforcing the strategic control of the know-how. In this context, the Group also announced the acquisition of a minority stake in Luigi Fedeli e Figlio S.r.l., an Italian family business globally recognised for the excellence of its knitwear and fine yarns.

Additionally, in March the Group unveiled an ambitious hiring plan concentrated on the regions of Tuscany, Umbria and Marche, which will add 400 resources by the end of the year. More than half of the professionals will be trained internally by the Prada Group Academy, as part of the Group's mission to preserve craftsmanship

know-how.

Prada Group's focus on vertical integration was also reflected in the progress made with building an increasingly responsible business model, throughout the key areas of supply chain transparency, raw materials traceability, Scope 3 CO2 emissions reduction, chemicals management in industrial processes and a wider Water Conservation programme.

Moreover, the Group's ongoing commitment to the ocean through the SEA BEYOND project continues, with the announcement on June 27 of a new enhanced partnership with IOC-UNESCO. Specifically, Prada Group will donate 1% of the proceeds of the Prada Re-Nylon collection to enrich educational programme and extend the scope of SEA BEYOND towards two new areas of focus: support for ocean-related scientific research and humanitarian projects.

Finally, with the onboarding of Andrea Guerra as Prada Group CEO in January, the Group further strengthened its governance, thus enhancing its ability to execute the strategy while also easing the generational transition.

ANALYSIS OF NET REVENUES

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)		six months ended June 30 2022 (unaudited)		% change current exc. rates	% change constant exc. rates
Net revenues						
Retail net sales (Directly Operated Stores and e-commerce)	1,974,710	88.5%	1,677,950	88.3%	17.7%	21.1%
Wholesale net sales (independent customers and franchisees)	210,186	9.4%	194,468	10.2%	8.1%	8.5%
Royalties	47,483	2.1%	28,524	1.5%	66.5%	66.5%
Total net revenues	2,232,379	100%	1,900,942	100%	17.4%	20.5%
Retail net sales by brand						
Prada	1,667,909	84.5%	1,457,314	86.9%	14.5%	17.7%
Miu Miu	285,160	14.4%	196,483	11.7%	45.1%	50.1%
Church's	12,665	0.6%	16,223	1.0%	-21.9%	-20.6%
Other	8,976	0.5%	7,930	0.5%	13.2%	13.6%
Total retail net sales	1,974,710	100%	1,677,950	100%	17.7%	21.1%
Retail net sales by geographical area						
Asia Pacific	715,724	36.2%	590,478	35.2%	21.2%	25.3%
Europe	582,112	29.5%	486,001	29.0%	19.8%	24.2%
Americas	361,073	18.3%	359,791	21.4%	0.4%	-1.0%
Japan	223,587	11.3%	161,470	9.6%	38.5%	49.2%
Middle East	92,214	4.7%	80,210	4.8%	15.0%	13.5%
Total retail net sales	1,974,710	100%	1,677,950	100%	17.7%	21.1%
Retail net sales by product category						
Leather goods	924,814	46.8%	851,182	50.7%	8.7%	11.7%
Ready to wear	609,495	30.9%	461,395	27.5%	32.1%	36.1%
Footwear	373,920	18.9%	320,160	19.1%	16.8%	20.3%
Other	66,481	3.4%	45,213	2.7%	47.0%	49.8%
Total retail net sales	1,974,710	100%	1,677,950	100%	17.7%	21.1%

(growth percentages at constant exchange rates, unless differently specified)

The Prada Group generated net revenues of Euro 2,232.4 million in the six months ended June 30, 2023, up by 20.5% compared to the first six months of 2022. Exchange rate fluctuations reduced the increase by 3.1%, to 17.4%.

During the first six months of 2023, retail sales rose by double digits against the same period of 2022, with a +21.1% increase driven by the organic growth of full-price sales, which benefited from an increase in both average prices and volumes sold. Over the period, retail sales accounted for 89% of total net revenues, therefore in line with 2022 levels.

At June 30, 2023, the Group operated 603 stores, following 14 openings and 23 closures over the period.

Sales in the wholesale channel rose by 8.5% compared to the corresponding period of 2022, in particular due to the recovery of duty-free sales.

Royalty income grew by 66.5% compared to the first six months of 2022, a performance driven by the strong contribution of both eyewear and fragrances.

NUMBER OF STORES

	June 30, 2023		December 31, 2022		June 30, 2022	
	Owned	Franchises	Owned	Franchises	Owned	Franchises
Prada	426	22	422	21	421	22
Miu Miu	141	6	145	5	146	5
Church's	28	-	37	-	52	-
Car Shoe	2	-	2	-	2	-
Marchesi 1824	6	-	6	-	6	-
Total	603	28	612	26	627	27

	June 30, 2023		December 31, 2022		June 30, 2022	
	Owned	Franchises	Owned	Franchises	Owned	Franchises
Europe	200	-	209	-	219	-
Asia Pacific	192	25	190	21	195	22
Americas	102	-	104	-	105	-
Japan	86	-	86	-	86	-
Middle East	23	3	23	5	22	5
Total	603	28	612	26	627	27

BRANDS

At brand level Prada remained on a sound trajectory while Miu Miu reported a remarkably strong performance.

Prada net retail sales increased by 17.7% in the first six months of 2023, reporting a growth of +14.7% in the second quarter, a more moderate but solid pace compared to the +21.1% of the first quarter, on a high basis of comparison with the exception of China.

As for Miu Miu, net retail sales rose by 50.1%, with the second quarter in further acceleration at +57.3% versus the +41.9% of the first quarter, an excellent outcome supported by the higher exposure to China and Asia, and driven by growth across all markets and all product categories, thanks in part to the retail renovation plan underway.

The breakdown of net revenues by brand is shown below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)		six months ended June 30 2022 (unaudited)		% change current exc. rates	% change constant exc. rates
Net revenues by brand						
Prada	1,880,406	84.2%	1,650,963	86.8%	13.9%	16.8%
Miu Miu	326,620	14.6%	219,526	11.5%	48.8%	53.3%
Church's	15,521	0.7%	21,399	1.1%	-27.5%	-26.5%
Other	9,832	0.4%	9,054	0.5%	8.6%	8.9%
Total net revenues	2,232,379	100%	1,900,942	100%	17.4%	20.5%

MARKETS

Over the period the Group delivered double-digit growth across all regions, excluding Americas.

In Asia Pacific, net retail sales rose by 25.3%, benefiting in particular from the recovery in China and a favorable comparison with 2022 data, particularly in April and May.

In Europe, retail sales rose by 24.2%, supported by healthy local demand and high level of tourism.

Retail sales in the Americas fell by 1%. However, the North American client cluster, that has been showing strength for a prolonged period, continued to grow throughout the semester, including in the second quarter.

As for Japan, retail sales rose by 49.2%, benefiting from recent investments in the retail network, solid domestic spending and progressive recovery of tourism flows. Retail sales in the Middle East also delivered solid growth reporting +13.5%.

PRODUCTS

The Group reported double-digit growth across all product categories compared with the first six months of 2022.

Leather Goods recorded retail sales growth of +11.7%, assisted by both novel and iconic products. Ready-to-Wear remained the fastest growing category (+36.1%) thanks to both Prada and Miu Miu, while Footwear performance of +20.3% against 2022 was driven by the contribution of lifestyle products, sneakers and formal items.

OPERATING RESULTS

The gross margin for the six months ended June 30, 2023 corresponded to 80.3% of the net revenues, up substantially from the 77.7% of the corresponding period in 2022. Higher average prices, a better sales mix in terms of distribution channels and greater absorption of production overheads are the key drivers of this improvement, together with subsiding inflationary pressures.

Operating expenses totaled Euro 1,302 million, up by Euro 129.3 million versus 2022, which included non-recurring expenses of Euro 26 million. The increase is attributable primarily to higher variable costs ensuing from the sales increase, more communication activities, higher personnel expenses and other general and administrative costs.

The operating income for the period, or EBIT, was Euro 491.4 million (22% of net revenues), compared to the Euro 304.8 million (16%) of the first six months of 2022.

FINANCIAL EXPENSES AND TAXATION

The net financial expenses of Euro 46.4 million are Euro 19 million higher than in 2022 (Euro 27.4 million). The increase is attributable largely to higher foreign exchange losses and interest expense on lease liabilities, offset in part by lower costs associated with the net financial surplus, which improved from the same period of 2022.

The net income tax for the six months ended June 30, 2023 is Euro 138.4 million, corresponding to 31.1% of the profit before tax.

NET INCOME

The net income for the period is Euro 306.6 million (13.7% of net revenues), versus Euro 189.4 million (10%) reported in 2022.

ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

NET INVESTED CAPITAL

The following table reclassifies the Statement of Financial Position to provide a information on the composition of the net invested capital:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Right of use assets	2,082,146	2,011,474
Non-current assets (excluding deferred tax assets), net	2,544,595	2,517,042
Trade receivables, net	325,296	331,915
Inventories, net	784,525	760,457
Trade payables	(386,559)	(401,799)
Net operating working capital	723,262	690,573
Other current assets (excluding items of financial position)	279,997	229,575
Other current liabilities (excluding items of financial position)	(374,413)	(522,553)
Other current assets/(liabilities), net	(94,416)	(292,978)
Provision for risks	(47,024)	(51,486)
Post-employment benefits	(56,323)	(67,571)
Other long-term liabilities	(61,443)	(65,590)
Deferred taxation assets / (liabilities), net	336,749	332,235
Other non-current assets / (liabilities)	171,959	147,588
Net invested capital	5,427,546	5,073,699
Shareholder's equity - Group	(3,501,416)	(3,482,217)
Shareholder's equity - Non-controlling interests	(19,825)	(18,805)
Total consolidated shareholders' equity	(3,521,241)	(3,501,022)
Long-term financial payables, net	(348,589)	(394,531)
Short-term financial, net surplus / (deficit)	631,476	929,431
Net financial surplus / (deficit)	282,887	534,900
Net financial surplus / (deficit) to consolidated shareholders' equity ratio	-8%	-15.3%
Long-term lease liability	(1,768,803)	(1,715,451)
Short-term lease liability	(420,389)	(392,126)
Total lease liability	(2,189,192)	(2,107,577)
Net financial surplus / (deficit), including lease liability	(1,906,305)	(1,572,677)
Shareholders' equity and net financial surplus / (deficit), including lease liability	(5,427,546)	(5,073,699)

The net invested capital at June 30, 2023 is Euro 5,428 million, with equity of Euro 3,521 million and lease liabilities of Euro 2,189 million; the net financial position at the end of the period is a surplus of Euro 282.9 million.

Right of use assets increased by Euro 70.7 million, mainly as a result of increases for new leases, remeasurements of existing leases and revaluations totaling Euro 296 million, net of depreciation of Euro 221.2 million and writedowns of Euro 3.9 million regarding leases in Russia.

The non-current assets (net) rose by Euro 28 million (Euro 2,545 million at June 30, 2023 versus Euro 2,517 million at December 31, 2022).

The capital expenditures for the period amount to Euro 150.5 million, against depreciation, amortisation and impairment losses of Euro 111.4 million.

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Retail	94,650	62,051
Production, logistics and corporate	55,856	35,145
Total	150,506	97,196

Capital expenditures relate primarily to store restyling and relocation projects, as well as the advancement of the technological and digital roadmap in the retail, manufacturing and corporate areas and continued investments in the production facilities to strengthen the supply chain.

The net operating working capital at June 30, 2023 is Euro 723.3 million, up by Euro 32.7 million from December 31, 2022. The increase is largely attributable to the increase in inventories to support the sales growth.

The other current liabilities (net) amount to Euro 94.4 million at June 30, 2023, down by Euro 198.6 million from December 31, 2022, essentially due to the reduced current tax liability resulting from the payment of the prior period's income taxes. The other non-current assets (net) of Euro 172 million at June 30, 2023 present an increase of Euro 24.4 million from December 31, 2022, referring mainly to the reduction of liabilities regarding long-term employee benefits due to the payments made in the period.

NET FINANCIAL POSITION

The following table provides details of the net financial position:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Bank borrowing - non-current	(349,714)	(395,656)
Financial payables and bank overdrafts - current	(131,991)	(160,847)
Financial payables due to related parties - current	(5,032)	(3,568)
Total financial payables - current	(137,023)	(164,415)
Total financial payables	(486,737)	(560,071)
Cash and cash equivalents	766,271	1,091,622
Financial receivables from related parties - non-current	1,125	1,125
Financial receivables from related parties - current	2,228	2,224
Total cash and cash equivalents and financial receivables	769,624	1,094,971
Net financial surplus / (deficit)	282,887	534,900

The net operating cash flow for the six-month period, after fixed lease payments (Euro 211.8 million), was a surplus of Euro 181.8 million. After the cash outflows for investing activities (Euro 149 million) and dividend payments (Euro 267.1 million), and considering the foreign exchange differences (Euro 13.9 million) resulting from the performance of the main currencies against the Euro, the net financial surplus was Euro 282.9 million at the end of the period.

(amounts in thousands of Euro)	June 30 2023 (unaudited)	June 30 2022 (unaudited)
Cash flow from operating activities	720,344	537,742
Cost of net financial debt: interest paid	5,424	(4,685)
Lease liability: interest paid	(27,342)	(18,887)
Taxes paid	(304,922)	(139,495)
Net cash flow from operating activities	393,504	374,675
Repayment of lease liability	(211,751)	(216,473)
Net operating cash flow	181,753	158,202
Net cash flow utilised by investing activities	(148,975)	(93,067)
Free cash flow	32,778	65,135

The total amount of undrawn lines of credit at June 30, 2023 is Euro 792

million, consisting of Euro 427 million of committed lines and Euro 365 million of uncommitted lines (of which Euro 100 million of uncommitted commercial facilities).

All financial covenants were fully complied with at June 30, 2023 and they are expected to be met in the next 12 months as well.

The following table sets forth the lease liability:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Long-term lease liability	1,768,803	1,715,451
Short-term lease liability	420,389	392,126
Total	2,189,192	2,107,577

The lease liability increased from Euro 2,108 million at December 31, 2022 to Euro 2,189 million at June 30, 2023, primarily as a result of remeasurements for lease extensions or modifications (Euro 350.3 million) net of the payments of the period (Euro 211.8 million) and the exchange differences for the period (Euro 56.7 million) resulting from the appreciation of the Euro against the main currencies in the countries where the Group operates.

The lease liability is concentrated in Japan, the U.S.A. and Italy.

The net financial indebtedness, including the lease liability, is Euro 1,906 million at June 30, 2023 (Euro 1,573 million at December 31, 2022).

Further information on the maturity profile of debt and obligation of the Group, currency and interest rate structure, details of charge on Group's assets and contingent liabilities is set out in notes 18, 23 and 25 of the Notes to the Interim Condensed Consolidated Financial Statements.

RISK FACTORS AND MANAGEMENT

Risk Category	Risk
1. Risk related to strategy	<ul style="list-style-type: none"> 1.1 Strategic risks 1.2 Risk regarding image and brand recognition 1.3 Intellectual property risk
2. Geopolitical/External	<ul style="list-style-type: none"> 2.1 Economic risks and international business risks
3. Operational	<ul style="list-style-type: none"> 3.1 Business Interruption risk 3.2 Risk regarding ability to anticipate trends and react to shift in consumer tastes 3.3 Data protection risks 3.4 Risk of loss of key resources 3.5 Risks related to the supply chain 3.6 Health and safety risk
4. Financial	<ul style="list-style-type: none"> 4.1 Credit risk 4.2 Liquidity risk 4.3 Tax risk 4.4 Foreign exchange risk 4.5 Interest rate risk
5. Compliance	<ul style="list-style-type: none"> 5.1 Legal and regulatory risks
6. ESG	<ul style="list-style-type: none"> 6.1 ESG Risks

1. RISK RELATED TO STRATEGY

1.1 Strategic risks

Description	What we do
<p>The possibility for the Group to improve its financial and business performance depends on successful implementation of its commercial strategy for each brand, which is achieved through the continuous support and development of retail sales and the constant recognition of the brands as reference points in the industry.</p>	<p>The Group provides support to the retail network by offering leather goods, clothing and footwear that reflect the brand position, accompanied by a unique buying experience featuring a careful revisiting of the physical and digital store concepts and layouts and constant enrichment of customer services. The performance of the retail channel is supported by marketing initiatives intended to enhance the identity of the brands in the specific markets, emphasizing the unique features that distinguish the style and craftsmanship of the products. Moreover, the implementation of the omnichannel strategy has paved the way for long-term business development based on product quality, strong innovation and integration of distribution and communication channels in line with the evolving demands of consumers.</p>

1.2 Risk regarding image and brand recognition

Description	What we do
<p>The Group's success in the international luxury goods business is linked to the image and distinct character of its brands. These features depend on many factors, such as the style and design of the products, the quality of the materials used and production techniques, the image and locations of DOS, the careful selection of business partners, the communications activities and the corporate profile in general.</p>	<p>Preserving the image and prestige acquired by its brands is a primary objective of the Prada Group. This is pursued by constantly observing society and the changes therein, in part through close collaborations with the world of art and culture, and by continuously seeking innovation in styles, products and communications. In addition, the Group actively seeks to convey messages that are always consistent with the strong brand identities. Meanwhile, monitoring meticulously each internal and external phase of the value chain reduces considerably the risk that inappropriate performance could affect the image and therefore the value of the brands.</p>

1.3 Intellectual property risk

Description	What we do
<p>The Prada Group's brands have always been associated with beauty, creativity, tradition and excellent quality. Prada's ability to protect its brands and other intellectual property rights means safeguarding these fundamental assets that are responsible for the success of the brands and the brand positioning.</p>	<p>The Group protects its brands, designs, patents and websites by registering them and obtaining legal protection for them in all countries throughout the world. At a global level, the Group actively opposes all forms of counterfeiting and intellectual property infringement by adopting strong, systematic measures. The wholesale, retail, online and offline markets are monitored daily in close collaboration with customs authorities, tax authorities and the police.</p>

2. GEOPOLITICAL/EXTERNAL RISKS

2.1 Economic risks and international business risks

Description	What we do
<p>The performance of the luxury goods market is influenced by individuals' propensity to consume and by the general economy. Accordingly, the Group's financial and business performance is exposed to global macroeconomic, social and political risks due to its international scale. An unfavorable economy in one or more of the main countries where the Group operates, or at a global level, could adversely affect the propensity to spend on luxury goods and have a negative impact on the Group's operations, results, cash flows and financial condition.</p> <p>Moreover, a substantial portion of sales originates from purchases of products by customers on trips abroad. Therefore, unfavorable economic conditions and economic, health or geopolitical situations leading to instability, social conflicts at home and with other countries, as well as adverse natural events or government restrictions on movement could negatively affect the Group's sales, operations (including the supply chain), results, cash flows and general financial condition.</p>	<p>The Group believes that a well-balanced physical retail presence in the global market accompanied by an omnichannel strategy with closely integrated sales and communication channels, and a sufficiently diversified product range enable it to mitigate the risk that adverse conditions such as these could influence significantly the business performance.</p>

3. OPERATIONAL RISKS

3.1 Business Interruption risk

Description	What we do
<p>Business interruption can occur due to a variety of factors, including: property damage caused by an extreme weather event, machinery breakdowns, labor disputes, and cyberattacks. The resulting losses can be economic (e.g., decreased sales, increased labor costs due to the loss of a key supplier, decreased revenue potential due to natural disasters) and reputational to the Group's image.</p>	<p>The Group has an insurance program that includes business interruption coverage related to property damages incurred in the sales network.</p>
<p>With reference to cybersecurity, organizations are becoming more vulnerable to cyber threats due to their increasing reliance on computers, networks, programs, social media and data.</p> <p>An external cyberattack, insider threat or supplier breach could cause service interruption, confidential data breaches and incapacity to perform daily operations, thus affecting the Group and potentially the stakeholders involved.</p>	<p>In light of the recent increased threats of cybersecurity attacks worldwide, the Prada Group has raised the security levels of its information systems while reinforcing the lines of defense, taking the measures needed to ensure business continuity and enforcing the security awareness maturity level within the organization.</p> <p>The Group recently conducted a testing campaign aimed at simulating external attacks, which led to setting up a milestone IT security program based on recurring campaigns of cyberattack simulation and cyber-security training through e-learning courses and specific programs for those most exposed.</p> <p>The Group has also designated a Chief Information Security Officer (CISO) to guarantee that cyber security risks are addressed and managed effectively across all operations and sites.</p>

3.2 Risk regarding ability to anticipate trends and react to shift in consumer tastes

Description

The Group's success is reliant on its ability to create and influence fashion and product trends, and to anticipate shifts in consumer tastes and societal trends in a timely manner.

What we do

Miuccia Prada, assisted by a qualified team of stylists and designers, is capable of combining intellectual curiosity, the pursuit of new and unconventional ideas, and cultural and social interests with a strong sense of fashion. This has made it possible to establish a genuine design culture, based on method and discipline, which guides everyone who works in the creative process. The appointment of a Creative Co-Director for the Prada brand enables the Group to benefit from cooperation between two renowned designers - Miuccia Prada and Raf Simons - emphasizing the importance and power of creativity. Approximately one thousand individuals work in the design department and in the development department. In the first one, a mix of different nationalities, cultures and talents contribute to creativity, while in the second one craft skills combined with solid manufacturing processes dominate the area. This enables the Group to keep abreast of emerging consumer trends and lifestyles and remain a major player in the industry.

3.3 Data protection risk

Description	What we do
<p>The Prada Group is aware of the importance of ensuring adequate safeguards to its stakeholders on the processing of the personal data and information that each Group company carries out in the course of its business activities.</p>	<p>In order to ensure personal data protection and minimize the risks associated with data processing, the Prada Group has adopted policies, technical initiatives and organizational security measures in order to guarantee that:</p> <ul style="list-style-type: none">- the data are adequately protected against the risk of accidental or unlawful destruction, loss, alteration, unauthorized disclosure or access;- personal data collected and processed by the Group's companies are handled with the utmost confidentiality and secrecy, may not be used for purposes other than those that justify and permit their collection, processing and storage, and may not be disclosed or transferred to third parties, except in cases and in the manner permitted by applicable law;- personal data are processed in compliance with the European General Data Protection Regulation (GDPR) and all other applicable privacy laws and regulations of the jurisdictions in which the Group operates. <p>As part of the measures adopted, the Prada Group has designated a Chief Information Security Officer (CISO) and a Data Protection Officer (DPO). Their responsibilities, among others, include monitoring regulatory compliance, reporting and advising on personal data protection matters.</p>

3.4 Risk of loss of key resources

Description	What we do
<p>The Group's success depends on the contribution of key individuals who have played an essential role in the Group's expansion and who have substantial experience in the fashion and luxury goods business. Its success also depends on Prada's ability to retain people who are qualified in the design, product development, marketing, merchandising and corporate functions, and to train new generations of artisans.</p>	<p>The Group considers its management structure to be capable of ensuring managerial continuity, and has recently implemented a long-term incentive plan to retain key employees so that they will continue to cover the roles essential to the achievement of the challenging objectives that the Group constantly sets for itself.</p>

3.5 Risks related to the supply chain

Description	What we do
<p>The outsourcing of the production process could represent a risk in terms of dependence on key suppliers, non-compliance with quality, quantity and safety standards and availability of quality raw materials, resulting in product returns and reputational risk.</p>	<p>The Prada Group's products are made at manufacturing facilities owned in Europe, mainly in Italy, and by contract manufacturers carefully selected on the basis of competence, quality and reliability. Nearly all the prototypes and samples and some finished products are made at the Group's own manufacturing facilities. Most sensitive phases of production, such as the cutting of hides and the controls conducted over all raw materials (including those to be sent to contract manufacturers) and semifinished goods take place there as well.</p> <p>All stages of the production process are checked by the Prada Group's technical staff to ensure that the products meet the quality standards and that the entire supply chain complies with Prada S.p.A.'s Code of Ethics, which must be signed before any business relationship is entered into.</p> <p>A key part of the strategy is to establish long-term business relationships with suppliers based on mutual trust and transparency. The Prada Group works with raw material suppliers and contract manufacturers, located mainly in Italy. The Group has implemented a strict quality control process for all outsourced production and contractually requires its contract manufacturers to comply with all regulations on brand ownership and other intellectual property rights. Moreover, the Group demands compliance with the applicable regulations concerning labor law, social security and occupational health and safety, and monitors such compliance with a process that uses document controls and audits conducted at the suppliers' premises.</p>

3.6 Health and Safety risks

Description	What we do
<p>The Group is exposed to risks related to workers' health and safety, such as injuries, occupational diseases and accidents that could lead to physical harm to people, litigation and damage to the Group's image.</p>	<p>In order to mitigate these risks, the Group conducts periodic safety training and refresher courses.</p> <p>In addition, the locations undergo risk assessment to determine the necessity of PPE (Personal Protective Equipment) and health surveillance (medical examinations). Visits are conducted regularly at the manufacturing facilities, offices and stores in order to identify and promptly resolve any critical H&S issues.</p>

4. FINANCIAL RISKS

4.1 Credit risk

Description	What we do
<p>Credit risk is defined as the risk of financial loss caused by the failure of a counterparty to meet its contractual obligations. The maximum risk to which an entity is exposed is represented by all the financial assets recognized in the financial statements. The Group considers its credit risk to involve primarily trade receivables generated from the wholesale channel and liquid assets.</p>	<p>The Group manages credit risk and mitigates the related effects through a control system based on the monitoring of the creditworthiness and solvency of customers, the stipulation of insurance contracts and the use of safe solutions such as advance payments.</p>
<p>Concerning liquid assets, the risk of default substantially relates to bank deposits, which represent the Group's most widely-used financial product for investing surplus operating cash flows. Default risk is mitigated by the allocation of cash holdings to bank deposits that are diversified in terms of counterparties (always investment grade), country and currency, and by the consistently short-term period. The residual portion of liquid assets consists of cash and bank accounts.</p>	<p>The Group considers no significant risk to exist on these kinds of liquid assets given that they are used for operating activities and business processes and, consequently, the number of independent parties involved is fragmented. However, there is a potential risk related to cash shortages at stores. The Group has equipped itself with various control tools, preventive and deterrent, aimed at improving the efficiency of cash management activities.</p>

4.2 Liquidity risk

Description

Liquidity risk refers to difficulty that the Group could have in meeting its financial obligations. The Directors are responsible for managing liquidity risk, whereas the Corporate Finance management, which reports to the CFO, is responsible for optimizing financial resources.

What we do

The Directors consider the currently available funds and lines of credit, in addition to the funding that will be generated by operating and financing activities, to be sufficient for enabling the Group to meet its requirements in terms of working capital management, investing activities, punctual loan repayment and the payment of any dividends as planned.

4.3 Tax risk

Description

The Prada Group's tax strategy is based on the prevention of tax risks and on tax certainty, both of which are pursued through ongoing dialogue and long-term, principled interaction with the tax authorities in the countries where it operates.

What we do

The Group's tax risks, which could arise from compliance errors or incorrect interpretation of regulations, are constantly monitored within the scope of an extensive internal control system, incorporated into the tax control framework.

The effectiveness of the tax risk management system has made Prada S.p.A. eligible to participate in the Cooperative Compliance Tax Regime in Italy (under Italian Legislative Decree 128/2015), enhancing its tax control framework.

Within such regime, the Group has expanded a systematic, open communication channel with the Italian and the foreign tax authorities of the most strategically important countries where it operates, based on reciprocal transparency and trust, with the purpose of minimizing the level of uncertainty about potentially risky situations.

4.4 Foreign exchange risk

Description	What we do
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The Group has a vast international presence, and therefore is exposed to the risk that changes in currency exchange rates could adversely impact revenue, expenses, margins and profit. In order to hedge foreign exchange risk, the Group enters into derivative contracts designed to fix the value in Euro (or other functional currency) of identified future cash flows. The future cash flows consist primarily of inflows of trade and financial receivables and outflows of trade payables. They refer mainly to Prada S.p.A., the Group's parent company and worldwide distributor of Prada and Miu Miu brand products.

The management of foreign exchange risk is described in more detail in the Notes to the Interim Condensed Consolidated Financial Statements.

4.5 Interest rate risk

Description	What we do
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Interest rate risk is the risk that future cash flows could be affected by interest rate fluctuations. In order to hedge this risk, which refers mainly to Prada S.p.A., the Group uses derivatives (such as interest rate swaps) to convert variable-rate debt into fixed-rate debt or debt at rates within a specified range.

The management of interest rate risk is described in more detail in the Notes to the Interim Condensed Consolidated Financial Statements.

5. COMPLIANCE RISKS

5.1 Legal and regulatory risks

Description	What we do
<p>In the various jurisdiction where it operates, the Group is subject to laws and regulations and, therefore, exposed to the risk of non-compliance, which - in the case of a major breach - could have a material impact on the business and performance of the Group. This can concern, in particular, the following:</p> <ul style="list-style-type: none">- risks associated with non-compliance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited or with other laws or regulations in force in Hong Kong S.A.R. that the Company must observe as it is listed on the Stock Exchange of Hong Kong Limited;- risks associated with occupational health and safety under Italian Legislative Decree 81/2008 and equivalent regulations in force in other countries;- possible legal penalties for wrongful acts pursuant to Italian Law 231/2001, as subsequently amended;- events that could adversely affect the accuracy of the annual financial statements and the protection of assets;- manufacturing compliance risks with respect to Italian and international laws and regulations regarding finished goods distributed and raw materials and consumables used.	<p>The Group involves various divisions and uses external experts as necessary to keep its processes and procedures constantly updated in order to comply with changing rules and regulations in a timely manner, thereby reducing the risk of non-compliance to an acceptable level. Monitoring activities are performed by division managers, auditors, special entities and committees such as the Supervisory Body and the Audit and Risk Committee.</p> <p>Prada S.p.A. holds the status of Full Authorized Economic Operator (AEO). This recognition, issued by the Customs Agency, is granted to companies that prove to be competent and virtuous in the management of their business processes, in compliance with both customs regulations and safety standards for goods.</p>

6. ESG

6.1 ESG (Environmental, Social, Governance) risks

Description	What we do
The main ESG risks relating to material sustainability impacts, and associated with the Prada Group's value chain, are identified by the Group in: climate change, human rights, occupational health and safety, diversity and equal opportunity. Strategic, operational, financial and compliance risks are present in such areas, and their assessment is currently underway.	The Prada Group is mindful of the transparency and accountability demanded by its stakeholders in the rapidly evolving environmental, social and regulatory landscape in which it operates, and it intends to strengthen its control system to ensure more pervasive integration of the ESG aspects into its business strategy and model. The Prada Group started up a process to assess the main ESG risks, which was completed at the beginning of 2023 and did not reveal any relevant risks for the organization.

OTHER INFORMATION

INFORMATION ON RELATED-PARTY TRANSACTIONS

Information on the Group's transactions and balances with related parties is provided in the Notes to the Interim Condensed Consolidated Financial Statements, insofar as required by IFRS, and in the Corporate Governance Report, insofar as required by the Hong Kong Stock Exchange rules.

NON-IFRS MEASURES

The Group uses certain financial measures ("non-IFRS measures") to assess its business performance and to help readers understand and analyse its financial situation. Although they are used by the Group's management, such measures are not universally or legally defined and are not regulated by the IFRS adopted to prepare the consolidated financial statements. Other companies operating in the luxury goods industry might use the same measures, but with different calculation criteria. For this reason, it is important for non-IFRS measures to always be read in conjunction with the related explanatory notes, and for readers to be aware that such measures may not be directly comparable with those used by other companies.

In this Interim Report the Prada Group uses the following non-IFRS measures:

EBIT: Earnings before Interest and Taxation, i.e. "Consolidated net result for the period" adjusted to exclude "Total financial income/(expenses)" and "Taxation".

Other non-recurring income / (expenses): transactions qualified by the Directors as non-recurring for their nature, materiality or frequency. Other non-recurring transactions could include, for example, impairment losses or reversal of impairment losses of fixed assets, restructuring costs, litigation costs, and gains and losses on disposals of fixed assets only when they are related to unusual material transactions considered outside the normal course of business.

Recurring operating income/(loss) - EBIT Adjusted: the difference between the "Operating income/(loss) - EBIT" and the "Other non-recurring income / (expenses)".

The reconciliation of Prada Group's EBIT adjusted and EBIT with the nearest IFRS measure (Net income / (loss) for the period) are reported below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	% on net revenues	six months ended June 30 2022 (unaudited)	% on net revenues
Net income / (loss) for the period	306,630	13.7%	189,417	10.0%
Taxation	138,381	6.2%	88,033	4.6%
Total financial income / (expenses)	46,408	2.1%	27,352	1.4%
Operating income / (loss) - EBIT	491,419	22.0%	304,802	16.0%
Other non-recurring income / (expenses)	-	-	26,000	1.4%
Recurring operating income / (loss) - EBIT Adjusted	491,419	22.0%	330,802	17.4%

For the six months ended June 30, 2023, the other non-recurring income and expenses is nil while in the six months ended June 30, 2022 they included a write-down of Euro 26 million of tangible fixed assets and right of use assets as a result of the extraordinary market conditions in Russia.

Net financial surplus/(deficit): Short-term and long-term financial payables due to third parties and related parties, net of cash and cash equivalents and short-term

and long-term financial receivables due from third parties and related parties.

Net financial surplus/(deficit), including lease liability: Net financial position including lease liability.

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Net financial surplus / (deficit)	282,887	534,900
Long-term lease liability	(1,768,803)	(1,715,451)
Short-term lease liability	(420,389)	(392,126)
Total lease liability	(2,189,192)	(2,107,577)
Net financial surplus / (deficit), including lease liability	(1,906,305)	(1,572,677)

Net operating cash flow: Net cash flow generated by operating activities, less the repayment of lease liability.

Free cash flow: Net operating cash flow after the net cash flows used for the investing activities.

(amounts in thousands of Euro)	June 30 2023 (unaudited)	June 30 2022 (unaudited)
Cash flow from operating activities	720,344	537,742
Cost of net financial debt: interest paid	5,424	(4,685)
Lease liability: interest paid	(27,342)	(18,887)
Taxes paid	(304,922)	(139,495)
Net cash flow from operating activities	393,504	374,675
Repayment of lease liability	(211,751)	(216,473)
Net operating cash flow	181,753	158,202
Net cash flow utilized by investing activities	(148,975)	(93,067)
Free cash flow	32,778	65,135

TREASURY SHARES

At June 30, 2023 the Group does not hold treasury shares.

EVENTS AFTER THE REPORTING DATE

There have been no significant events to report.

OUTLOOK

The Group will continue to act with a long-term perspective, investing behind the brands while maintaining maximum focus on retail execution and productivity. For the current year, management retains the ambition to deliver solid, sustainable and above-market growth, considering a more challenging basis of comparison in the third quarter, and a fourth quarter 2022 that was again impacted by new Covid restrictions in Asia. The organisation will remain vigilant and nimble to deal with different macroeconomic and demand scenarios that may materialise ahead.

Milan, July 27, 2023

CORPORATE GOVERNANCE

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 shareholders' 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 the principles of the Corporate Governance Code (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

COMPLIANCE WITH THE CODE

The Board of Directors of the Company (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 throughout the six months from January 1, 2023, to June 30, 2023 (the "Reviewed Period").

THE BOARD

The Board is responsible for setting up the overall strategy, as well as reviewing the operation and financial performance of the Company and the Group. The Board is currently made up of eleven directors, of which six are Executive Directors and five are Independent Non-Executive Directors.

During the Reviewed Period, the Board held three meetings on January 26, March 9 and May 11, 2023.

The Board has established the Audit and Risk Committee, the Remuneration Committee, the Nomination Committee and the Sustainability Committee, each chaired by an Independent Non-Executive Director, in compliance with the Code. The Terms of Reference and composition of the first three Board Committees are published on the websites of both the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Terms of Reference of the Board Committees are no less exacting than those set out in the 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 discharge the responsibility of the Audit and Risk Committee. The Audit and Risk Committee consists of three Independent Non-Executive Directors, namely, Mr. Yoël Zaoui (Chairman), Ms. Marina Sylvia Caprotti and Mr. Maurizio Cereda.

The primary duties of the Audit and Risk Committee are to assist the Board in providing an independent view on the independence, adequacy, effectiveness and efficiency of the internal audit function, Company's financial reporting process and its internal control and risk management system, to oversee the external audit processes, the internal audit process and financial controls activity, to implement the Company's risk management functions, to assess the Company's business model and strategies, to examine the work plan of internal audit, to review the relationship with the external auditors by reference to the work performed by the external auditors, as well as their independence, fees and terms of engagement, and to perform any other duties and responsibilities assigned to it by the Board.

During the Reviewed Period, the Audit and Risk Committee held four meetings, respectively on January 25, February 27, March 8, and May 10, 2023, with an attendance rate of 91.67%, mainly to review, with senior management, the Group's internal and external auditors and the 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 activities covered, among others, the financial year 2023 budget, the audit plan for the year 2023, the 2022 Sustainability Report, the findings of both the internal and external auditors, internal controls, risk assessment, annual review of the Group's continuing connected transactions for the year 2022, tax and legal updates (including management of data privacy matters and review of extraordinary transactions), and the financial reporting matters (including the annual results for the year ended December 31, 2022 and the unaudited financial results for the first quarter ended March 31, 2023), before recommending them to the Board for approval.

The Audit and Risk Committee held a further meeting on July 26, 2023 to, among

others, review the interim results for the period ended June 30, 2023, before recommending them to the Board for approval.

REMUNERATION COMMITTEE

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for the remuneration package of Directors and senior management, and the establishment of a formal and transparent procedure for developing policies on such remuneration. The recommendations of the Remuneration Committee are then submitted to the Board for consideration and adoption, where appropriate. The Remuneration Committee consists of two Independent Non-Executive Directors, Ms. Marina Sylvia Caprotti (Chairwoman) and Mr. Yoël Zaoui, and the Executive Director and Executive Deputy Chairman, Mr. Paolo Zannoni.

During the Reviewed Period, the Remuneration Committee held two meetings, respectively on January 25 and March 6, 2023, with an attendance rate of 100% to review the remuneration of Mr. Paolo Zannoni, Ms. Miuccia Prada Bianchi and Mr. Patrizio Bertelli, as Directors with special offices, before recommending it to the Board for approval, as well as to review the aggregate basic remuneration of the Board, to be resolved upon by the Annual General Meeting, and for the members of the Board Committees, before recommending it to the Board for approval.

NOMINATION COMMITTEE

The primary duties of the Nomination Committee are to determine the policy for the nomination of Directors and to make recommendations to the Board for consideration and, where appropriate, adoption on the structure, size and composition of the Board itself, on the selection of new Directors and on the succession plans for Directors. In discharging its duties, the Nomination Committees has considered the Board Diversity Policy and the Directors' Nomination Policy.

The Nomination Committee consists of two Independent Non-Executive Director, Mr. Maurizio Cereda (Chairman) and Ms. Marina Sylvia Caprotti, and one Executive Director, Mr. Lorenzo Bertelli.

During the Reviewed Period, the Nomination Committee held two meetings on, respectively, January 18, and March 1, 2023, with an attendance rate of 100% to

recommend to the Board the appointment of Mr. Andrea Guerra as an Executive Director, in replacement of the Non-Executive Director, Mr. Stefano Simontacchi, as well as to review the proposal for the appointment of Mr. Patrizio Bertelli as the new Chairman of the Board, to verify the independence of the Independent Non-Executive Directors, the composition and the size of the Board for the Year 2022.

SUSTAINABILITY COMMITTEE

The Sustainability Committee assists and supports the Board with proposing and advisory functions in its assessments and decisions on sustainability, meaning the processes, initiatives, and activities, aimed at overseeing the Company's commitment to sustainable development along the value chain and strategy. Moreover, the Committee supports the preparation and review of non-financial reports, including the annual Sustainability Report, and communications concerning sustainability to be submitted to the Board for approval.

The Sustainability Committee consists of two Independent Non-Executive Directors, Ms. Pamela Yvonne Culpepper (Chairwoman) and Ms. Anna Maria Rugarli, and one Executive Director, Mr. Lorenzo Bertelli.

During the Reviewed Period, the Sustainability Committee held a meeting on March 2, 2023, with an attendance rate of 100%, to provide updates on progresses and achievements in ESG, approve the Sustainability Report for the Year 2022, and the industrial roadmap for supporting sustainability in the Group's operations.

The Sustainability Committee held a further meeting on July 12, 2023 to, among others, provide further updates on the latest initiatives and achievements in ESG, as well as on the industrial roadmap to support sustainability of operations, and to discuss the ESG results to be included in the presentation of the interim results for the period ended June 30, 2023.

BOARD OF STATUTORY AUDITORS

Under Italian law, a joint-stock company is required to have a board of statutory auditors, appointed by the shareholders for a term of three financial years, with the authority to supervise the Company on its compliance with the applicable law, regulations, its By-laws, the principles of proper management and, in particular, on the adequacy and functioning of the organizational, administrative and accounting

structure adopted by the Company.

The Board of Statutory Auditors consists of Mr. Antonino Parisi (Chairman), Mr. Roberto Spada, and Mr. David Terracina. The alternate statutory auditors are Ms. Stefania Bettoni and Ms. Fioranna Negri.

During the Reviewed Period, the Board of Statutory Auditors held three meetings.

ORGANISMO DI VIGILANZA (SUPERVISORY BODY)

In compliance with Italian Legislative Decree 231 of June 8, 2001 (the "Decree"), the Company established an "Organismo di Vigilanza" whose primary duty is to ensure the functioning, effectiveness and enforcement of the Company's Organization, Management and Control Model, adopted by the Company pursuant to the same Decree. The "Organismo di Vigilanza" has three members appointed by the Board and selected among qualified and experienced individuals. The "Organismo di Vigilanza" consists of Ms. Stefania Chiaruttini (Chairwoman), Mr. Armando Simbari (replaced Mr. Yoël Zaoui, Independent Non-Executive Director, on July 26, 2023), and Mr. Roberto Spada, Statutory Auditor.

DIVIDENDS

The Company may distribute dividends subject to the approval of the shareholders in a shareholders' general meeting.

No dividends have been declared or paid by the Company in respect of the Reviewed Period.

On March 9, 2023, the Board recommended for the financial year 2022 the payment of a final dividend of Euro 0.11 per share, representing a total dividend of Euro 281,470,640. The shareholders approved the distribution and payment of the final dividend at the annual general meeting held on April 27, 2023. The dividend was paid on May 19, 2023, while the relevant withholding tax was paid in July 2023.

CHANGE IN INFORMATION OF DIRECTORS DISCLOSED PURSUANT TO LISTING RULE 13.51B(1)

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors since the Company's 2022 Annual Report, the Company's announcement

dated April 27, 2023 (in respect of the shareholders' approval of the change of Chairman of the Board to Mr. Patrizio Bertelli, the emoluments of Mr. Andrea Guerra, the increase of aggregate basic remuneration of the Board and the confirmation of appointment of Mr. Andrea Bonini and Mr. Andrea Guerra as Executive Directors), and the Company's announcement dated May 11, 2023 (in respect of the appointment of Mr. Paolo Zannoni as the Executive Deputy Chairman, and Mr. Yoël Zaoui as the Lead Independent Director), other than the changes disclosed in other paragraphs of this Interim Report, are set out below:

Name of Director	Change
Paolo Zannoni	Mr. Zannoni was appointed as the Chairman of Prada Holding S.p.A. on June 28, 2023.
Lorenzo Bertelli	With effect from May 11, 2023, Mr. Lorenzo Bertelli's annual remuneration as a member of the Nomination Committee was increased to Euro 15,000. He waived the said remuneration, with an increase of the same amount in his annual salary.
Yoël Zaoui	With effect from April 27, 2023, Mr. Zaoui's annual remuneration as an Independent Non-Executive Director was increased to Euro 100,000. As of May 11, 2023, Mr. Zaoui's annual remuneration as a member of Remuneration Committee was increased to Euro 15,000. Mr. Zaoui has ceased to act as a member of "Organismo di Vigilanza" (Supervisory Body) on July 26, 2023.
Marina Sylvia Caprotti	With effect from April 27, 2023, Ms. Caprotti's annual remuneration as an Independent Non-Executive Director was increased to Euro 100,000. As of May 11, 2023, Ms. Caprotti's annual remuneration as the Chairwoman of Remuneration Committee, a member of Audit and Risk Committee and a member of Nomination Committee were increased to Euro 30,000, Euro 30,000 and Euro 15,000 respectively.
Maurizio Cereda	With effect from April 27, 2023, Mr. Cereda's annual remuneration as an Independent Non-Executive Director was increased to Euro 100,000. As of May 11, 2023, Mr. Cereda's annual remuneration as the Chairman of Nomination Committee and a member of Audit and Risk Committee were increased to Euro 30,000, and Euro 30,000 respectively.
Pamela Yvonne Culpepper	With effect from April 27, 2023, Ms. Culpepper's annual remuneration as an Independent Non-Executive Director was increased to Euro 100,000. Ms. Culpepper joined Hanold Associates, LLC as Managing Partner of their Leadership Advisory Practice in January 2023 and was appointed to Cambia Health Solutions Inc.'s Board of Directors as an Independent Director in March 2023.
Anna Maria Rugarli	With effect from April 27, 2023, Ms. Rugarli's annual remuneration as an Independent Non-Executive Director was increased to Euro 100,000. Ms. Rugarli was appointed as an Independent Non-Executive Director and the Chair of the ESG Committee of ASOS plc, a company listed on the London Stock Exchange, in June 2023.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a set of written procedures 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 as set out in Appendix 10 of the Listing Rules (the "Model Code"). 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 procedures at all applicable times during the Reviewed Period. There was no incident of non-compliance during the Reviewed Period.

The Company has also adopted a set of written procedures 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 set of procedures is on terms no less exacting than those set out in the Model Code.

PURCHASE, SALE, OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reviewed Period.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at June 30, 2023, the Directors of the Company and their associates held the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code:

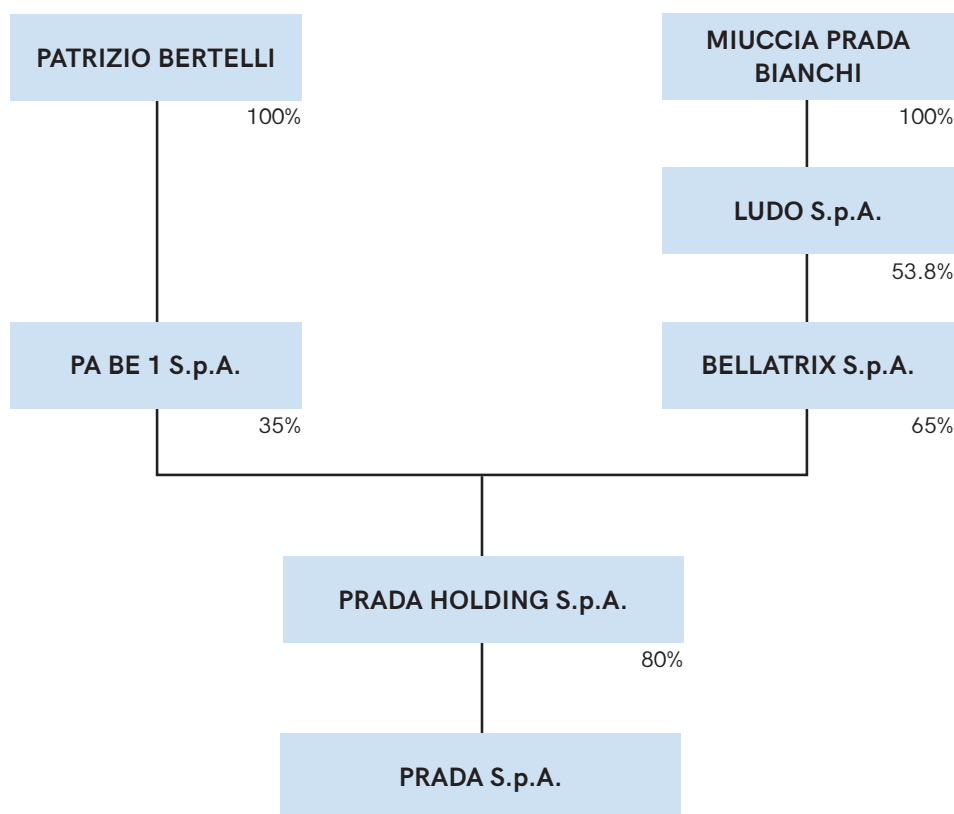
(a) Long positions in shares and underlying shares of the Company

Name of Director	Number of Shares	Nature of Interest	Approximate percentage of Issued Capital
Ms. Miuccia Prada Bianchi	2,046,470,760 (Notes 1 and 2)	Interest of Controlled Corporation	80%
Mr. Patrizio Bertelli	2,046,470,760 (Notes 1 and 3)	Interest of Controlled Corporation	80%

Notes:

1. Prada Holding S.p.A. owns approximately 80% of the issued capital in the Company and, therefore, is the holding company of the Company.
2. Ms. Miuccia Prada Bianchi controls, indirectly through Ludo S.p.A., 53.8% (comprised of 438,460 ordinary shares and 100,000 preference shares) of the capital in Bellatrix S.p.A., which in turn owns 65% (comprised of 1,650 ordinary shares and 300 preference shares) of the capital in Prada Holding S.p.A.. Ms. Miuccia Prada Bianchi is therefore deemed under the SFO to be interested in all the shares registered in the name of Prada Holding S.p.A.. Ms. Miuccia Prada Bianchi is also a director of Prada Holding S.p.A., Bellatrix S.p.A. and Ludo S.p.A..
3. Mr. Patrizio Bertelli controls, indirectly through PA BE 1 S.p.A., 35% (comprised of 750 ordinary shares and 300 preference shares) of the capital in Prada Holding S.p.A.. Mr. Patrizio Bertelli is therefore deemed under the SFO to be interested in all the shares registered in the name of Prada Holding S.p.A.. Mr. Patrizio Bertelli is also a director of PA BE 1 S.p.A..

The deemed interests of Ms. Miuccia Prada Bianchi and Mr. Patrizio Bertelli in the shares of the Company as at June 30, 2023 are summarized in the following chart:



(b) Long positions in shares and underlying shares of associated corporations:

Name of Director	Name of associated corporations	Class of shares	Number of shares	Nature of Interests	Approximate percentage of Interests
Ms. Miuccia Prada Bianchi	Prada Holding S.p.A.	Ordinary Shares	1,650	Controlled Corporation	68.75%
	Prada Holding S.p.A.	Preference Shares	300	As above	50%
	MFH Munich Fashion Holding GmbH	Registered Share	1	As above	100%
	Bellatrix S.p.A.	Ordinary Shares	438,460	As above	49.83%
	Bellatrix S.p.A.	Preference Shares	100,000	As above	83.34%
	Ludo S.p.A.	Class A Class B	5,066,000 4,965,100	Beneficial Owner	100%
	PH-RE LLC	Capital Contribution (JPY)	1,000,000	Controlled Corporation	100%
Mr. Patrizio Bertelli	Prada Holding S.p.A.	Ordinary Shares	750	Controlled Corporation	31.25%
	Prada Holding S.p.A.	Preference Shares	300	As above	50%
	MFH Munich Fashion Holding GmbH	Registered Share	1	As above	100%
	PH-RE LLC	Capital Contribution (JPY)	1,000,000	As above	100%

Save as disclosed above, as at June 30, 2023, none of the Directors of the Company or their associates held any interest or short position in the shares, underlying

shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at June 30, 2023, other than the interests of the Directors of the Company as disclosed above, the following persons held interests in the shares or underlying shares of the Company, which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Capacity	Number of Shares	Approximate percentage of issued capital
<u>Long Positions</u>			
Prada Holding S.p.A.	Legal and beneficial owner	2,046,470,760	80.00%
Bellatrix S.p.A.	Interest of Controlled Corporation	2,046,470,760	80.00%
Ludo S.p.A.	Interest of Controlled Corporation	2,046,470,760	80.00%
PA BE 1 S.p.A.	Interest of Controlled Corporation	2,046,470,760	80.00%

Note:

Prada Holding S.p.A. owns approximately 80% of the issued capital in the Company. As Ludo S.p.A. owns 53.8% of Bellatrix S.p.A., which in turn owns 65% of Prada Holding S.p.A. and PA BE 1 S.p.A. owns 35% of Prada Holding S.p.A., Bellatrix S.p.A., Ludo S.p.A. and PA BE 1 S.p.A. are all deemed to be interested in the 2,046,470,760 shares held by Prada Holding S.p.A..

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(amounts in thousands of Euro)	Notes	June 30 2023 (unaudited)	December 31 2022 (audited)
Assets			
<u>Current assets</u>			
Cash and cash equivalents	6	766,271	1,091,622
Trade receivables, net	7	325,296	331,915
Inventories, net	8	784,525	760,457
Derivative financial instruments - current	9	34,268	22,483
Receivables due from, and advance payments to, related parties - current	10	2,358	2,373
Other current assets	11	254,573	215,917
Total current assets		2,167,291	2,424,767
<u>Non-current assets</u>			
Property, plant and equipment	12	1,590,172	1,577,125
Intangible assets	13	827,069	817,809
Right of use assets	14	2,082,146	2,011,474
Investments in equity instruments	15	32,782	26,974
Deferred tax assets	33	379,917	373,090
Other non-current assets	16	136,981	139,402
Derivative financial instruments - non-current	9	5,585	5,812
Receivables due from, and advance payments to, related parties - non-current	10	1,125	1,125
Total non-current assets		5,055,777	4,952,811
Total assets		7,223,068	7,377,578
<u>Liabilities and shareholders' equity</u>			
<u>Current liabilities</u>			
Short-term lease liability	17	420,389	392,126
Short-term financial payables and bank overdrafts	18	131,991	160,847
Payables due to related parties - current	19	5,045	3,568
Trade payables	20	386,559	401,799
Tax payables	21	133,002	277,656
Derivative financial instruments - current	9	5,946	11,565
Other current liabilities	22	244,428	242,306
Total current liabilities		1,327,360	1,489,867
<u>Non-current liabilities</u>			
Long-term lease liability	17	1,768,803	1,715,451
Long-term financial payables	23	349,714	395,656
Long-term employee benefits	24	56,323	67,571
Provision for risks and charges	25	47,024	51,486
Deferred tax liabilities	33	43,168	40,855
Other non-current liabilities	26	109,435	115,670
Total non-current liabilities		2,374,467	2,386,689
Total liabilities		3,701,827	3,876,556
<u>Shareholders' equity</u>			
Share capital		255,882	255,882
Total other reserves		2,843,377	2,648,496
Translation reserve		96,989	112,646
Net income / (loss) for the period		305,168	465,193
Net equity attributable to owners of the Group	27	3,501,416	3,482,217
Net equity attributable to Non-controlling interests	28	19,825	18,805
Total net equity		3,521,241	3,501,022
Total liabilities and total net equity		7,223,068	7,377,578
Net current assets		839,931	934,900
Total assets less current liabilities		5,895,708	5,887,711

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED JUNE 30, 2023

(amounts in thousands of Euro)	Notes	six months ended June 30 2023 (unaudited)	%	six months ended June 30 2022 (unaudited)	%
Net revenues	29	2,232,379	100.0%	1,900,942	100.0%
Cost of goods sold	30	(438,984)	-19.7%	(423,451)	-22.3%
Gross margin		1,793,395	80.3%	1,477,491	77.7%
Operating expenses	31	(1,301,976)	-58.3%	(1,172,689)	-61.7%
Operating income / (loss) - EBIT		491,419	22.0%	304,802	16.0%
Interest and other financial income / (expenses), net		(19,292)	-0.9%	(8,584)	-0.5%
Interest expenses on lease liability		(27,342)	-1.2%	(18,887)	-1.0%
Dividends from investments		226	0.0%	119	0.0%
Total financial income / (expenses)	32	(46,408)	-2.1%	(27,352)	-1.4%
Income / (loss) before taxation		445,011	19.9%	277,450	14.6%
Taxation	33	(138,381)	-6.2%	(88,033)	-4.6%
Net income / (loss) for the period		306,630	13.7%	189,417	10.0%
Net income / (loss) - Non-controlling interests	28	1,462	0.1%	1,153	0.1%
Net income / (loss) - Group	27	305,168	13.7%	188,264	9.9%
Basic and diluted earnings / (losses) per share (in Euro per share)	34	0.119		0.074	

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED JUNE 30, 2023

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Income / (loss) before taxation	445,011	277,450
Profit or loss adjustments		
Depreciation of the right of use assets	221,203	221,466
Depreciation and amortization of property, plant and equipment and intangible assets	108,869	102,981
Impairment of the right of use assets	3,917	8,000
Impairment of property, plant and equipment and intangible assets	2,510	19,844
Non-monetary financial (income) / expenses	35,662	(13,699)
Interest expenses on lease liability	27,342	18,887
Other non-monetary (income) / expenses	17,298	18,017
Balance sheet changes		
Other non-current assets and liabilities	(26,038)	(8,595)
Trade receivables, net	(2,179)	16,092
Inventories, net	(56,615)	(62,917)
Trade payables	(7,591)	(24,291)
Other current assets and liabilities	(49,045)	(35,493)
Cash flows from operating activities	720,344	537,742
Interest paid (net), including interest paid on lease liability - third parties	(21,918)	(23,572)
Taxes paid	(304,922)	(139,495)
Net cash flows from operating activities	393,504	374,675
Purchases of property, plant and equipment and intangible assets	(149,204)	(88,597)
Disposals of property, plant and equipment and intangible assets	-	411
Earn-out paid to a related party	-	(5,000)
Dividends from investments	229	119
Net cash flow utilised by investing activities	(148,975)	(93,067)
Dividends paid to shareholders of Prada S.p.A.	(266,818)	(169,793)
Dividends paid to Non-controlling shareholders	(250)	-
Repayment of lease liability	(211,751)	(216,473)
Loans to related parties	-	(2,200)
Loans from related parties	1,500	-
Repayment of short-term portion of long-term borrowings - third parties	(47,335)	(136,519)
Change in short-term borrowings - third parties	(24,032)	4,383
Capital injection to associates	(4,509)	-
Net cash flows utilised by financing activities	(553,195)	(520,602)
Change in cash and cash equivalents, net of bank overdrafts	(308,666)	(238,994)
Foreign exchange differences	(16,620)	40,878
Opening cash and cash equivalents, net of bank overdrafts	1,091,557	981,786
Closing cash and cash equivalents, net of bank overdrafts	766,271	783,670

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED JUNE 30, 2023

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Net income / (loss) for the period	306,630	189,417
A) Items recyclable to P&L:		
Change in translation reserve	(15,849)	91,899
Tax impact	-	-
Change in translation reserve less tax impact	(15,849)	91,899
Change in cash flow hedge reserve	9,820	4,756
Tax impact	(2,369)	(1,088)
Change in cash flow hedge reserve less tax impact	7,451	3,668
B) Items not recyclable to P&L:		
Change in fair value in equity instruments reserve	1,299	(273)
Tax impact	-	-
Change in fair value in equity instruments reserve less tax impact	1,299	(273)
Change in actuarial reserve	-	-
Tax impact	-	-
Change in actuarial reserve less tax impact	-	-
Comprehensive income / (loss) for the period - Consolidated	299,531	284,711
Comprehensive income / (loss) for the period - Non-controlling Interests	1,270	1,993
Comprehensive income / (loss) for the period - Group	298,261	282,718

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (AMOUNTS IN THOUSANDS OF EURO, EXCEPT NUMBER OF SHARES)

(amounts in thousands of Euro)	Number of shares	Share Capital	Translation Reserve	Share premium Reserve	Cash flow hedge Reserve	Actuarial Reserve	Fair Value Investments in equity instruments Reserve	Other Reserves	Total Other Reserves	Net result for the period	Equity		
											Net Equity attributable to owners of the Group	Net Equity attributable Non-controlling interests	Total Net Equity
Balance at December 31, 2021 (audited)	2,558,824,000	255,882	67,434	410,047	(15,878)	(5,708)	(10,992)	2,118,855	2,496,324	294,254	3,113,894	14,749	3,128,643
Allocation of 2021 net result	-	-	-	-	-	-	-	294,254	294,254	(294,254)	-	-	-
Dividends	-	-	-	-	-	-	-	(179,118)	(179,118)	-	(179,118)	-	(179,118)
Monetary revaluation IAS 29	-	-	-	-	-	-	-	9,044	9,044	-	9,044	-	9,044
Comprehensive income/(loss) for the period (recyclable to P&L)	-	-	91,059	-	3,668	-	-	-	3,668	188,264	282,991	1,993	284,984
Comprehensive income/(loss) for the period (not recyclable to P&L)	-	-	-	-	-	-	(273)	-	(273)	-	(273)	-	(273)
Balance at June 30, 2022 (unaudited)	2,558,824,000	255,882	158,493	410,047	(12,210)	(5,708)	(11,265)	2,243,035	2,623,899	188,264	3,226,538	16,742	3,243,280
Dividends	-	-	-	-	-	-	-	-	-	-	-	(599)	(599)
Monetary revaluation IAS 29	-	-	-	-	-	-	-	2,866	2,866	-	2,866	-	2,866
Comprehensive income/(loss) for the period (recyclable to P&L)	-	-	(45,847)	-	22,270	-	-	-	22,270	276,929	253,352	2,633	255,985
Comprehensive income/(loss) for the period (not recyclable to P&L)	-	-	-	-	-	(1,399)	860	-	(539)	-	(539)	29	(510)
Balance at December 31, 2022 (audited)	2,558,824,000	255,882	112,646	410,047	10,060	(7,107)	(10,405)	2,245,901	2,648,496	465,193	3,482,217	18,805	3,501,022
Allocation of 2022 net result	-	-	-	-	-	-	-	465,193	465,193	(465,193)	-	-	-
Dividends	-	-	-	-	-	-	-	(281,471)	(281,471)	-	(281,471)	(250)	(281,721)
Monetary revaluation IAS 29	-	-	-	-	-	-	-	2,409	2,409	-	2,409	-	2,409
Comprehensive income/(loss) for the period (recyclable to P&L)	-	-	(15,657)	-	7,451	-	-	-	7,451	305,168	296,962	1,270	298,232
Comprehensive income/(loss) for the period (not recyclable to P&L)	-	-	-	-	-	-	1,299	-	1,299	-	1,299	-	1,299
Balance at June 30, 2023 (unaudited)	2,558,824,000	255,882	96,989	410,047	17,511	(7,107)	(9,106)	2,432,032	2,843,377	305,168	3,501,416	19,825	3,521,241

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

1. GENERAL INFORMATION

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 code: 1913). The Prada Group is a leading business in the luxury goods industry, where it operates with the Prada, Miu Miu, Church's and Car Shoe brands producing and distributing leather goods, footwear and apparel. It also operates in the food sector with the Marchesi 1824 brand, in the most prestigious sailing races with Luna Rossa and in the eyewear and fragrance industries under licensing agreements.

The Group owns 25 production facilities (22 in Italy, 1 in the United Kingdom, 1 in France and 1 in Romania) and its products are sold in 70 countries worldwide primarily through 603 directly operated stores at June 30, 2023. The Prada Group's products are also sold directly through the brands' e-commerce activity and indirectly in selected high-end department stores, by independent retailers in very exclusive locations and by important e-tailers.

The Company is a joint-stock company with limited liability, registered and domiciled in Italy. Its registered office is at via Fogazzaro 28, Milan. At June 30, 2023 (the reporting date of these Interim Condensed 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 unaudited Interim Condensed Consolidated Financial Statements were approved and authorized for issue by the Board of Directors of Prada S.p.A. on July 27, 2023.

2. BASIS OF PREPARATION

The unaudited Interim Condensed Consolidated Financial Statements of the Prada Group for the six months ended June 30, 2023, consisting of the "Consolidated Statement of Financial Position", the "Consolidated Statement of Profit or Loss for the six months ended June 30, 2023", the "Consolidated Statement of Cash Flows for the six months ended June 30, 2023", the "Consolidated Statement of Comprehensive Income for the six months ended June 30, 2023", the "Consolidated

Statement of Changes in Equity” and the “Notes to the Interim Condensed Consolidated Financial Statements”, have been prepared in accordance with “IAS 34 - Interim Financial Reporting”.

These unaudited Interim Condensed Consolidated Financial Statements should be read together with the Consolidated Financial Statements of the Prada Group for the twelve months ended December 31, 2022, which were prepared in accordance with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”) and endorsed by the European Union.

At the date of presentation of this unaudited Interim Condensed Consolidated Financial Statements, there were no differences between the IFRSs endorsed by the European Union and applicable to the Prada Group and those issued by the IASB, excluding the amendments not endorsed yet as explained in the Note 3. IFRSs also refer to all International Accounting Standards (“IAS”) and all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), previously called the Standing Interpretations Committee (“SIC”).

The Group has prepared the Consolidated Statement of Financial Position presenting separately the current and non-current assets and liabilities. All details needed for accurate and complete disclosure are provided in the Notes to the Interim Condensed Consolidated Financial Statements. Consolidated Statement of Profit or Loss items are classified by destination. The Consolidated Statement of Cash Flows has been prepared with the indirect method. The Interim Condensed Consolidated Financial Statements are presented in Euro, the functional currency of Prada S.p.A..

The unaudited Interim Condensed Consolidated Financial Statements have been prepared on a going concern basis.

3. NEW IFRS AND AMENDMENTS TO IFRS

New standards and amendments to existing standards issued by the IASB, endorsed by the European Union and applicable to the Prada Group from January 1, 2023

New standards and Amendments to existing standards	Effective date for Prada Group	EU endorsement dates
IFRS 17 Insurance contracts	January 1, 2023	Endorsed in November 2021
Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies	January 1, 2023	Endorsed in March 2022
Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	January 1, 2023	Endorsed in March 2022
Amendments to IAS 12 Income taxes: deferred tax related to assets and liabilities arising from a single transaction	January 1, 2023	Endorsed in August 2022
Amendments to IFRS 17 Insurance contracts: Initial application of IFRS 17 and IFRS 9 - Comparative information (issued on 9 December 2021)	January 1, 2023	Endorsed in September 2022

Amendments to existing standards issued by the IASB, but not yet endorsed by the European Union as of June 30, 2023

Amendments to existing standards	Date of possible application	EU endorsement dates
Amendments to IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules	January 1, 2023	Not endorsed yet
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)	January 1, 2024	Not endorsed yet
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (Issued on 25 May 2023)	January 1, 2024	Not endorsed yet
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current - Deferral of Effective Date - Non-current Liabilities with Covenants	January 1, 2024	Not endorsed yet

On 23 May 2023, the IASB issued the "Amendments to IAS 12 Income taxes: International Tax Reform - Pillar Two Model Rules" with the objective to introduce a mandatory temporary exception to the requirements in IAS 12 Income Taxes ("IAS 12") to recognise and disclose information about deferred tax assets and liabilities arising from the OECD's Pillar Two Model Rules. The temporary exception will be applicable immediately upon the issue of the Amendments and retrospectively in accordance with IAS 8 from January 1, 2023. EFRAG assessed that the Amendments meet the technical endorsement criteria of the IAS Regulation and recommended its endorsement but the endorsement process by the European Union is not formally complete.

Since it is unclear whether the application of the current requirement of IAS 12 to Pillar Two income taxes create additional temporary differences, whether to

remeasure deferred taxes and which tax rate to use to measure deferred taxes, the Group applied judgment and concluded, in accordance with IAS 8, that not accounting for deferred taxes related to Pillar Two income taxes represents the most relevant and reliable accounting policy. This policy results in accounting that is consistent with the above Amendments whose endorsement process is still on going.

4. MERGERS AND ACQUISITIONS

Nothing significant to mention.

5. OPERATING SEGMENTS

IFRS 8, "Operating Segments", requires detailed information to be provided for each operating segment that makes up the business. An operating segment is defined as a business division whose operating results are regularly reviewed by top management in order to adopt decisions to allocate appropriate resources to the segment and assess its performance.

Because of the Group's matrix-based organizational structure (whereby responsibility is assigned cross-functionally in relation to brands, products, distribution channels and geographical areas), the complementary nature of the various brands' production processes and the many relationships between the different business divisions, it is not possible to designate operating segments as defined by IFRS 8 since the top management is provided with the financial performance chiefly on a Group-wide level. For this reason, the business is considered a single operating segment, as it better represents the specific characteristics of the Prada Group business model.

NET REVENUES

Detailed information on the net revenues by distribution channel, brand, geographical area and product are provided in the Financial Review together with the related comments.

GEOGRAPHICAL INFORMATION

The following table reports the carrying amount of the Group's Non-current assets by geographical area, as required by IFRS 8, "Operating Segments", for entities,

like the Prada Group, that have a single reportable segment:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Europe	3,016,709	3,008,806
Americas	629,992	628,828
Asia Pacific	577,149	504,942
Japan	299,130	349,099
Middle East and Africa	146,240	81,617
Total	4,669,220	4,573,292

The total amount of Euro 4,669 million (Euro 4,573 million at December 31, 2022) relates to the Group's non-current assets excluding, as per IFRS 8, those relating to derivatives, deferred tax assets and the pension fund surplus.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follow:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Cash on hand and other cash equivalents	41,067	53,804
Bank deposit accounts	570,829	781,358
Bank current accounts	154,375	256,460
Total	766,271	1,091,622

Bank deposits accounts are broken down by currency as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Currency		
Euro	318,897	473,021
US Dollar	72,926	131,258
Hong Kong Dollar	122,225	123,010
Other Currencies	56,781	54,069
Total bank deposit accounts	570,829	781,358

Bank current accounts are broken down by currency as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Currency		
US Dollar	31,440	65,427
Euro	30,261	56,977
GB Pound	10,076	14,299
Korean Won	4,301	5,136
Hong Kong Dollar	5,072	3,615
Other Currencies	73,225	111,006
Total bank current accounts	154,375	256,460

At June 30, 2023, bank current accounts and bank deposit accounts generated interest income of between 0% and 18% annually (between 0.1% and 12% at December 31, 2022).

The management considers no significant risk to exist on bank accounts given that their use is strictly related to operating activities and business processes and they are present in a large number of countries.

7. TRADE RECEIVABLES, NET

The trade receivables are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Trade receivables - third parties	332,964	342,110
Allowance for bad and doubtful debts	(9,197)	(11,595)
Trade receivables - related parties	1,529	1,400
Total	325,296	331,915

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

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Opening balance (audited)	11,595	10,990
Exchange differences	(242)	90
Increases	767	741
Reversals	(339)	(136)
Utilisation	(2,584)	(90)
Closing balance	9,197	11,595

The following table contains a summary, by due date, of total receivables before the allowance for bad and doubtful debts at the reporting date:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables	334,493	274,671	29,578	5,896	3,584	3,156	17,608
Total	334,493	274,671	29,578	5,896	3,584	3,156	17,608

(amounts in thousands of Euro)	December 31 2022 (audited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables	343,510	272,142	39,132	6,297	4,459	1,211	20,269
Total	343,510	272,142	39,132	6,297	4,459	1,211	20,269

The following table contains a summary, by due date, of trade receivables less the allowance for bad and doubtful debts at the reporting date:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables less allowance for bad and doubtful debts	325,296	273,342	29,488	5,871	3,551	3,102	9,942
Total	325,296	273,342	29,488	5,871	3,551	3,102	9,942

(amounts in thousands of Euro)	December 31 2022 (audited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade receivables less allowance for bad and doubtful debts	331,915	270,542	39,060	5,833	4,453	1,209	10,818
Total	331,915	270,542	39,060	5,833	4,453	1,209	10,818

8. INVENTORIES, NET

Inventories are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Raw materials	111,551	108,450
Work in progress	38,872	30,109
Finished products	724,365	699,849
Return assets	10,959	10,493
Allowance for obsolete and slow-moving inventories	(101,222)	(88,444)
Total	784,525	760,457

The inventories increased from Euro 760.5 million at December 31, 2022 to Euro 784.5 million at June 30, 2023, to support the sales growth.

The changes in the allowance for obsolete and slow-moving inventories are as follows:

(amounts in thousands of Euro)	Raw materials	Finished products	Total allowance for obsolete and slow-moving inventories
Opening balance (audited)	32,222	56,222	88,444
Exchange differences	1	(63)	(62)
Increases	6,000	7,167	13,167
Utilisation	-	(327)	(327)
Closing balance (unaudited)	38,223	62,999	101,222

9. DERIVATIVE FINANCIAL INSTRUMENTS: ASSETS AND LIABILITIES

Derivative financial instruments: assets and liabilities, current and non-current portion:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Financial assets regarding derivative instruments - current	34,268	22,483
Financial assets regarding derivative instruments - non-current	5,585	5,812
Total financial assets - Derivative financial instruments	39,853	28,295
Financial liabilities regarding derivative instruments - current	(5,946)	(11,565)
Total financial liabilities - Derivative financial instruments	(5,946)	(11,565)
Net carrying amount - current and non-current	33,907	16,730

The net carrying amount of derivatives, both the current and the non-current portion, has the following composition:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)	IFRS7 Category
Forward contracts	26,580	12,673	Level II
Options	2,120	6,361	Level II
Interest rate swaps	11,153	9,261	Level II
Positive fair value	39,853	28,295	
Forward contracts	(5,851)	(10,425)	Level II
Options	(95)	(1,140)	Level II
Negative fair value	(5,946)	(11,565)	
Net carrying amount - current and non-current	33,907	16,730	

All of the above derivative instruments are qualified as Level II in the fair value hierarchy. The Group has not entered into any derivative contracts that could be qualified as Level I or III.

The fair values of derivatives arranged to hedge interest rate risks (interest rate swaps, "IRS") and of derivatives arranged to hedge foreign exchange rate risks (forward contracts and options) were determined by using one of the most widely

used valuation platforms on the financial market and are based on the interest rate curves and on spot and forward exchange rates at the reporting date.

The Group entered into the derivative contracts in the course of its risk management activities in order to hedge financial risks stemming from exchange and interest rate fluctuations.

FOREIGN EXCHANGE RATE TRANSACTIONS

The cash flows of the Group are exposed to exchange rate volatility because it operates on an international scale. In order to hedge this risk, the Group enters into options and forward sale and purchase agreements, so as to guarantee the value of identified cash flows in Euro (or in other currencies used locally). The projected future cash flows mainly regard the collection of trade receivables, the settlement of trade payables and financial cash flows.

The notional amounts of the derivative contracts (translated at the European Central Bank exchange rate at June 30, 2023) designated as foreign exchange risk hedges are as stated below.

Contracts in effect as of June 30, 2023 to hedge projected future trade cash flows:

(amounts in thousands of Euro)	Options	Forward sale contracts	Forward purchase contracts	June 30 2023 (unaudited)
Currency				
Chinese Renminbi	-	91,792	(3,798)	87,994
US Dollar	-	203,755	-	203,755
Japanese Yen	3,818	48,358	-	52,176
GB Pound	-	46,022	-	46,022
Korean Won	29,250	47,253	(11,143)	65,360
Canadian Dollar	6,243	7,562	-	13,805
Hong Kong Dollar	-	9,571	-	9,571
Swiss Franc	-	16,347	-	16,347
Taiwan Dollar	-	11,355	(355)	11,000
Malaysian Ringgit	-	5,422	-	5,422
Other currencies	3,122	57,088	(353)	59,857
Total	42,433	544,525	(15,649)	571,309

Contracts in effect as of June 30, 2023 to hedge projected future financial cash flows:

(amounts in thousands of Euro)	Forward sale contracts	June 30 2023 (unaudited)
Currency		
Swiss Franc	31,365	31,365
GB Pound	36,119	36,119
Malaysian Ringgit	4,929	4,929
US Dollar	34,684	34,684
Other currencies	30,298	30,298
Total	137,395	137,395

All contracts in place as at June 30, 2023 will mature within 12 months, except for some forward contracts to hedge future trade and financial cash flows which mature after June 30, 2024 and whose notional net amount is Euro 19.7 million (referring entirely to forward sale contracts).

All contracts in place at the reporting date were entered into with major financial institutions, and no counterparties are expected to default.

INTEREST RATE TRANSACTIONS

The Group enters into interest rate swaps (IRS) in order to hedge the risk of interest rate fluctuations on bank loans. The key features of the IRS agreements in place as at June 30, 2023 are summarized as follows:

Interest Rate Swap (IRS) Agreement						Hedged loan			
Contract	Currency	Notional amount	Interest rate	Maturity date	June 30, 2023 (unaudited)	Currency	Type of debt	Amount	Expiry
IRS	Euro/000	25,667	1.46%	May-2030	1,626	EUR	Term Loan	25,667	May-2030
IRS	Euro/000	100,000	1.33%	Apr-2025	4,326	EUR	Term Loan	100,000	Apr-2025
IRS	Euro/000	64,800	2.65%	Feb-2026	1,015	EUR	Term Loan	64,800	Feb-2026
IRS	GBP/000	41,100	2.78%	Jan-2029	4,186	GBP	Term Loan	41,100	Jan-2029
Total fair value (amounts in thousands of Euro)					11,153				

The IRS convert the variable interest rates on bank loans into fixed interest rates. They have been arranged with major financial institutions, and no counterparties are expected to default.

10. RECEIVABLES DUE FROM, AND ADVANCE PAYMENTS TO, RELATED PARTIES - CURRENT AND NON-CURRENT

The current receivables due from, and advances payments to, related parties are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Financial receivables	2,200	2,200
Other receivables and advances	158	173
Receivables due from, and advance payments to, related parties - current	2,358	2,373

The non-current receivables due from, and advances payments to, related parties are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Financial receivables	1,125	1,125
Receivables due from, and advance payments to, related parties - non-current	1,125	1,125

Additional information on related party transactions is provided in Note 37.

11. OTHER CURRENT ASSETS

The other current assets are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
VAT	43,620	39,627
Taxation and other tax receivables	61,068	70,775
Other assets	16,085	9,230
Prepayments	128,677	86,617
Guarantee deposits	5,123	9,668
Total	254,573	215,917

OTHER ASSETS

The other assets are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Advances to suppliers	5,177	4,079
Incentives for retail investments	1,974	1,204
Other receivables	8,934	3,947
Total	16,085	9,230

PREPAYMENTS

The prepayments are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Rental costs	6,987	3,031
Insurance	3,615	2,831
Design costs	37,991	29,210
Fashion shows and advances on advertising campaigns	41,341	26,013
Other	38,743	25,532
Total	128,677	86,617

The prepaid design costs mainly consist of costs incurred to design collections that will generate revenue after the reporting period.

GUARANTEE DEPOSITS

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

12. PROPERTY, PLANT AND EQUIPMENT

The historical cost and accumulated depreciation are set forth below:

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improvements	Furniture & fittings	Other tangibles	Assets under construction	Total
Historical cost	1,008,485	254,845	1,388,822	683,552	221,358	61,981	3,619,043
Accumulated depreciation	(196,886)	(194,367)	(1,095,843)	(394,854)	(159,968)	-	(2,041,918)
Net carrying amount at December 31, 2022 (audited)	811,599	60,478	292,979	288,698	61,390	61,981	1,577,125

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improvements	Furniture & fittings	Other tangibles	Assets under construction	Total
Historical cost	1,009,088	265,426	1,373,630	689,114	222,406	76,047	3,635,711
Accumulated depreciation	(204,764)	(200,328)	(1,079,898)	(398,394)	(162,155)	-	(2,045,539)
Net carrying amount at June 30, 2023 (unaudited)	804,324	65,098	293,732	290,720	60,251	76,047	1,590,172

The changes in the net carrying amount during the six months ended June 30, 2023 are as follows:

(amounts in thousands of Euro)	Land and buildings	Production plant and machinery	Leasehold improvements	Furniture & fittings	Other tangibles	Assets under construction	Total net carrying amount
Opening balance (audited)	811,599	60,478	292,979	288,698	61,390	61,981	1,577,125
Additions	946	5,681	47,173	18,750	4,326	44,710	121,586
Depreciation	(9,677)	(6,147)	(46,974)	(20,509)	(5,121)	-	(88,428)
Disposals	(1,228)	(52)	(949)	(94)	(181)	(1,326)	(3,830)
Exchange differences	(310)	43	(10,037)	(2,340)	(239)	(1,753)	(14,636)
Other movements	3,161	5,098	11,939	6,441	36	(26,538)	137
Impairment	(167)	(3)	(956)	(221)	(3)	(1,029)	(2,379)
Revaluation IAS 29	-	-	557	(5)	43	2	597
Closing balance (unaudited)	804,324	65,098	293,732	290,720	60,251	76,047	1,590,172

The capital expenditures regarded primarily restyling and relocation projects, investments in manufacturing structures, and technological and digital evolution in all the business areas.

13. INTANGIBLE ASSETS

The historical cost and accumulated amortization are set forth below:

(amounts in thousands of Euro)	Trademarks and other intellectual property rights	Goodwill	Store lease acquisitions	Software	Other intangibles	Assets in progress	Total
Historical cost	405,287	578,003	49,637	252,227	65,415	30,799	1,381,368
Accumulated amortization	(219,544)	(64,322)	(49,502)	(166,424)	(63,767)	-	(563,559)
Net carrying amount at December 31, 2022 (audited)	185,743	513,681	135	85,803	1,648	30,799	817,809

(amounts in thousands of Euro)	Trademarks and other intellectual property rights	Goodwill	Store lease acquisitions	Software	Other intangibles	Assets in progress	Total
Historical cost	408,139	579,755	50,045	264,842	65,400	46,232	1,414,413
Accumulated amortization	(226,151)	(66,074)	(49,959)	(180,207)	(64,953)	-	(587,344)
Net carrying amount at June 30, 2023 (unaudited)	181,988	513,681	86	84,635	447	46,232	827,069

The changes in the net carrying amount during the six months ended June 30, 2023 are as follows:

(amounts in thousands of Euro)	Trademarks and other intellectual property rights	Goodwill	Store Lease acquisitions	Software	Other intangibles	Assets in progress	Total net carrying amount
Opening balance (audited)	185,743	513,681	135	85,803	1,648	30,799	817,809
Additions	398	-	122	1,750	-	26,650	28,920
Amortisation	(5,225)	-	(173)	(13,842)	(1,201)	-	(20,441)
Disposals	-	-	-	(92)	-	(20)	(112)
Exchange differences	1,072	-	3	(25)	-	(7)	1,043
Other movements	-	-	(1)	11,172	-	(11,190)	(19)
Impairment	-	-	-	(131)	-	-	(131)
Closing balance (unaudited)	181,988	513,681	86	84,635	447	46,232	827,069

The net carrying amount of trademarks and other intellectual property rights at the reporting date is broken down as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Miu Miu	113,364	116,160
Church's	44,012	44,270
Prada	5,239	5,336
Other trademarks and other intellectual property rights	19,373	19,977
Total	181,988	185,743

No impairment was recognized for the Group's trademarks during the period.

The total capital expenditure for tangible and intangible assets in the six months ended June 30, 2023 was Euro 150.5 million, as broken down below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Retail	94,650	62,051
Production, logistics and corporate	55,856	35,145
Total	150,506	97,196

IMPAIRMENT TEST

As required by IAS 36 "Impairment of Assets", intangible assets with indefinite useful lives are not amortized, but they are tested for impairment at least once per year. The Group does not report intangible assets with indefinite useful lives apart from goodwill. At June 30, 2023, the goodwill recognised in the consolidated financial statements is Euro 513.7 million, and it is allocated to the following cash generating units ("CGUs"):

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Italy Wholesale	78,355	78,355
Asia Pacific and Japan Retail	311,936	311,936
Italy Retail and Pasticceria Marchesi 1824	33,825	33,825
Germany and Austria Retail	5,064	5,064
United Kingdom Retail	9,300	9,300
Spain Retail	1,400	1,400
France and Montecarlo Retail	11,700	11,700
North America Retail and Wholesale	48,000	48,000
Production Division	14,101	14,101
Total	513,681	513,681

No indications of impairment emerged during the reporting period. However, since values in use and fair values are measured on the basis of estimates and assumptions, management cannot guarantee that the value of goodwill or other tangible or intangible assets will not be subject to impairment in the future.

For the Church's CGU, in 2022 the identification of a trigger event related to the beginning of the reorganization process has led to the partial writedown of the brand. As a result of this and in relation to the business performance in the first part of 2023, a monitoring activity was carried out in order to identify any further potential impairment on the CGU. Based on the activities carried out, no further impairment losses were identified.

For the Russia CGU, the review of the estimated recoverable amount of the properties owned, which in substance represents the residual value of the non-current assets allocated to the CGU, was updated since the trigger events that at December 31, 2022 had resulted in a Euro 43.5 million writedown of the CGU's fixed assets are still ongoing. The assessment was updated by a leading independent firm of the sector, which estimated the fair value of the two buildings using the Comparative Method of valuation, based on a comparison of the real estate being appraised to other comparable assets recently sold or offered on the same market.

The carrying amount recognized at June 30, 2023 is consistent with the related fair value. Translated at the June 30, 2023 exchange rate, the net invested capital of the CGU is Euro 19.9 million, of which Euro 21.9 million refers to the two buildings owned and the remainder to items of net working capital. The reduction in value of the net invested capital compared to the previous period (Euro 29.9 million, translated at the December 31, 2022 exchange rate) is attributable to the depreciation for the period and, largely, to the impact of the exchange rate. With respect to the estimated recoverable amount of the buildings, the current volatility in the Russian financial system has created significant uncertainty in the real estate industry. The scarce liquidity in capital markets means more difficulties than those present in normal market conditions in the event of selling assets in the short term. This circumstance entailed using a high level of judgment to estimate the recoverable amount of the assets tested. Therefore, management cannot guarantee that the value of the buildings owned in Russia will not be subject to additional fluctuations (impairment losses or writedown reversals) in the future.

14. RIGHT OF USE ASSETS

The changes in the net carrying amount of the right of use assets for the period ended June 30, 2023 are shown below:

(amounts in thousands of Euro)	Real Estate	Other	Total net carrying amount
Opening balance (audited)	2,007,660	3,814	2,011,474
New contracts, initial direct costs and remeasurements	347,482	1,875	349,357
Depreciation	(220,129)	(1,074)	(221,203)
Contracts termination	23	(74)	(51)
Exchange differences	(55,818)	(5)	(55,823)
Impairment	(3,917)	-	(3,917)
Revaluation IAS 29	2,309	-	2,309
Closing balance (unaudited)	2,077,610	4,536	2,082,146

The increase in “new contracts, initial direct costs and remeasurements” is attributable to lease renewals (primarily in Asia and Europe) and the remeasurement of lease liabilities to adjust them to the indexes typically used in the real estate industry (mainly the consumer price index).

The foreign exchange differences for the period affected the change in the right of use assets considerably, as a result of the appreciation of the Euro against the main currencies of the countries in which the Group operates.

The “other” right of use assets of Euro 4.5 million include plant, machinery, vehicles and hardware.

15. INVESTMENTS IN EQUITY INSTRUMENTS

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Investments in equity instruments	4,850	3,551
Associates and joint ventures	27,932	23,423
Total	32,782	26,974

The investments in equity instruments increased from Euro 27 million at December 31, 2022 to Euro 32.8 million at June 30, 2023 mainly due to the capital injection in associates and for the positive net change in the fair value of the equity assets.

16. OTHER NON-CURRENT ASSETS

The other non-current assets are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Guarantee deposits	67,166	64,216
Prepayments for commercial agreements	47,993	50,080
Pension fund surplus (Note 24)	6,640	6,426
Deferred rental income	111	231
Other long-term assets	15,071	18,449
Total	136,981	139,402

The guarantee deposits are set forth below by nature and maturity:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Nature:		
Stores	58,805	55,130
Offices	3,843	5,669
Warehouses	156	163
Other	4,362	3,254
Total	67,166	64,216

(amounts in thousands of Euro)	June 30 2023 (unaudited)
Maturity:	
Between one to two years	13,138
Between two to five years	31,599
After more than five years	22,429
Total	67,166

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

17. LEASE LIABILITY

The following table sets forth the lease liabilities:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Long-term lease liability	1,768,803	1,715,451
Short-term lease liability	420,389	392,126
Total	2,189,192	2,107,577

The lease liability increased from Euro 2,108 million at December 31, 2022 to Euro 2,189 million at June 30, 2023, primarily as a result of remeasurements for lease extensions or modifications (Euro 350.3 million) net of the payments of the period (Euro 211.8 million) and the exchange differences for the period (Euro 56.7 million) resulting from the appreciation of the Euro against the main currencies in the countries where the Group operates.

The lease liability is mainly concentrated in Japan, the U.S.A. and Italy.

18. SHORT-TERM FINANCIAL PAYABLES AND BANK OVERDRAFTS

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Short-term bank loans	37,358	66,541
Current portion of long-term loans	94,982	94,704
Deferred costs on loans	(349)	(398)
Total	131,991	160,847

The short-term bank loans, Euro 37.4 million at June 30, 2023, consist of credit lines of Prada Japan co ltd. Some of these credit lines contain covenants based on the results of its financial statements, all of which were complied with at June 30, 2023.

The current portion of the long-term loans, Euro 95 million, is the result of a reduction for repayments due in the period (Euro 47.4 million) and of an increase for the period by the reclassifications from long-term to short-term of the payments due in the next 12 months.

The short-term loans are broken down by currency below:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Japanese Yen	37,358	59,081
Other currencies	-	7,460
Total	37,358	66,541

The Group generally borrows at variable interest rates, as explained in Note 23, and manages the risk of interest rate fluctuations by using hedging contracts, as explained in Note 9.

19. PAYABLES DUE TO RELATED PARTIES - CURRENT

The current payables due to related parties are shown below:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Financial payables	5,032	3,568
Other payables	13	-
Total	5,045	3,568

The current financial payables due to related parties regard two interest-free loans granted by non-controlling shareholders of the Group's subsidiaries in the Middle East.

20. TRADE PAYABLES

The trade payables are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Trade payables - third parties	383,187	396,159
Trade payables - related parties	3,372	5,640
Total	386,559	401,799

The following table summarizes trade payables by maturity date:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade payables	386,559	343,499	16,092	4,000	5,874	1,564	15,530
Total	386,559	343,499	16,092	4,000	5,874	1,564	15,530

(amounts in thousands of Euro)	December 31 2022 (audited)	Not overdue	Overdue (in days)				
			1 ≤ 30	31 ≤ 60	61 ≤ 90	91 ≤ 120	> 120
Trade payables	401,799	330,287	47,513	6,587	436	2,538	14,438
Total	401,799	330,287	47,513	6,587	436	2,538	14,438

21. TAX PAYABLES

The tax payables are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Current taxation	35,550	192,048
VAT and other taxes	97,452	85,608
Total	133,002	277,656

The Group recognizes current tax liabilities of Euro 35.6 million as of June 30, 2023 (Euro 192 million as at December 31, 2022) against tax receivables (shown among the current assets) of Euro 61.1 million (Euro 70.8 million as of December 31, 2022), as reported in Note 11.

22. OTHER CURRENT LIABILITIES

The other current liabilities are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Payables for capital expenditure	70,766	73,249
Accrued expenses and deferred income	21,946	28,971
Other payables	151,716	140,086
Total	244,428	242,306

The other payables are detailed as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Short-term benefits for employees and other personnel	90,298	91,844
Customer advances	26,277	21,918
Provision for returns from customers	33,502	24,805
Other	1,639	1,519
Total	151,716	140,086

23. LONG-TERM FINANCIAL PAYABLES

The long-term financial payables are as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Long-term bank borrowings	350,107	396,242
Deferred costs on loans	(393)	(586)
Total	349,714	395,656

No new long-term loans were taken out in the period.

All the loan covenants were fully complied with at June 30, 2023.

The long-term bank borrowings as of June 30, 2023, excluding the amortized costs, are set forth below:

Borrower	Amount in thousands of Euro	Type of loan	Currency	Expiry date	Interest rate (1)	Current Portion (Euro thousands)	Non-current Portion (Euro thousands)	Pledge
Prada S.p.A.	25,667	Term-loan	EUR	May-30	2.74%	3,667	22,000	Mortgage loan
Prada S.p.A.	15,000	Term-loan	EUR	Oct-24	4.22%	10,000	5,000	-
Prada S.p.A.	100,000	Term-loan	EUR	Apr-25	2.00%	-	100,000	-
Prada S.p.A.	100,000	Term-loan	EUR	Jul-26	4.49%	-	100,000	-
Prada S.p.A.	64,800	Term-loan	EUR	Feb-26	3.55%	25,200	39,600	-
Prada S.p.A.	22,222	Term-loan	EUR	Jun-24	4.58%	22,222	-	-
Prada S.p.A.	30,000	Term-loan	EUR	Jan-25	3.88%	18,000	12,000	-
Prada S.p.A.	38,888	Term-loan	EUR	Nov-26	4.23%	11,111	27,777	-
Kenon Ltd	47,887	Term-loan	GBP	Jan-29	4.48%	4,282	43,605	Mortgage loan
Tannerie Limoges sas	625	Term-loan	EUR	Jul-24	4.24%	500	125	Mortgage loan
Total	445,089					94,982	350,107	

(1) the interest rates include the effect of interest rate risk hedges, if any

Prada S.p.A.'s mortgage loan is secured by the building in Milan used for the Group's headquarters, and Kenon Ltd's mortgage loan is secured by the building on Old Bond Street, London, used for one of the most prestigious Prada stores in Europe. The mortgage loan to Tannerie Limoges Sas is secured by that company's factory building in France.

The Group generally borrows at variable interest rates and manages the risk of interest rate fluctuations through hedging agreements, as described in Note 9.

The financial payables are set forth hereunder by their portions with fixed and variable interest rates:

(amounts in thousands of Euro)	June 30, 2023 (unaudited)		December 31, 2022 (audited)	
	variable interest rates	fixed interest rates	variable interest rates	fixed interest rates
Short-term financial payables	75%	25%	80%	20%
Long-term financial payables	41%	59%	44%	56%

24. LONG-TERM EMPLOYEE BENEFITS

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Post-employment benefits	39,459	41,870
Other long-term employee benefits	16,864	25,701
Total liabilities for long-term benefits	56,323	67,571
Pension plan surplus (Note 16)	(6,640)	(6,426)
Net liabilities for long-term benefits	49,683	61,145

The net balance of long-term employee benefits as at June 30, 2023 is a liability of Euro 49.7 million (Euro 61.1 million as at December 31, 2022), and all the benefits are classified as defined benefit plans.

The following table shows the changes in long-term employee benefits in the six months ended June 30, 2023:

(amounts in thousands of Euro)	Defined Benefit Plans in Italy (TFR)	Defined Benefit Plans in other countries (including Japan)	Pension Funds in UK	Other long-term employee benefits	Total
Opening balance (audited)	20,083	21,787	(6,426)	25,701	61,145
Current service cost	248	1,589	-	14,403	16,240
Benefits paid	(1,194)	(1,135)	-	(23,108)	(25,437)
Exchange differences	-	(1,919)	(214)	(132)	(2,265)
Closing balance (unaudited)	19,137	20,322	(6,640)	16,864	49,683

The defined benefit obligations are measured in accordance with independent appraisals on a yearly basis.

25. PROVISION FOR RISKS AND CHARGES

The changes in the provisions for risks and charges for the six-month period ended June 30, 2023 are as follows:

(amounts in thousands of Euro)	Provision for legal disputes	Provision for tax disputes	Other provisions	Total
Opening balance (audited)	884	4,601	46,001	51,486
Exchange differences	1	(96)	(2,158)	(2,253)
Reversals	(45)	(337)	(450)	(832)
Utilised	(70)	(400)	(2,323)	(2,793)
Increases	60	646	710	1,416
Closing balance (unaudited)	830	4,414	41,780	47,024

The provisions for risks and charges represent Directors' best estimate of the maximum outflow of resources needed to settle liabilities deemed to be probable. In the Directors' opinion, based on the information available to them, the total amount accrued for risks and charges at the reporting date is adequate in respect of the liabilities that could arise from them.

Since 2016, Prada Asia Pacific Ltd (a retail subsidiary wholly owned by Prada S.p.A.) has been providing Prada S.p.A. with commercial services to support its wholesale distribution business in Asia Pacific, for remuneration (in place

until 2021) disclosed, as early as the 2016 tax year, to the Italian Tax Authority through the submission of an advance pricing agreement application and various explanatory documents.

The Italian Tax Authority started discussions on the topic on October 2022 and, in order not to have the 2016 fiscal year time barred, on April 28, 2023, it issued two tax notices (IRES and IRAP) in which it challenged in full the deductibility of the remuneration paid to Prada Asia Pacific Ltd in the 2016 fiscal year, setting higher taxes amounting to c. Euro 10.8 million and interest amounting to c. Euro 2.3 million, while recognising (i) the possibility for Prada S.p.A. to deduct the amount that, in the opinion of the Italian Tax Authority, it should have recognised to Prada Asia Pacific Ltd, without however quantifying it, and (ii) the non-application of penalties, by virtue of the correctness of the Transfer pricing contemporaneous documentation prepared by Prada S.p.A..

Prada S.p.A. has filed an appeal against these tax notices within the legal deadlines and discussions with the Italian Tax Authority are still ongoing. The Company, also supported by the opinion of a leading Tax consultancy firm, at this stage believes that there is no basis for recording a tax liability in relation to this case.

The other risk provisions amount to Euro 41.8 million at June 30, 2023 and refer primarily to contractual obligations to restore leased commercial properties to their original condition.

26. OTHER NON-CURRENT LIABILITIES

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Deferred income for commercial agreements	103,200	107,687
Accrued costs for lease payments (out of scope for IFRS 16)	5,847	7,410
Other non-current liabilities	388	573
Total	109,435	115,670

27. EQUITY ATTRIBUTABLE TO OWNERS OF THE GROUP

The equity attributable to owners of the Group is as follows:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Share capital	255,882	255,882
Share premium reserve	410,047	410,047
Other reserves	2,432,032	2,245,901
Actuarial reserve	(7,107)	(7,107)
Fair value investments in equity instruments reserve	(9,106)	(10,405)
Cash flow hedge reserve	17,511	10,060
Translation reserve	96,989	112,646
Net income / (loss) for the period	305,168	465,193
Total	3,501,416	3,482,217

SHARE CAPITAL

As at June 30, 2023, approximately 80% of Prada S.p.A.'s share capital was owned by Prada Holding S.p.A. and the remainder is listed on the Main Board of the Hong Kong Stock Exchange.

SHARE PREMIUM RESERVE

The share premium reserve of Euro 410 million is the same as that of December 31, 2022.

OTHER RESERVES

The other reserves increased from Euro 2,246 million at December 31, 2022 to Euro 2,432 million as at June 30, 2023 as a consequence of the allocation of 2022 net profit and the distribution of dividends of Euro 281,470,640, as approved at the General Meeting held on April 27, 2023 for the approval of the financial statements for the year ended December 31, 2022.

The dividends net of withholding taxes (Euro 266.8 million) were paid during the period under review, whereas the withholding tax (Euro 14.7 million), calculated 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, was paid in July 2023.

TRANSLATION RESERVE

The changes in this reserve result from the translation into Euro of the foreign

currency financial statements of the consolidated companies. The reserve decreased from the Euro 112.6 million at December 31, 2022 to Euro 97 million.

NET INCOME / (LOSS) FOR THE PERIOD

The Group's net result for the six months ended June 30, 2023 was Euro 305.2 million.

28. EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

The following table shows the changes in the non-controlling interests during the periods ended June 30, 2023 and December 31, 2022:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Opening balance (audited)	18,805	14,749
Translation differences	(192)	664
Dividends	(250)	(599)
Net income / (loss) for the period	1,462	3,962
Actuarial reserve	-	29
Closing balance	19,825	18,805

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For a detail explanation of the financial and business performances of the first semester of 2023, refer to the Financial Review.

29. NET REVENUES

The consolidated net revenues are generated primarily from sales of finished products and are stated net of returns and discounts:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Net sales	2,184,896	1,872,418
Royalties	47,483	28,524
Total	2,232,379	1,900,942

The Financial Review describes the net sales by distribution channel, geographical area, brand and product.

30. COST OF GOODS SOLD

The cost of goods sold has the following composition:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Purchases of raw materials and manufacturing services	296,884	289,836
Depreciation, amortization and impairment on tangible and intangible fixed assets	9,019	8,963
Depreciation and write-downs of the right of use assets	1,993	1,670
Labor cost	80,257	73,197
Short-term and low value lease (IFRS 16)	55	33
Logistics costs, duties and insurance	83,818	92,230
Change in inventories	(33,042)	(42,478)
Total	438,984	423,451

The incidence of the cost of good sold on net revenues for the six months ended June 30, 2023 was equal to 19.7%, while in the corresponding period of 2022 stood at 22.3%. Higher average prices, a better sales mix in terms of distribution channels and greater absorption of production overheads are the key drivers of

this improvement, together with subsiding inflationary pressures.

31. OPERATING EXPENSES

The operating costs are detailed below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	% of net revenues	six months ended June 30 2022 (unaudited)	% of net revenues
Product design and development costs	72,489	3.2%	68,581	3.6%
Advertising and communications costs	187,274	8.4%	155,168	8.2%
Selling costs	894,587	40.1%	821,510	43.2%
General and administrative costs	147,626	6.6%	127,430	6.7%
Total	1,301,976	58.3%	1,172,689	61.7%

Operating expenses totaled Euro 1,302 million, up by Euro 129.3 million versus 2022, which included non-recurring expenses of Euro 26 million. The increase is attributable primarily to higher variable costs ensuing from the sales increase, more communication activities, higher personnel expenses and other general and administrative costs.

The following table sets forth depreciation, amortization, impairment, personnel cost (net of the government subsidies for the Covid-19 pandemic in 2022) and rent expense included within the operating expenses in accordance with the requirements of IAS 1.

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Depreciation, amortization and impairment on tangible and intangible fixed assets	102,360	113,862
Depreciation and write-downs of the right of use assets (*)	223,127	227,796
Labor cost	400,415	359,788
Pure variable lease (IFRS 16)	119,153	103,685
Short term and low value lease (IFRS 16)	7,297	4,753

(*) shown without the impact of Covid-related discounts in the first half 2022

32. FINANCIAL INCOME/(EXPENSES)

The net interest and other financial income / (expenses) are presented below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Interest expenses on borrowings	(8,806)	(1,708)
Interest income	13,177	1,074
Interest income / (expenses) IAS 19		-
Exchange gains / (losses) - realized	(5,563)	(6,734)
Exchange gains / (losses) - unrealized	(16,785)	(1,304)
Other financial income / (expenses)	(1,315)	88
Interest and other financial income / (expenses), net	(19,292)	(8,584)
Interest expenses on lease liability	(27,342)	(18,887)
Dividends from investments	226	119
Total financial expenses	(46,408)	(27,352)

The net financial expenses of Euro 46.4 million are Euro 19 million higher than in 2022 (Euro 27.4 million). The increase is attributable largely to higher foreign exchange losses and interest expense on lease liabilities, offset in part by lower costs associated with the net financial surplus, which improved from the same period of 2022.

33. TAXATION

Income taxes have the following composition:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Current taxation	158,516	145,142
Deferred taxation	(20,135)	(57,109)
Income taxes	138,381	88,033

The net income tax for the six months ended June 30, 2023 is Euro 138.4 million, corresponding to 31.1% of the profit before tax.

The changes in deferred tax assets and liabilities are set forth below:

(amounts in thousands of Euro)	June 30 2023 (unaudited)	December 31 2022 (audited)
Opening balance	332,235	257,656
Exchange differences	(13,166)	(941)
Deferred taxes on acquisition	-	(1,022)
Deferred taxes on derivative instruments recorded in equity (cash flow hedges)	(2,369)	(8,283)
Deferred taxes on post-employment benefits recorded in equity (reserve for actuarial differences)	-	667
Deferred taxes on revaluation IAS 29	218	(1,234)
Other movements	(86)	25
Deferred taxes for the period in profit or loss	19,917	85,367
Closing balance	336,749	332,235

Deferred tax assets and liabilities are classified by nature hereunder:

(amounts in thousands of Euro)	June 30, 2023 (unaudited)		December 31, 2022 (audited)	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Inventories	248,244	4,646	242,795	4,790
Receivables and other assets	1,350	1,549	1,996	1,559
Useful life of non-current assets	28,214	8,647	29,345	8,292
Deferred taxes due to acquisitions	-	6,588	-	6,590
Provision for risks / accrued expenses	27,930	1,312	24,123	1,111
Non-deductible / taxable charges/income	7,761	6,721	7,267	6,636
Deferred tax assets on rental contracts	43,918	2,817	42,924	3,176
Tax loss carryforwards	9,395	-	10,741	-
Derivative financial instruments	-	5,246	-	3,185
Long term employee benefits	7,623	1,660	8,811	1,606
Other	5,482	3,982	5,088	3,910
Total	379,917	43,168	373,090	40,855

34. EARNINGS AND DIVIDENDS PER SHARE

EARNINGS PER SHARE BASIC AND DILUTED

Earnings (losses) per share are calculated by dividing the net profit (or net loss) attributable to the Group's shareholders by the weighted average number of ordinary shares outstanding.

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Group net income / (loss) in Euro	305,167,809	188,264,166
Weighted average number of ordinary shares in issue	2,558,824,000	2,558,824,000
Basic and diluted earnings / (losses) per share in Euro, calculated on weighted average number of shares	0.119	0.074

DIVIDENDS PAID

During the six-month period ended June 30, 2023, the Company distributed dividends of Euro 281,470,640, as approved at the General Meeting held on April 27, 2023 for the approval of the financial statements for the year ended December 31, 2022.

The dividends net of withholding taxes (Euro 266.8 million) were paid during the period under review, whereas the withholding tax (Euro 14.7 million), calculated 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, was paid in July 2023.

35. ADDITIONAL INFORMATION

NUMBER OF EMPLOYEES

The average number of full-time equivalent ("FTE") employees (calculated by dividing the number of actual hours worked by the total number of scheduled hours), by business division, is presented below:

(number of employees)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Production	3,300	3,022
Product design and development	968	940
Advertising and Communications	233	196
Selling	8,283	7,856
General and administrative services	1,071	971
Total	13,855	12,985

EMPLOYEE REMUNERATION

The employee remuneration by business division, net of the government subsidies for the Covid-19 pandemic in the first half of 2022, is presented below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Production	80,257	73,149
Product design and development	35,914	34,011
Advertising and Communications	17,418	15,212
Selling	280,408	250,044
General and administrative services	66,675	60,521
Total	480,672	432,937

The classification by type of employee remuneration is presented below:

(amounts in thousands of Euro)	six months ended June 30 2023 (unaudited)	six months ended June 30 2022 (unaudited)
Wages and salaries	360,466	325,049
Post-employment benefits and other long-term benefits	22,411	18,174
Social contributions	76,167	66,844
Other	21,628	22,870
Total	480,672	432,937

DISTRIBUTABLE RESERVES OF THE PARENT COMPANY, PRADA S.P.A.

(amounts in thousands of Euro)	June 30, 2023 (unaudited)	Possible utilization	Distributable amount	Summary of utilization in the last three years	
				Coverage of losses	Distribution of dividends
Share capital	255,882	-	-	-	-
Share premium reserve	410,047	A, B, C	410,047	-	-
Legal reserve	51,176	B	-	-	-
Other reserves	182,899	A, B, C	182,899	-	-
Retained earnings	1,384,430	A, B, C	1,350,977	16,176	268,677
Fair value reserve	(9,106)	-	-	-	-
Time value reserve	(3,829)	-	-	-	-
Intrinsic value reserve	18,282	-	-	-	-
Distributable amount			1,943,923	16,176	268,677

A share capital increase
B coverage of losses
C distributable to shareholders

Under Italian Civil Code Article 2431, the share premium reserve is fully distributable since the amount of the legal reserve is equal to or exceeds 20% of share capital.

Under Italian Legislative Decree 38/2005, Article 7, Euro 20.5 million of the retained earnings is not distributable.

EXCHANGE RATES

The exchange rates against the Euro used for consolidation of the statements of financial position and statements of profit or loss whose presentation currency differed from that of the consolidated financial statements as at June 30, 2023, June 30, 2022 and December 31, 2022 are listed hereunder:

Currency	Average rate six months ended June 30 2023	Average rate six months ended June 30 2022	Closing rate June 30 2023	Closing rate December 31 2022
UAE Dirham	3.970	4.024	3.991	3.918
Australian Dollar	1.597	1.522	1.640	1.569
Brazilian Real	5.488	5.578	5.279	5.639
Canadian Dollar	1.456	1.392	1.442	1.444
Swiss Franc	0.986	1.032	0.979	0.985
Czech Koruna	23.684	24.638	23.742	24.116
Danish Kronor	7.446	7.440	7.447	7.437
GB Pound	0.877	0.842	0.858	0.887
Hong Kong Dollar	8.473	8.571	8.516	8.316
Japanese Yen	145.463	134.165	157.160	140.660
Korean Won	1,399.730	1,348.195	1,435.880	1,344.090
Kuwait Dinar	0.331	0.333	0.334	0.327
Kazakhstani Tenge	488.584	491.863	490.700	492.860
Moroccan Dirham	11.023	10.608	10.751	11.156
Macau Pataca	8.727	8.822	8.820	8.578
Mexican Peso	19.688	22.208	18.561	20.856
Malaysian Ringgit	4.812	4.672	5.072	4.698
New Zealand Dollar	1.730	1.650	1.786	1.680
Norwegian Krone	11.301	9.974	11.704	10.514
Qatari Riyal	3.951	4.007	3.958	3.918
Chinese Renminbi	7.480	7.087	7.898	7.358
Romanian Leu	4.933	4.946	4.964	4.950
Russian Ruble	83.364	84.318	97.873	77.900
Saudi Riyal	4.056	4.109	4.072	4.012
Swedish Kronor	11.324	10.469	11.806	11.122
Singapore Dollar	1.443	1.494	1.473	1.430
Thai Baht	36.922	36.880	38.482	36.835
Turkish Lira	21.463	16.204	28.319	19.965
Taiwan Dollar	33.015	31.394	33.818	32.810
Ukrainian Hryvna	39.520	31.726	39.695	39.037
US Dollar	1.081	1.096	1.087	1.067
Vietnamese Dong	25,552.135	25,307.840	25,883.000	25,171.000
South African Rand	19.633	16.860	20.579	18.099

36. REMUNERATION OF BOARD OF DIRECTORS

Remuneration of Prada S.p.A. Board of Directors for the six months ended June 30, 2023

(amounts in thousands of Euro)	Directors' fees	Remuneration and other benefits	Bonuses and other incentives	Benefits in kind	Pension, healthcare and TFR contributions	June 30 2023 (unaudited)
Patrizio Bertelli	9,348	-	-	-	27	9,375
Paolo Zannoni	2,155	12	-	-	5	2,172
Andrea Guerra	-	842	1,392	20	669	2,923
Miuccia Prada Bianchi	9,348	-	-	-	27	9,375
Andrea Bonini	-	551	450	14	44	1,059
Lorenzo Bertelli	-	126	100	7	28	261
Marina Sylvia Caprotti	59	-	-	-	-	59
Maurizio Cereda	53	-	-	-	2	55
Yoël Zaoui	64	10	-	-	17	91
Pamela Yvonne Culpepper	58	-	-	-	14	72
Anna Maria Rugarli	48	-	-	-	17	65
Stefano Simontacchi	4	-	-	-	-	4
Total	21,137	1,541	1,942	41	850	25,511

Remuneration of Prada S.p.A. Board of Directors for the six months ended June 30, 2022

(amounts in thousands of Euro)	Directors' fees	Remuneration and other benefits	Bonuses and other incentives	Benefits in kind	Pension, healthcare and TFR contributions	June 30 2022 (unaudited)
Paolo Zannoni	750	12	-	-	4	766
Miuccia Prada Bianchi	8,683	-	-	-	25	8,708
Patrizio Bertelli	8,683	-	-	-	25	8,708
Lorenzo Bertelli	-	160	32	2	24	218
Alessandra Cozzani	-	195	-	7	104	306
Stefano Simontacchi	25	-	-	-	1	26
Maurizio Cereda	40	-	-	-	2	42
Marina Sylvia Caprotti	45	-	-	-	7	52
Yoël Zaoui	55	-	-	-	9	64
Pamela Yvonne Culpepper	42	-	-	-	9	51
Anna Maria Rugarli	33	-	-	-	1	34
Total	18,356	367	32	9	211	18,975

37. RELATED PARTY TRANSACTIONS

The Group carries out transactions with companies classifiable as related parties according to IAS 24 "Related Party Disclosures". These transactions referred primarily to the purchase or sale of finished and semi-finished products and raw materials, the supply of services, loans, sponsorships, leases and the sale of real estate property. These transactions take place on an arm's length basis.

The following tables present the effect of related-party transactions on the Consolidated Financial Statements in terms of Statement of Financial Position balances and total transactions affecting the Statement of Profit or Loss.

STATEMENT OF FINANCIAL POSITION BALANCES AS OF JUNE 30, 2023 (UNAUDITED)

(amounts in thousands of Euro)	Trade receivables	Receivables from, and advances to, related parties - current	Receivables from, and advances to, related parties - non current	Right of use assets	Trade payables	Payables to related parties - current	Lease liabilities	Other liabilities
Les Femmes S.r.l.	474	5	1,125	-	966	-	-	-
Filati Biagioli Modesto S.p.A.	6	2,223	-	-	1,185	-	-	-
Spelm Sa	-	-	-	3,524	-	-	3,590	-
Rubaiyat Modern Lux.Pr.Co.Ltd	-	-	-	-	24	2,566	-	-
Ludo Due S.r.l.	-	-	-	8,493	-	-	9,408	-
Peschiera Immobiliare S.r.l.	2	-	-	2,613	47	-	3,194	-
Premiata S.r.l.	50	-	-	-	199	-	-	-
Conceria Superior S.p.A.	-	-	-	-	657	-	-	-
Perseo S.r.l.	-	-	-	-	173	-	-	-
Al Tayer Group Llc	-	-	-	-	20	-	-	-
Al Tayer Insignia Llc	933	-	-	-	37	2,466	-	-
Danzas Llc	-	-	-	-	63	13	-	46
Al Sanam Rent a Car Llc	-	-	-	-	1	-	-	-
Prada Holding S.p.A.	48	-	-	49	-	-	37	-
PH-RE Llc	-	130	-	168,323	-	-	191,291	-
Others	2	-	-	-	-	-	-	-
Members of the Board of Directors of Prada S.p.A.	-	-	-	-	-	-	-	1,985
Total at June 30, 2023 (unaudited)	1,515	2,358	1,125	183,002	3,372	5,045	207,520	2,031

STATEMENT OF FINANCIAL POSITION BALANCES AS OF DECEMBER 31, 2022 (AUDITED)

(amounts in thousands of Euro)	Trade receivables	Receivables from, and advances to, related parties - current	Receivables from, and advances to, related parties - non-current	Right of use assets	Trade payables	Payables to related parties - current	Lease liability	Other liabilities
Les Femmes S.r.l.	599	6	1,125	-	1,944	-	-	-
Filati Biagioli Modesto S.r.l.	27	2,218	-	-	67	-	-	-
Spelm Sa	-	-	-	3,795	-	-	3,858	-
Rubaiyat Modern Lux.Pr.Co.Ltd	-	-	-	-	-	1,055	-	-
Ludo Due S.r.l.	-	-	-	9,282	-	-	10,242	-
Peschiera Immobiliare S.r.l.	-	-	-	2,882	45	-	3,460	-
Premiata S.r.l.	-	-	-	-	195	-	-	-
Conceria Superior S.p.A.	-	-	-	-	3,056	-	-	-
Perseo S.r.l.	-	-	-	-	225	-	-	-
Al Tayer Insignia Llc	736	-	-	-	12	2,513	-	-
Danzas Llc	-	-	-	-	93	-	-	61
Al Sanam Rent a Car Llc	-	-	-	-	1	-	-	-
Prada Holding S.p.A.	18	-	-	73	-	-	73	-
PH-RE Llc	-	149	-	196,766	-	-	221,687	-
Others	2	-	-	-	2	-	-	-
Members of the Board of Directors of Prada S.p.A.	-	-	-	-	-	-	-	4,405
Total at December 31, 2022 (audited)	1,382	2,373	1,125	212,798	5,640	3,568	239,320	4,466

STATEMENT OF PROFIT OR LOSS TRANSACTIONS FOR THE SIX MONTHS ENDED JUNE 30, 2023 (UNAUDITED)

(amounts in thousands of Euro)	Net revenues	Cost of goods sold	General, admin. & selling costs	Interest incomes	Interest expenses
Les Femmes S.r.l.	-	4,149	(12)	6	-
Filati Biagioli Modesto S.p.A.	-	2,684	95	50	-
Spelm Sa	-	-	292	-	15
Ludo Due S.r.l.	-	-	562	-	61
Peschiera Immobiliare S.r.l.	-	23	282	-	14
Premiata S.r.l.	-	39	363	-	-
Conceria Superior S.p.A.	-	5,608	67	-	-
Perseo S.r.l.	-	344	-	-	-
Rubaiyat Modern Lux.Pr.Co.Ltd	-	-	-	-	24
Al Tayer Group Llc	-	-	188	-	-
Al Tayer Insignia Llc	1,662	-	62	-	25
Danzas Llc	-	95	51	-	-
Al Sanam Rent a Car Llc	-	-	6	-	-
Prada Holding S.p.A.	22	-	33	-	1
PH-RE Llc	-	-	8,410	-	959
Total at June 30, 2023 (unaudited)	1,684	12,942	10,399	56	1,099

STATEMENT OF PROFIT OR LOSS TRANSACTIONS FOR THE SIX MONTHS ENDED JUNE 30, 2022 (UNAUDITED)

(amounts in thousands of Euro)	Net revenues	Cost of goods sold	General, admin. & selling costs	Interest incomes	Interest expenses
Les Femmes S.r.l.	-	3,992	48	6	-
Filati Biagioli Modesto S.p.A.	-	2,938	30	6	-
Spelm Sa	-	-	278	-	17
Ludo Due S.r.l.	-	-	543	-	66
Chora S.r.l.	-	-	975	-	-
Peschiera Immobiliare S.r.l.	-	22	268	-	16
Premiata S.r.l.	-	97	357	-	-
Conceria Superior S.p.A.	-	6,653	-	-	-
Perseo S.r.l.	-	455	-	-	-
Al Tayer Group Llc	-	-	29	-	-
Al Tayer Insignia Llc	1,429	-	67	-	-
Danzas Llc	-	40	87	-	-
Al Sanam Rent a Car Llc	-	-	5	-	-
Prada Holding S.p.A.	-	-	35	-	-
PH-RE Llc	-	-	9,119	-	1,115
Total at June 30, 2022 (unaudited)	1,429	14,197	11,841	12	1,214

The foregoing tables report information on transactions with related parties in accordance with IAS 24, "Related Party Disclosures", while the following transactions also fall within the scope of application of the Hong Kong Stock Exchange Listing Rules.

The transactions with related party PH-RE llc (formerly PABE-RE llc) refer to the transaction between such company and Prada Japan co ltd in relation to the lease of the two buildings in Aoyama, Tokyo for Prada and Miu Miu stores. The transactions reported for the six months ended June 30, 2023 are regulated by Chapter 14A of the Listing Rules because they are considered as continuing connected transactions subject to disclosure, but they are exempt from the independent shareholders' approval requirement. As required by the Listing Rules, comprehensive disclosure of those continuing connected transactions is contained in Prada S.p.A.'s Announcements dated, respectively, July 15, 2015 ("Prada Aoyama") and May 26, 2017 ("Miu Miu Aoyama").

Apart from the non-exempt continuing connected transactions and non-exempt connected transactions reported above, no other transaction reported in the 2023 Interim condensed consolidated financial statements meets the definition of "connected transaction" or "continuing connected transaction" contained in Chapter 14A of the Hong Kong Stock Exchange Listing Rules or, if it does meet the definition of "connected transaction" or "continuing connected transaction" according to Chapter 14A, it is exempt from the announcement, disclosure and independent shareholders' approval requirements laid down in Chapter 14A.

38. FINANCIAL TREND

(amounts in thousands of Euro)	December 31 2022	December 31 2021	December 31 2020	December 31 2019	December 31 2018
Net revenues	4,200,674	3,365,667	2,422,739	3,225,594	3,142,148
Gross margin	3,312,094	2,547,358	1,743,378	2,319,612	2,262,594
Operating income - EBIT	775,990	489,484	20,061	306,779	323,846
Net income/ (loss) - Group	465,193	294,254	(54,139)	255,788	205,443
Total assets	7,377,578	6,959,011	6,527,927	7,038,439	4,678,812
Total liabilities	3,876,556	3,830,368	3,676,207	4,049,864	1,781,743
Net equity attributable to owners of the Group	3,482,217	3,113,894	2,832,057	2,967,158	2,877,986

39. CONSOLIDATED COMPANIES

Company	Local currency	Share capital (000s of local currency)	% Interest	Registered office	Principal place of operation	Date of incorporation/establishment (MM/DD/YYYY)	Main Business
Italy							
Prada S.p.A.	EUR	255,882		Milan	Italy		Group Holding/ Manufacturing/ Distribution/ Retail
Artisans Shoes S.r.l. (*)	EUR	1,000	66.7	Montegrnaro	Italy	02/09/1977	Manufacturing
IPI Logistica S.r.l. (*)	EUR	600	100	Milan	Italy	01/26/1999	Services
Pelletteria Ennepi S.r.l. (*)	EUR	93	100	Figline e Incisa Valdarno	Italy	12/01/2016	Manufacturing
Church Italia S.r.l. (*)	EUR	51	100	Milan	Italy	01/31/1992	Retail/Services
Marchesi 1824 S.r.l. (*)	EUR	1,052	100	Milan	Italy	07/10/2013	Food&Beverage
Figline S.r.l. (*)	EUR	10	100	Milan	Italy	07/24/2019	Manufacturing
Pelletteria Figline S.r.l.	EUR	20	100	Figline e Incisa Valdarno	Italy	09/30/2020	Manufacturing
Luna Rossa Challenge S.r.l. (*)	EUR	10	100	Grosseto	Italy	12/01/2021	Management sailing team
Europe							
Prada Retail UK Ltd (*)	GBP	5,000	100	London	U.K.	01/07/1997	Retail
Prada Germany Gmbh (*)	EUR	215	100	Munich	Germany	03/20/1995	Retail/Services
Prada Austria Gmbh (*)	EUR	40	100	Wien	Austria	03/14/1996	Retail
Prada Spain Sl (*)	EUR	240	100	Madrid	Spain	05/14/1986	Retail
Prada Retail France Sas (*)	EUR	4,000	100	Paris	France	10/10/1984	Retail
Prada Hellas Sole Partner Llc (*)	EUR	4,350	100	Athens	Greece	12/19/2007	Retail
Prada Monte-Carlo Sam (*)	EUR	2,000	100	Monaco	Principality of Monaco	05/25/1999	Retail
Prada Sa (*)	EUR	31	100	Luxembourg	Switzerland	07/29/1994	Trademarks/ Services
Prada Company Sa	EUR	3,204	100	Luxembourg	Luxembourg	04/12/1999	Services
Prada Netherlands Bv (*)	EUR	20	100	Amsterdam	Netherlands	03/27/2000	Retail
Church Denmark Aps	DKK	50	100	Copenhagen	Denmark	03/13/2014	Retail
Church France Sas (*)	EUR	2,856	100	Paris	France	06/01/1955	Retail
Church UK Retail Ltd	GBP	1,021	100	Northampton	U.K.	07/16/1987	Retail
Church & Co. Ltd (*)	GBP	2,811	100	Northampton	U.K.	01/16/1926	Sub-Holding/ Manufacturing
Church & Co. (Footwear) Ltd	GBP	44	100	Northampton	U.K.	03/06/1954	Trademarks
Church English Shoes Sa (*)	EUR	75	100	Brussels	Belgium	02/25/1963	Retail
Prada Czech Republic Sro (*)	CZK	2,500	100	Prague	Czech Republic	06/25/2008	Retail
Prada Portugal Unipessoal Lda (*)	EUR	5	100	Lisbon	Portugal	08/07/2008	Retail
Prada Rus Llc (*)	RUB	250	100	Moscow	Russian Federation	11/07/2008	Retail
Church Spain Sl	EUR	3	100	Madrid	Spain	05/06/2009	Under liquidation
Prada Bosphorus Deri Mamuller Ltd Sirketi (*)	TRY	73,000	100	Istanbul	Turkey	02/26/2009	Retail
Prada Ukraine Llc (*)	UAH	240,000	100	Kiev	Ukraine	10/14/2011	Retail
Church Netherlands Bv	EUR	18	100	Amsterdam	Netherlands	07/07/2011	Under liquidation
Church Austria Gmbh	EUR	35	100	Wien	Austria	01/17/2012	Under liquidation
Prada Sweden Ab (*)	SEK	500	100	Stockholm	Sweden	12/18/2012	Retail
Church Footwear Ab	SEK	100	100	Stockholm	Sweden	12/18/2012	Retail
Prada Switzerland Sa (*)	CHF	24,000	100	Lugano	Switzerland	09/28/2012	Retail
Prada Kazakhstan Llp (*)	KZT	500,000	100	Almaty	Kazakhstan	06/24/2013	Retail
Kenon Ltd (*)	GBP	84,000	100	London	U.K.	02/07/2013	Real Estate
Tannerie Limoges Sas (*)	EUR	600	60	Isle	France	08/19/2014	Manufacturing
Prada Denmark Aps (*)	DKK	26,000	100	Copenhagen	Denmark	05/19/2015	Retail
Prada Belgium Sprl (*)	EUR	4,000	100	Brussels	Belgium	12/04/2015	Retail
Hipic Prod Impex Srl (*)	RON	25,471	100	Sibiu	Romania	04/15/2016	Manufacturing
Church Germany Gmbh	EUR	200	100	Munich	Germany	09/18/2018	Under liquidation
Prada San Marino (*)	EUR	26	100	Falciano	San.Marino	04/15/2021	Retail

Prada Norway As (*)	NOK	30	100	Oslo	Norway	09/01/2022	Retail
Americas							
Prada USA Corp. (*)	USD	152,211	100	New York	U.S.A.	10/25/1993	Distribution/ Services/ Retail
Prada Canada Corp. (*)	CAD	300	100	Toronto	Canada	05/01/1998	Distribution/ Retail
Church & Co. (USA) Ltd	USD	85	100	New York	U.S.A.	09/08/1930	Retail
Post Development Corp (*)	USD	86,592	100	New York	U.S.A.	02/18/1997	Real Estate
Prada Retail Mexico, S. de R.L. de C.V.	MXN	269,140	100	Mexico City	Mexico	07/12/2011	Retail
Prada Brasil Importação e Comércio de Artigos de Luxo Ltda (*)	BRL	340,000	100	Sao Paulo	Brazil	04/12/2011	Retail
PRM Services S. de R.L. de C.V. (*)	MXN	7,203	100	Mexico City	Mexico	02/27/2014	Dormant
Prada Panama Sa (*)	USD	30	100	Panama	Panama	09/15/2014	Dormant
Prada Retail Aruba Nv (*)	USD	2,011	100	Oranjestad	Aruba	09/25/2014	Retail
Prada St. Barthelemy Sarl (*)	EUR	1,600	100	Gustavia	St. Barthelemy	04/01/2016	Retail
Asia-Pacific and Japan							
Prada Asia Pacific Ltd (*)	HKD	3,000	100	Hong Kong	Hong Kong S.A.R., P.R.C.	09/12/1997	Retail/Services
Prada Taiwan Ltd	TWD	3,800	100	Hong Kong	Taiwan P.R.C.	09/16/1993	Retail
Prada Retail Malaysia Sdn. Bhd. (*)	MYR	1,000	100	Kuala Lumpur	Malaysia	01/23/2002	Retail
Prada Singapore Pte Ltd (*)	SGD	1,000	100	Singapore	Singapore	10/31/1992	Retail
Prada Korea Llc (*)	KRW	8,125,000	100	Seoul	South Korea	11/27/1995	Retail
Prada (Thailand) Co. Ltd (*)	THB	372,000	100	Bangkok	Thailand	06/19/1997	Retail
Prada Japan Co. Ltd (*)	JPY	1,200,000	100	Tokyo	Japan	03/01/1991	Retail
Prada Guam Llc	USD	0.001	100	Guam	Guam	02/04/2021	Retail
Prada Saipan Llc (*)	USD	1,405	100	Northern Marianas Islands	Saipan	01/20/2021	Duty-Free Stores
Prada Australia Pty Ltd (*)	AUD	13,500	100	Sydney	Australia	04/21/1997	Retail
Prada Trading (Shanghai) Co. Ltd (***)	RMB	1,653	100	Shanghai	P.R.C.	02/09/2004	Dormant
Prada Fashion Commerce (Shanghai) Co. Ltd (***)	RMB	624,950	100	Shanghai	P.R.C.	10/31/2005	Retail
Church Japan Company Ltd (*)	JPY	100,000	100	Tokyo	Japan	04/17/1992	Retail
Church Hong Kong Retail Ltd	HKD	29,004	100	Hong Kong	Hong Kong S.A.R., P.R.C.	06/04/2004	Retail
Prada Dongguan Trading Co. Ltd (***)	RMB	8,500	100	Dongguan	P.R.C.	11/28/2012	Services
Church Footwear (Shanghai) Co. Ltd (***)	RMB	31,900	100	Shanghai	P.R.C.	12/05/2012	Under liquidation
Prada New Zealand Ltd (*)	NZD	3,500	100	Wellington	New Zealand	07/05/2013	Retail
Prada Vietnam Limited Liability Company (*)	VND	146,246,570	100	Hanoi	Vietnam	09/09/2014	Retail
Prada Macau Co. Ltd	MOP	25	100	Macau	Macau S.A.R., P.R.C.	01/22/2015	Retail
Church Korea Llc	KRW	650,000	100	Seoul	South Korea	09/03/2018	Under liquidation
Middle East							
Prada Middle East Fzco (*)	AED	18,000	60	Jebel Ali Free Zone	U.A.E.	05/25/2011	Distribution/ Services
Prada Emirates Llc (**)	AED	300	29.4	Dubai	U.A.E.	08/04/2011	Retail
Prada Kuwait Wll (**)	KWD	50	29.4	Kuwait City	Kuwait	09/18/2012	Retail
Prada Retail Wll (*)	QAR	15,000	100	Doha	Qatar	02/03/2013	Retail
Prada Saudi Arabia Ltd (*)	SAR	26,666	75	Jeddah	Saudi Arabia	07/02/2014	Retail
Other countries							
Prada Maroc Sarl (*)	MAD	95,000	100	Casablanca	Morocco	11/11/2011	Under liquidation
Prada Retail South Africa (pty) Ltd (*)	ZAR	50,000	100	Sandton	South Africa	06/09/2014	Dormant

(*) Company owned directly by Prada S.p.A.

(**) Company consolidated based on definition of control per IFRS 10

(***) Wholly foreign owned enterprises

40. DISCLOSURES REGARDING NON-CONTROLLING INTERESTS

The financial information of companies not entirely controlled by the Group is provided below, as required by IFRS 12. The amounts are stated before the consolidation adjustments.

June 30, 2023 financial statements (amounts in thousands of Euro):

(amounts in thousands of Euro)	Group's percentage interest	Local currency	Total assets	Total equity	Net revenues	Net income / (loss)	Dividends paid to non-controlling shareholders
Artisans Shoes S.r.l.	66.7	EUR	35,418	6,109	31,511	365	(250)
Prada Emirates Llc	29.4	AED	144,465	(2,900)	65,153	3,953	-
Prada Middle East Fzco	60	AED	116,900	53,850	51,245	1,147	-
Prada Kuwait Wll	29.4	KWD	40,363	4,385	10,062	164	-
Prada Saudi Arabia Ltd	75	SAR	26,294	4,950	5,739	(437)	-
Tannerie Limoges Sas	60	EUR	10,122	5	5,167	(150)	-

There were no significant restrictions on the Group's ability to access or use assets or to settle liabilities at the end of the reporting period.

41. EVENTS AFTER THE REPORTING DATE

No significant events to be reported.

