Prada weighs dual listing in Milan, but says not a priority

28 July 2022

A secondary listing in Milan is a possibility, but not a priority for Hong Kong-listed Italian luxury group Prada, its chairman said on Thursday, adding no decision had been taken on the issue.
A dual listing in Europe would help Prada to widen its investor base, as some investment funds can only put money in European or U.S. stocks.

"Investors have long asked for a double listing. It would be an important and very positive development," Luca Solca, luxury analyst at Bernstein, said.

Another analyst, who asked not to be named, said that when Prada had picked Hong Kong for its $2.1 billion IPO in 2011, the Asian stock exchange was seeking to lure overseas companies with attractive valuations.

But given its current market capitalisation of $14 billion, he said it was time for Prada to "play in the top league" with a Milan listing, especially when tensions with the Chinese government have weakened Hong Kong’s status as a financial and luxury hub.

However a secondary listing would be a complex move.

There are no dual listings between Hong Kong and Milan and there are doubts about how one would work, for example concerning how shares would be exchanged between the two markets.

Adding to the complications, Patrizio Bertelli and his wife Miuccia Prada, who turned the Milanese company into a global luxury powerhouse, have repeatedly said they have no intention of selling down their 80% stake in the company. The remaining 20% is listed.

"A second listing in Milan has always been an option, but it is not a priority," Chairman Paolo Zannoni told analysts on a conference call after the group reported a 22% rise in first-half sales. "The visibility is still unclear."