



PANDORA

THIRD QUARTER RESULTS 2021

INVESTOR PRESENTATION 03 NOVEMBER 2021

AGENDA

Q3 RESULTS

1. EXECUTIVE SUMMARY

2. BUSINESS UPDATE

3. Q3 2021 FINANCIALS

4. FINANCIAL GUIDANCE

5. APPENDIX

DISCLAIMER

This presentation contains forward-looking statements, which include estimates of financial performance and targets. These statements are not guarantees of future performance and involve certain risks and uncertainties. Therefore, actual future results and trends may differ materially from what is forecast in this report due to a variety of factors.





STRONG MOMENTUM CONTINUED IN Q3

SOLID REVENUE DEVELOPMENT AS EUROPE REOPENS



Sell-out growth of 9% in Q3
High quality growth driven by Moments and delivered while further decreasing the level of promotions



11% sell-out growth vs 2019 in key European markets
US sell-out growth remains high at +59% vs 2019



EBIT margin of 20.2%



2021 GUIDANCE UPGRADE

GUIDANCE WAS UPGRADED ON 1 NOVEMBER



Organic growth "18-20%"
(5-7% vs 2019)
Before "16-18%"



EBIT margin "24-24.5%"
Before "23-24%"

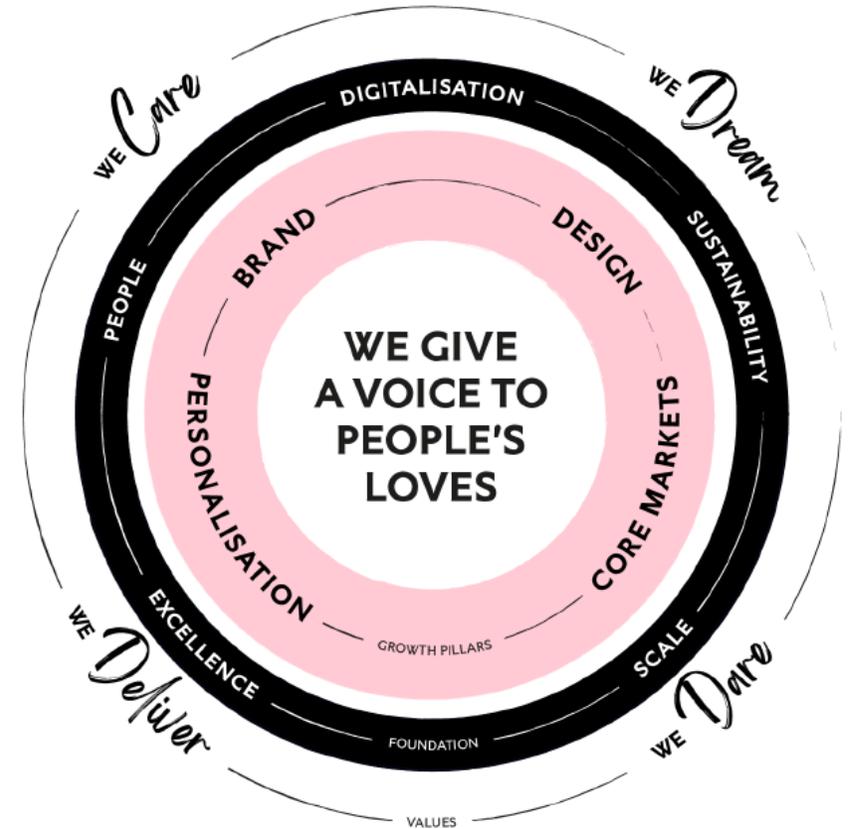
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PANDORA UNFOLDED THE PHOENIX STRATEGY AT THE CAPITAL MARKETS DAY 14 SEPTEMBER



PANDORA INVESTMENT CASE – STRATEGY IS BUILT ON PANDORA'S CORE ASSETS AS ENABLERS FOR GROWTH

INVESTMENT CASE

CORE ASSETS	PHOENIX STRATEGY – DRIVING SUSTAINABLE GROWTH BY LEVERAGING CORE ASSETS						BEYOND PHOENIX
	2021	2022	2023	2024	2025	2026	
<p>ENABLERS FOR GROWTH</p> <ul style="list-style-type: none"> • World's most recognised jewellery brand • Unrivalled direct to consumer distribution • State-of-the-art crafting facilities • Vertically integrated • Category leader in sustainability • Our people 	<p>VALUE CREATION DRIVERS</p> <ul style="list-style-type: none"> • Significant untapped opportunities to grow – within existing core • Gross growth opportunities are well above the 2023 targets • EBIT margin expansion - leverage on existing infrastructure • Continued strong cash generation <p>2023 TARGETS</p> <ul style="list-style-type: none"> • 5-7% organic growth CAGR • EBIT margin expansion to 25-27% 						<p>MORE GROWTH AVENUES</p> <ul style="list-style-type: none"> • Geographic opportunities – incl. India, Japan • Other product categories • M&A

UNIQUE PLATFORM TO BECOME SUSTAINABILITY LEADER



01 LOW-CARBON BUSINESS

Become carbon neutral in **own operations** by 2025

NEW Reduce the total emissions across our own operations and value chain by 50% by 2030

NEW Become **net zero** by 2040

02 CIRCULAR INNOVATION

Use only recycled silver and gold in our jewellery by 2025

Switch to **lab-created diamonds** now

03 INCLUSIVE & DIVERSITY

NEW 1/3 females in leadership by 2025, and full **gender parity** no later than 2030. Workforce with **proportionate share** of underrepresented groups*

NEW **30%** of **advertising budget** with producers owned by women/underrepresented groups

* For geographies that allow diversity data registering

DRIVING THE CORE

MOMENTS WEARING OCCASIONS

- As communicated at the Capital Markets Day 14 September, a key pillar in the Phoenix strategy is to drive the core, Moments, as the number one priority
- In Q3, Pandora launched Moments *Wearing occasions*, a collection of 7 DVs consisting of key rings and bag holders
- The collection successfully drove an incremental 2% of revenue in Q3 and supported a strong Moments performance in Q3
- The Moments platform saw sell-out growth at 11% vs Q3 2019 and was 70% of revenue in Q3 2021
- The *Wearing occasions* helped re-engage existing consumers with the brand and drove further momentum in other product categories, such as bracelets



FUEL WITH MORE

BRILLIANCE GLOBAL EXPANSION CONFIRMED

- In May, Pandora initiated a test launch of *Brilliance* in the *UK market*
- The aim is to make Brilliance a new platform next to Moments by democratising diamonds
- As communicated at the Capital Markets Day, the test launch was all about getting insights:
 - Test → gain insights → adjust → scale (stop)
- Pandora has gained instrumental insights from the UK test launch, and is confident that Brilliance has the potential to become a new platform
- Pandora will therefore initiate a further sequential global roll out to start in 2022 - country details to be shared closer to launch dates



US GROWTH REMAIN STRONG – PROMOTIONAL DETOX CONTINUES ACROSS KEY MARKETS

STRONG US GROWTH

- Strong growth, fueled by stimulus packs - third quarter in a row delivering +50% sell-out growth vs 2019
- US Credit card data indicates Pandora continued to outperform the market in Q3, with sell-out growth of 59% vs 2019 vs 55% market growth, as per Bank of America global luxury report¹
- Pandora continued to decrease promotional activity in the third quarter, and 98% of revenue was full price sales

PROMOTIONAL DETOX

- The promotional detox continue across all key markets with promotional days being down vs 2019 as illustrated to the right
 - I. 8 less promotional days vs 2019 in the physical stores
 - II. 10 less promotional days vs 2019 online

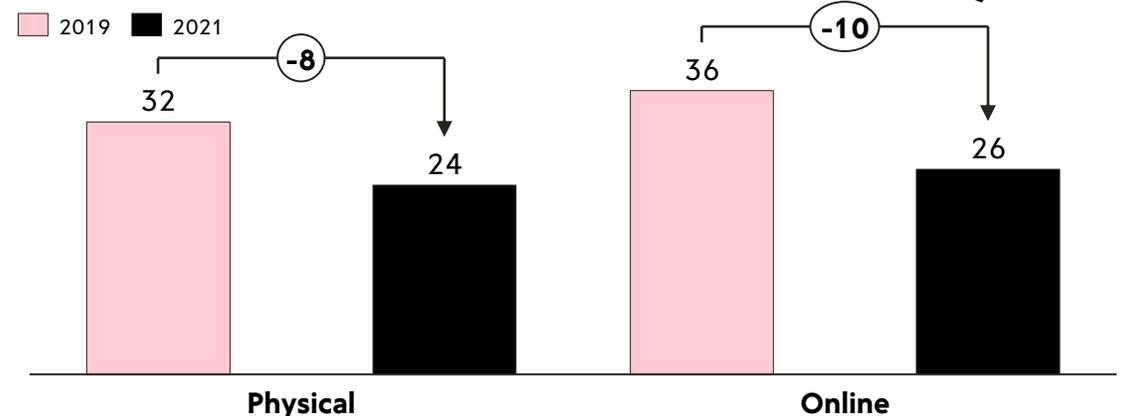
¹Please also see slide 30 in the appendix covering Pandoras view on underlying performance

US SELL-OUT GROWTH

Q3 2021	YoY vs 2020	YoY vs 2019	Q3 2021 closed stores due to COVID-19*	Q3 2020 closed stores due to COVID-19*
US	29%	59%	1%	4%

*Average closures throughout the quarter

AVERAGE PROMOTIONAL DAYS IN KEY MARKETS IN Q3 2021**



**Average promotional days in the key markets, US, China, UK, Italy, France, Germany and Australia



CHINA AND AUSTRALIA DRAG DOWN GROUP IN Q3 FOLLOWING COVID-19

Sell-out growth	YoY vs 2020	YoY vs 2019	Q3 2021 closed stores due to COVID-19*	Q3 2020 closed stores due to COVID-19*
Q3 2021				
China	-35%	-45%	0%**	0%
Australia	-31%	-22%	49%	13%

*Average closures throughout the quarter

**80% of Chinese stores affected by COVID-19 related restrictions raised by government

CHINA

- Sequential deterioration of performance from Q2 2021, mainly due to COVID-19, as
 - Stores were formally open, but traffic was down 70% vs 2019
 - 80% of Pandora's stores in China were impacted by COVID-19 in Q3
 - Investments in the repositioning of the brand in 2021 reduced and postponed
- No 1 brand on Tmall in Fashion Jewellery in Q3

AUSTRALIA

- Severely impacted by COVID-19 with approx. 50% of stores temporarily closed in Q3
- Australia is back in positive territory after re-opening in late October

OVERALL STRONG THIRD QUARTER – STRONG REBOUND IN EUROPE

KEY MARKETS OPEN UP IN EUROPE

- Pandora saw a strong rebound in key European markets and delivered positive sell-out growth vs 2019 of 11% as stores was fully open
- UK, Italy and Germany all return to positive growth in the quarter
 - Italy and Germany also delivered positive sell-out growth vs 2019 in the physical stores
- France ended Q3 at -6% and was impacted by a harder promo detox, as well as COVID-19 restrictions to enter malls
 - Organic growth in Q3 was +10% vs 2019
- Overall sell-out growth vs 2019 ended at 9% in Q3 driven by a solid performance across key European markets but dragged down by China, Australia and other Asian markets heavily impacted by COVID-19

Sell-out growth				
Q3 2021	YoY vs 2020	YoY vs 2019	Q3 2021 closed stores due to COVID-19*	Q3 2020 closed stores due to COVID-19*
UK	-5%	12%	0%	0%
Italy	7%	10%	0%	0%
France	-9%	-6%	0%	0%
Germany	5%	30%	0%	0%
Group	5%	9%	Around 5%	Around 5%

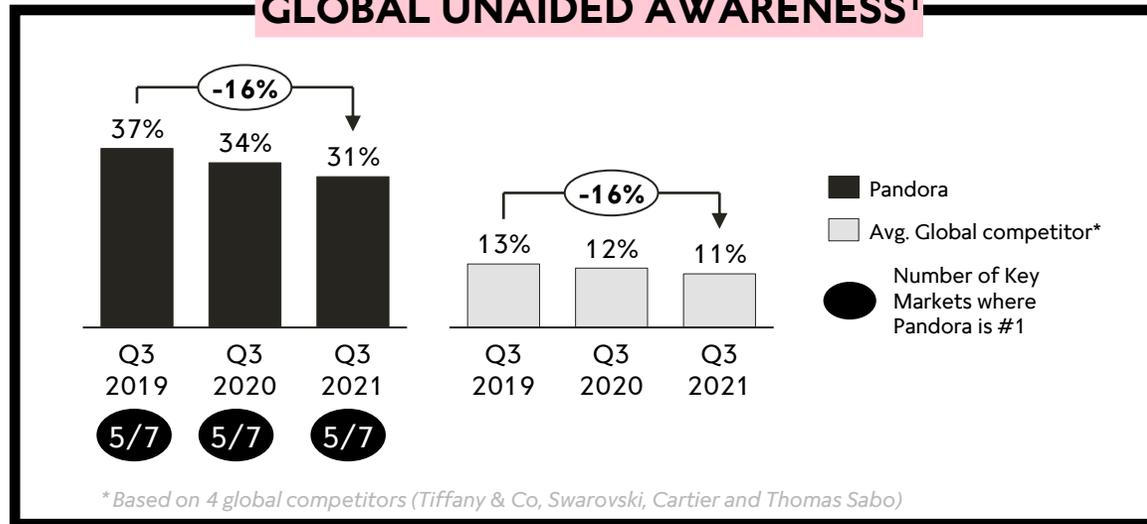
*Average closures throughout the quarter

	Q1 2021	Q2 2021	Q3 2021
Closed stores	71%	32%	0%
Sell-out growth vs 2019	-17%	-6%	11%

¹Include the markets UK, Germany, Italy and France

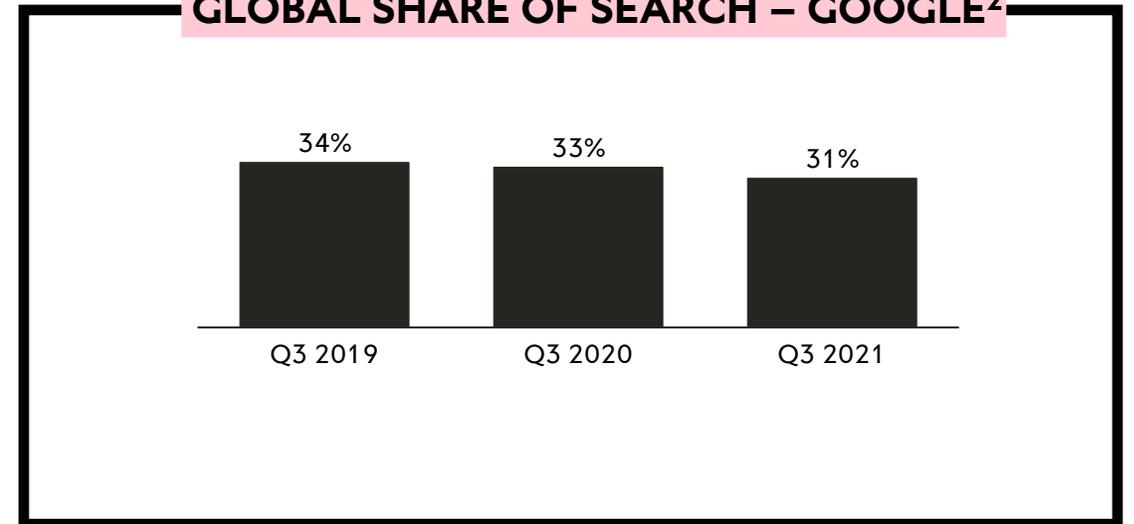
MAINTAINING LEADING BRAND POSITION

GLOBAL UNAIDED AWARENESS¹



- Pandora is no. 1 in 5 out of 7 key markets
- The decline in Unaided Awareness is a general market trend. Pandora maintain it's leading position and with a large gap to the closest Global competitor with ~19% Unaided Awareness

GLOBAL SHARE OF SEARCH – GOOGLE²



- +30% of all branded jewellery searches continue to be for Pandora, while Pandora's closest Global competitor only has ~11% of all branded jewellery searches
- Pandora has seen a small decrease in share of search, mainly due to a growth in luxury brands like Cartier (+31% YoY) and Bulgari (+18% YoY)

¹Source: Monthly Brand Tracker

²Source: Google Trends: Share of Search (%) is (Searches Pandora)/(Searches Pandora + Searches relevant competitor brands)

Q3 2021 DIGITAL RESULTS - DIGITAL INVESTMENTS CONTINUE TO GENERATE STRONG RESULTS

94%

(2% VS 2020)

ONLINE REVENUE NEARLY
DOUBLES VS 2019

2%

(+50% VS 2019)

STRONG ONLINE
CONVERSION RATE

95%

OF CONCEPT STORES IN
KEY MARKETS*
HAVE CLICK AND COLLECT

*During Q3, Pandora has rolled out Click and Collect in France, Italy, Germany and Australia. US continue the strong traction with 15% of online sales

COVID-19 IN THAILAND – PRODUCTION WAS RUNNING THROUGH Q3 – PRECAUTIONARY MEASURES CONTINUES

- The challenging COVID-19 situation in Thailand required significant mitigating actions during the quarter and associated costs
- Production volumes are impacted but not materially
- To keep employees in Thailand safe and to safeguard production and inventory levels, Pandora has taken the following measures:
 - Increasing stock levels in Q3 (DKK 0.6 billion) and continued hiring of additional colleagues (650 temporary positions)
 - Working in extended shifts
 - Ongoing testing of employees
 - Immediate lock-down, quarantine and cleaning of areas where cases are detected
 - Close dialogue with Thai authorities and close monitoring of suppliers
- The 2021 guidance assumes that there will be no major disruptions in the supply chain



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KEY FINANCIAL HIGHLIGHTS

SOLID REVENUE GROWTH AND EBIT MARGIN

TOPLINE	Q3 2021	Q3 2020	Q3 2019
Revenue, DKK million	4,728	4,070	4,415
Organic growth	14%	-5%	-14%
<i>Organic growth vs 2019</i>	9%	n/a	n/a
Sell-out growth	5%	-2%	-10%**
<i>Sell-out growth vs 2019</i>	9%	n/a	n/a

FINANCIAL RATIOS

Gross margin*	75.5%	78.1%	78.6%
EBIT margin*	20.2%	17.2%	20.2%
Cash conversion incl. lease payments, %	53%	98%	n/a
Net working capital, % of last 12 months revenue	0.2%	0.0%	3.3%
CAPEX (% of revenue)	4%	3%	6%
NIBD to EBITDA excl. restructuring costs	0.5	1.1	1.5
Return on invested capital (ROIC), %	48%	22%	26%
Earnings per share, basic, DKK	6.4	3.6	-1.1

*2020 & 2019 numbers are excluding Programme NOW restructuring costs.

** Excluding Hong Kong SAR in Q3 2019

COMMENTARY

- Momentum continued in Q3 driven by strong performance across US and key European markets
- Strong EBIT margin driven by operating leverage
- The underlying gross margin is unchanged and strong – decline is driven by commodity prices and one-offs related to COVID-19 and forward integration
- Net working capital continues to be around zero despite further inventory build-up in Q3
- Financial leverage at the lower end of the capital structure range – cash distribution for Q3 confirmed
- ROIC significantly above 2020 and 2019 following lapse of restructuring costs

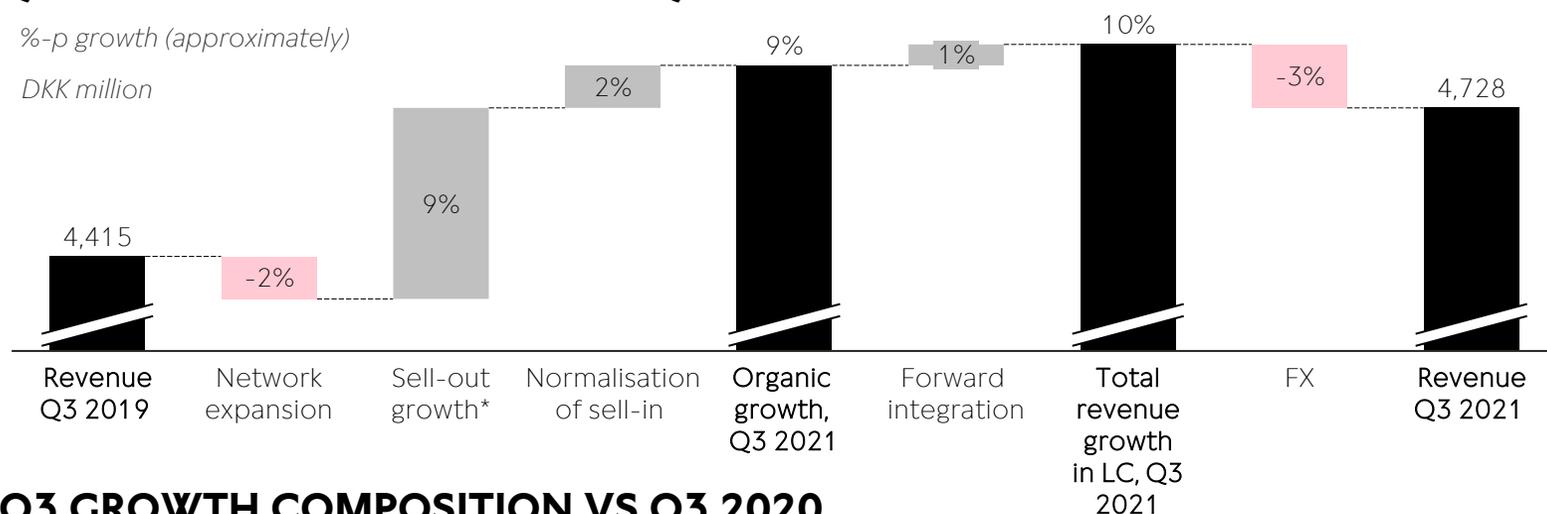
REVENUE BRIDGES

SELL-OUT VS Q3 2019 IS THE CLEANEST COMPARISON

Q3 GROWTH COMPOSITION VS Q3 2019

%-p growth (approximately)

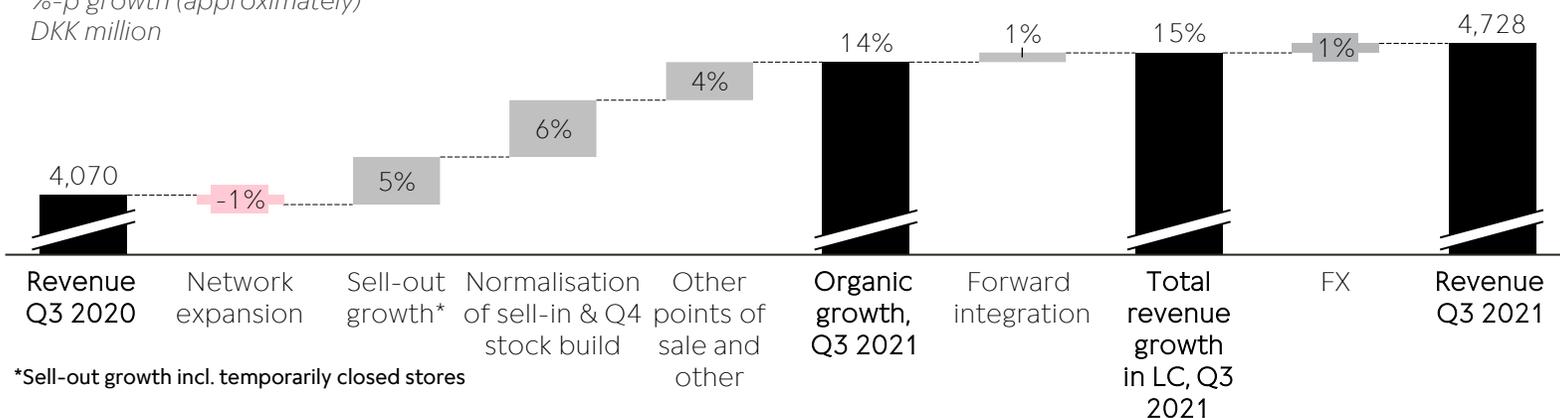
DKK million



Q3 GROWTH COMPOSITION VS Q3 2020

%-p growth (approximately)

DKK million



*Sell-out growth incl. temporarily closed stores

COMMENTARY

The revenue bridges continue to be impacted by COVID-19

vs 2019

- “Normalisation of sell-in” includes the impact of the commercial reset in 2019

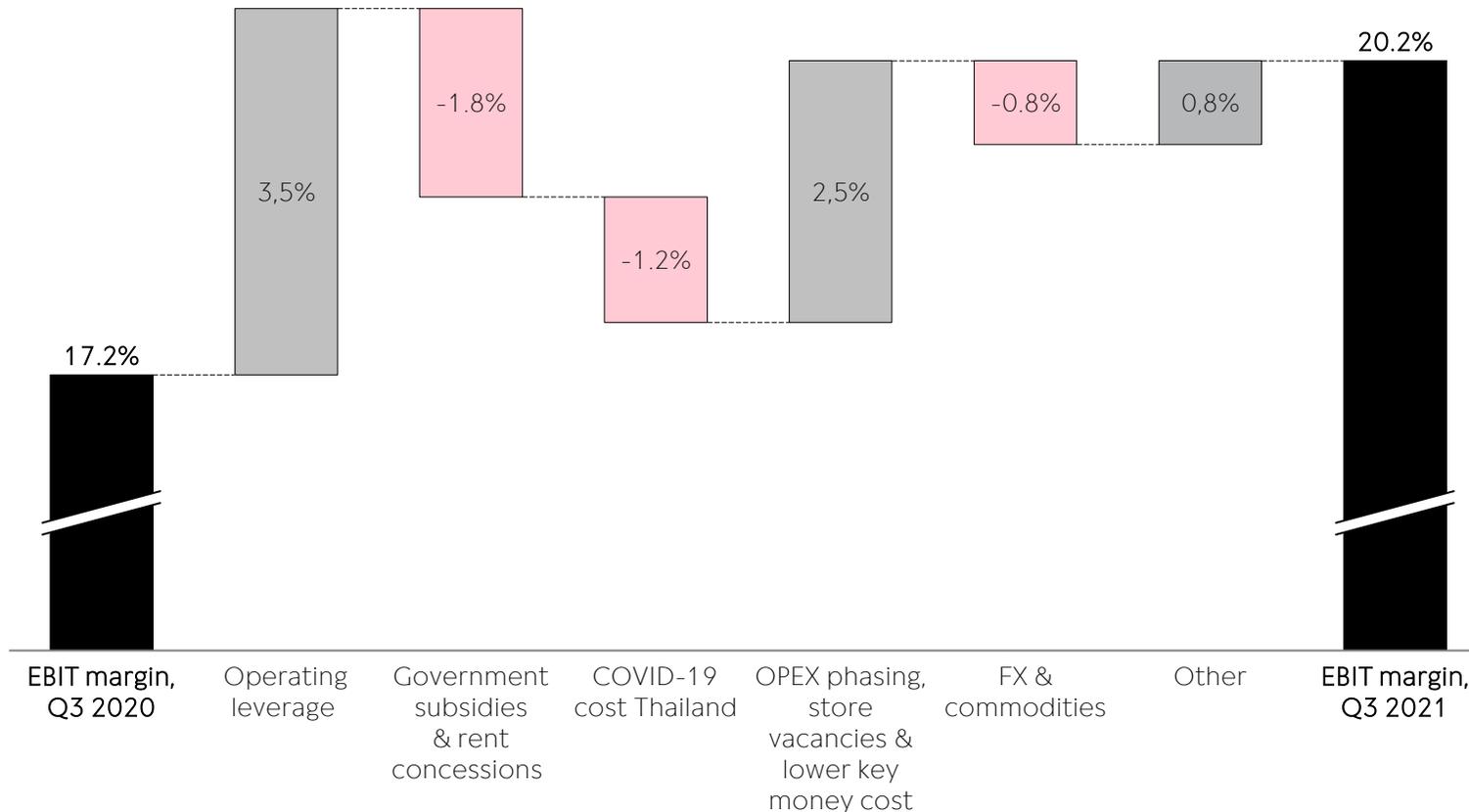
vs 2020

- Performance is negatively impacted by approx. 1% from changes to the store network - in line with guidance
- The COVID-19 outbreak last year led to lower sell-in in Q3 2020 as uncertainty was high and partners were more cautious with building inventory ahead of Q4
- Other points of sales were hard hit in 2020 but have picked up strongly in 2021. Performance in Other points of sales is not included in the sell-out KPI

STRONG EBIT MARGIN

EBIT MARGIN ON PAR WITH Q3 2019 DESPITE HIGHER SILVER PRICES

%-p development (approximately)



COMMENTARY

- Operating leverage continues to be strong and was fueled by further promo detox
- In Q3 2021, there is significantly less government support and rent concessions compared to last year
- At the same time, Pandora incurred extraordinary costs in Thailand to mitigate COVID-19 risks this year
- Phasing of cost reductions vs reinvestments in driving the topline, as well as temporary savings from extraordinary vacancies in stores had a positive impact on EBIT margin, which is expected to be reversed in Q4.
- Higher silver prices remains a drag on the margin and had a negative impact of around 2pp which was partly offset by FX

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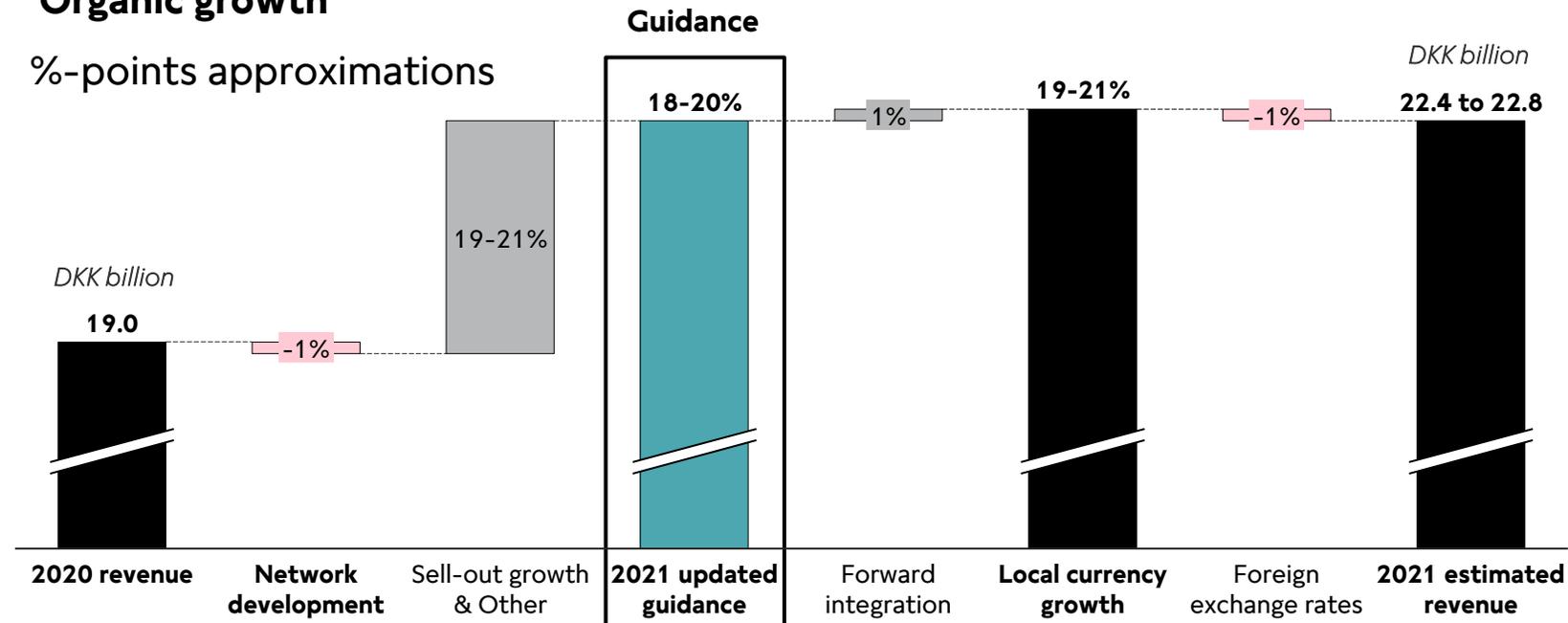


2021 ORGANIC GROWTH GUIDANCE

UPGRADED 1 NOVEMBER FROM 16-18% TO 18-20%

Organic growth

%-points approximations



GUIDANCE ASSUMPTIONS 2021

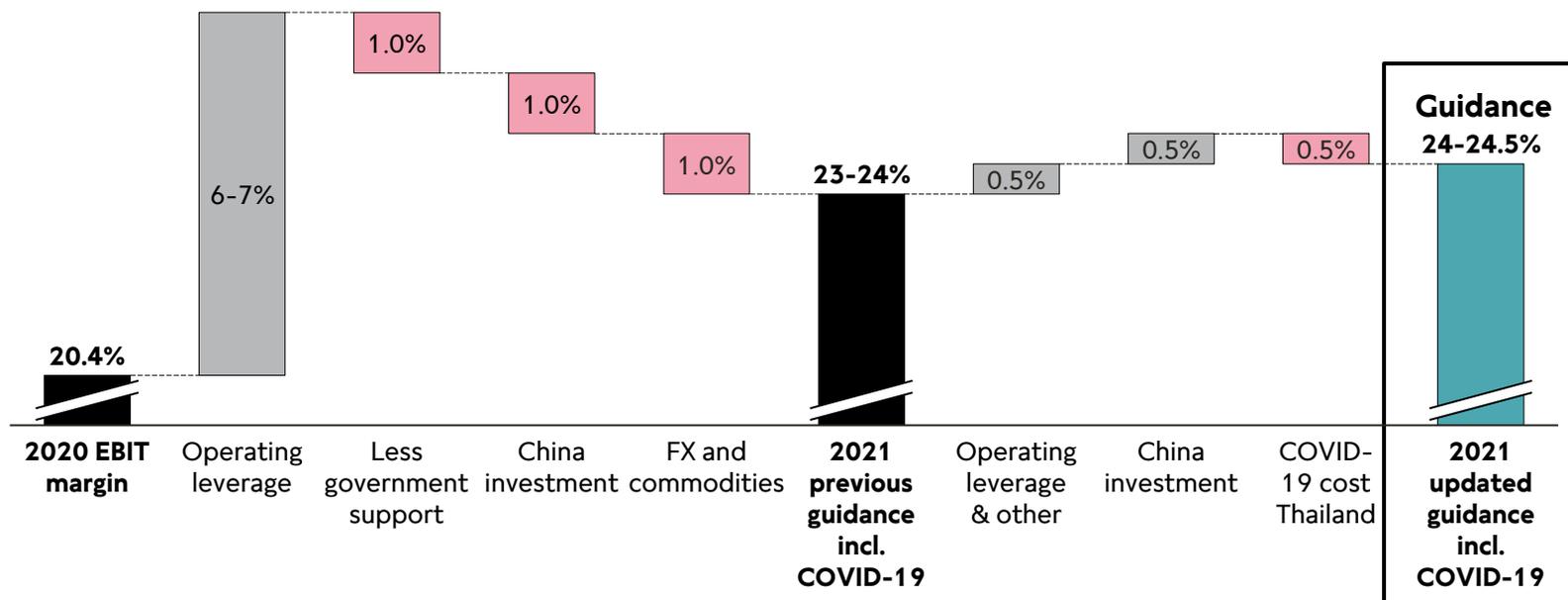
- The updated guidance is based on the assumption that 5% of the stores will be temporarily closed or severely impacted in Q4 by COVID-19 (unchanged).
- Furthermore, the guidance assumes that there will be no other material COVID-19 restrictions implemented over and above what is currently in place as of today
- The guidance also assumes that there will be no major COVID-19 disruptions in the supply chain
- Pandora still expect a full-year growth impact of around -6% from COVID-19
- US performance in Q4 is one of the key factors in determining where Pandora lands within the 2021 guidance range
- China is expected to remain a drag on group performance vs 2019 for the rest of the year
- The guidance vs 2020 correspond to an organic growth of 5-7% vs 2019

2021 EBIT MARGIN GUIDANCE

UPGRADED 1 NOVEMBER FROM 23-24% TO 24-24.5%

EBIT margin

%-points approximations



GUIDANCE ASSUMPTIONS 2021

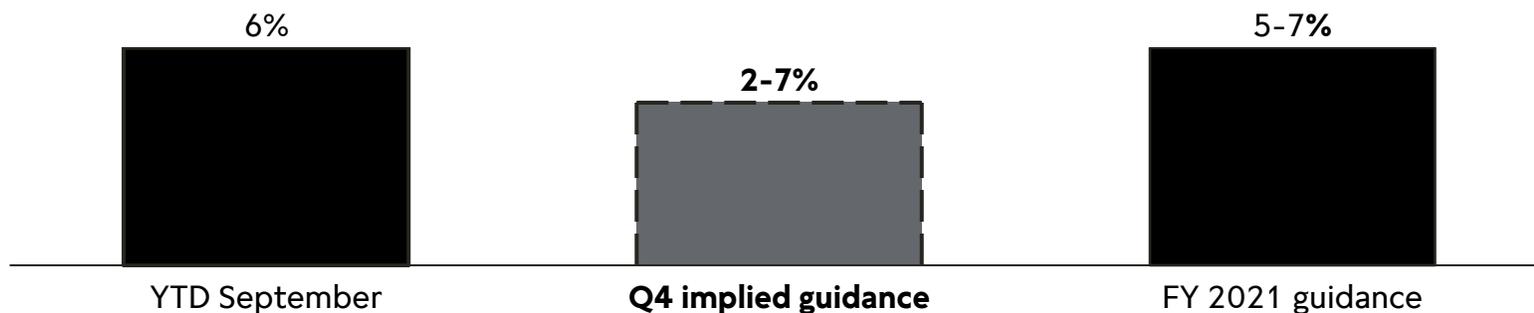
- Pandora increases the EBIT margin guidance driven by higher topline and thereby operating leverage
- The unusual strong growth in the US - which is highly margin accretive - supports the upgrade

Other guidance parameters

- CAPEX for the year is expected to be around DKK 0.8 billion (previously around DKK 1.0 billion)
- Pandora now expects around 50 concept store closures compared to previous expectation of 25-50 concept store closures
- The effective tax rate is expected to be 22-23%, in line with 2020 and unchanged from the previous guidance

IMPLIED GUIDANCE FOR Q4 2021

Organic growth vs 2019



COMMENTARY

- Compared to a COVID-19 clean base in 2019, Pandora expects 2-7% organic growth in Q4 (-1% to 4% vs 2020)
- Q4 remains subject to elevated uncertainty due to US performance as well as COVID-19 developments, as reflected by the wide range of 2-7% for Q4
- The assumed 5% store closures due to COVID-19 is expected to remain a drag on revenue in Q4 of around 2pp
- As previously mentioned, the guidance assumes that there will be no other material COVID-19 restrictions implemented over and above what is currently in place as of today

PANDORA WILL CONTINUE CASH DISTRIBUTION FOR 2021

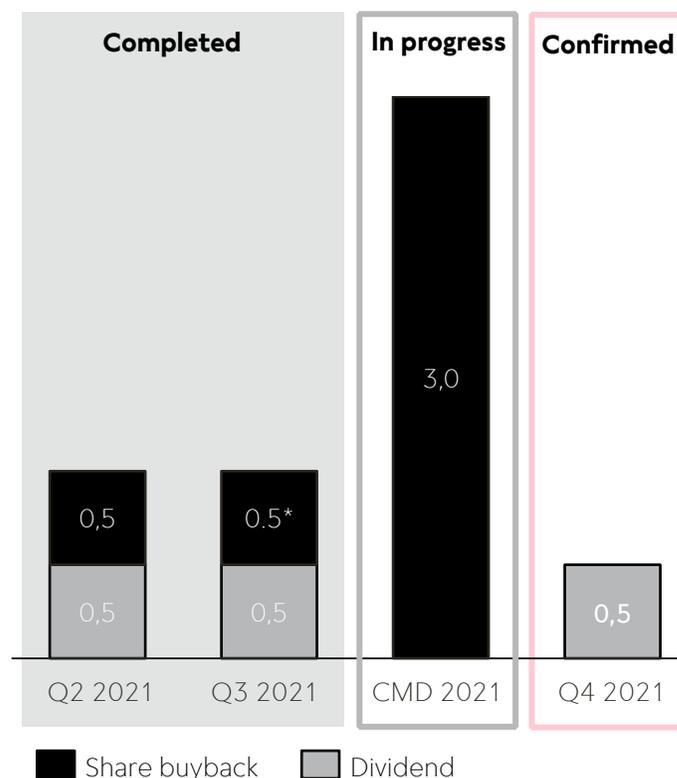
STRONG LIQUIDITY & LOW LEVERAGE

AVAILABLE LIQUIDITY
DKK 5.1 BILLION

NIBD TO EBITDA RATIO
END OF Q3 2021

0.5X
(CAPITAL STRUCTURE
POLICY OF 0.5X-1.5X)

CASH DISTRIBUTION QUARTERLY SPLIT, DKK BILLION



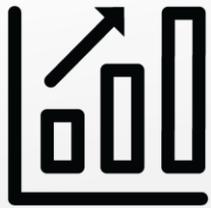
COMMENTARY

- Pandora announced a DKK 3 billion increase of the share buyback programme in connection with the Capital Markets Day 2021
- The programme is currently underway and set to be completed no later than 4 February 2022
- Pandora will pay another extraordinary dividend of DKK 5 per share in Q4 2021 – as planned

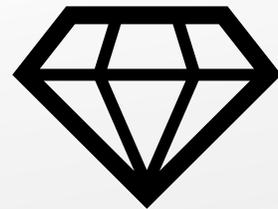


CLOSING REMARKS

CLOSING REMARKS



**Strong performance and
profitability in Q3 2021**



**Sequential global roll out of
Brilliance from 2022**



**Online trading and
competencies keeps
strengthening**



**Guidance upgraded on
1 November**

Q&A



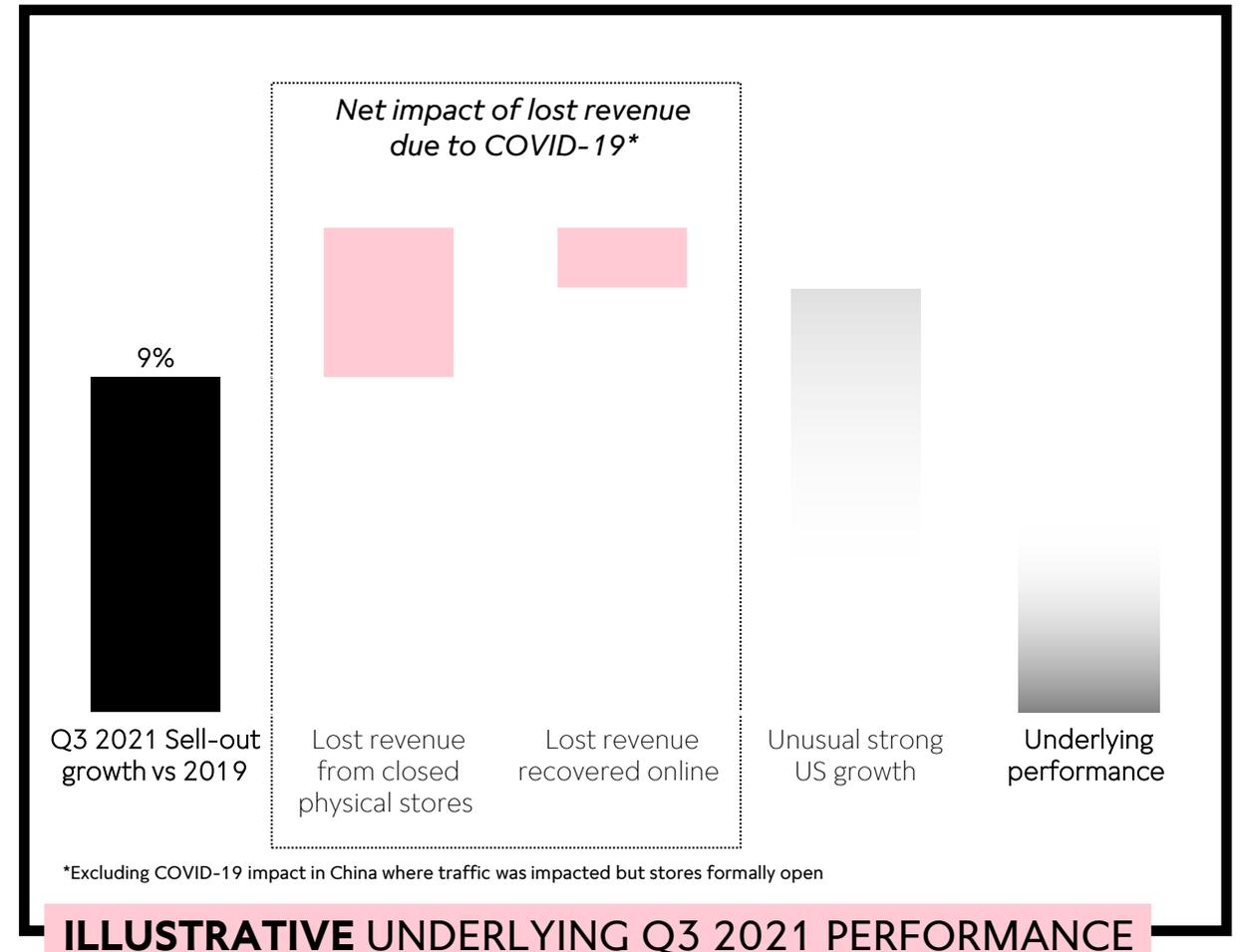
APPENDIX



COVID-19 CONTINUES TO IMPACT PERFORMANCE

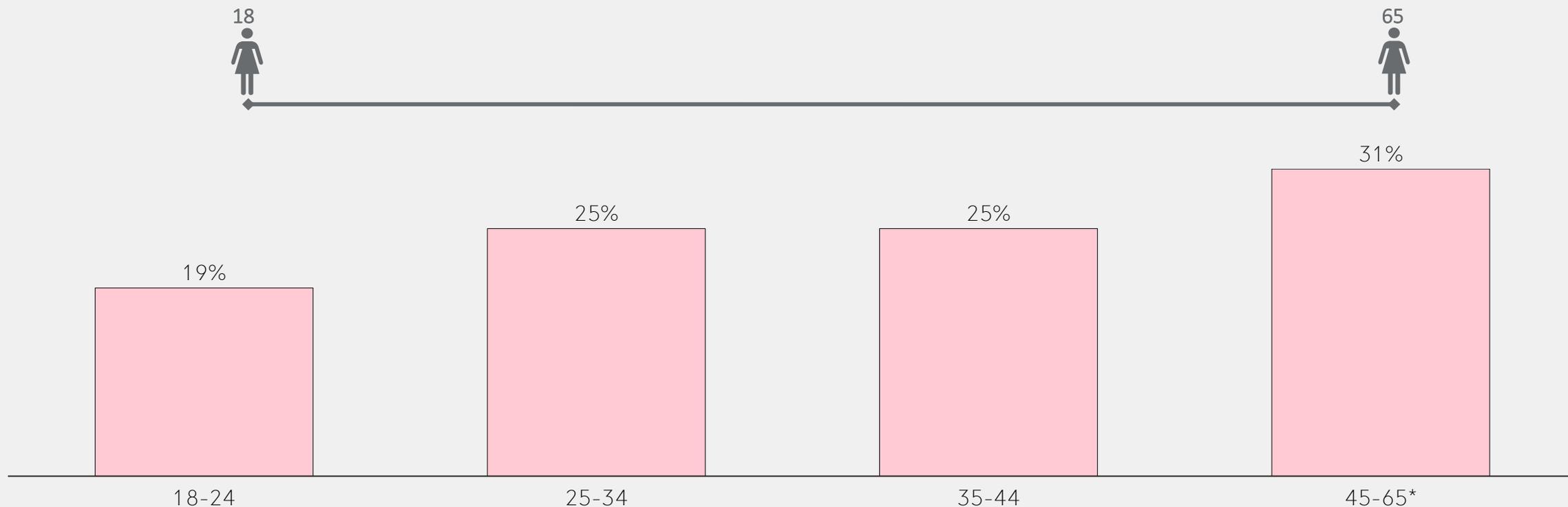
- NET POSITIVE IMPACT OF COVID-19 AND US

- Sell-out growth vs 2019 ended at 9% and continues to be impacted by two opposing COVID-19 factors:
 1. Lost revenue from temporarily closed physical stores – partially offset by revenue picked up online
 2. Unusual strong US growth, temporarily supported by stimulus packs
- With fewer hard lockdowns and continued high growth in US, the net impact on revenue of above two factors is likely positive in Q3
- In China, the Pandora stores were formally open, yet COVID-19 had a negative impact on 80% of the network – traffic vs 2019 was -70% in the quarter
- US Credit card data indicates that Pandora continued to outperform the market in Q3, with sell-out growth of 59% vs 2019 compared to 55% market growth, as per Bank of America global luxury report
- The net impact on revenue growth in 2022 of COVID-19 and the unusual US growth in 2021 remains uncertain



PANDORA CONSUMERS ARE ACROSS GENERATIONS

Age distribution of our consumers who have purchased Pandora within the last 12 months



Source: Pandora Brand Tracker 2020 (n=2508)

Note: Markets include IT, ES, FR, UK, DE, RU, CA, CN, AU

*Age range stops at 54 in China and Russia.

REVENUE DEVELOPMENT BY CHANNEL

QUARTERLY DEVELOPMENT

DKK million	Q3 2021	Q3 2020	Sell-out growth vs 2020	Sell-out growth vs 2019	Organic growth vs 2020	Organic growth vs 2019	Local currency growth vs 2020	Share of Revenue
Pandora owned¹ retail	3,096	2,799	4%	14%	6%	10%	9%	65%
- of which concept stores	2,057	1,836			6%	-7%	11%	44%
- of which online stores	873	841			2%	94%	2%	18%
- of which other points of sale	166	122			32%	1%	32%	4%
Wholesale	1,451	1,113	7%	0%	35%	13%	30%	31%
- of which concept stores	858	640			42%	25%	34%	18%
- of which other points of sale	592	473			25%	-2%	25%	13%
Third-party distribution	182	158	7%	0%	17%	-23%	17%	4%
Total revenue	4,728	4,070	5%	9%	14%	9%	15%	100%

YEAR-TO-DATE DEVELOPMENT

DKK million	9M 2021	9M 2020	Sell-out growth vs 2020	Sell-out growth vs 2019	Organic growth vs 2020	Organic growth vs 2019	Local currency growth vs 2020	Share of Revenue
Pandora owned¹ retail	9,450	7,901	20%	9%	19%	6%	22%	66%
- of which concept stores	5,465	4,596			16%	-22%	22%	38%
- of which online stores	3,512	2,950			21%	144%	21%	24%
- of which other points of sale	474	356			34%	-11%	34%	3%
Wholesale	4,415	2,806	43%	-5%	67%	12%	63%	31%
- of which concept stores	2,459	1,532			75%	13%	66%	17%
- of which other points of sale	1,956	1,275			58%	10%	58%	14%
Third-party distribution	518	410	43%	-5%	31%	-23%	31%	4%
Total revenue	14,383	11,118	27%	4%	32%	6%	33%	100%

REVENUE DEVELOPMENT BY GLOBAL BUSINESS UNIT

QUARTERLY AND YEAR-TO-DATE DEVELOPMENT

DKK million	Q3 2021	Q3 2020 ¹	Sell-out growth vs 2020	Sell-out growth vs 2019	Share of Revenue	9M 2021	9M 2020 ¹	Sell-out growth vs 2020	Sell-out growth vs 2019	Share of revenue
Moments and Collabs	3,325	2,848	6%	11%	70%	10,299	7,960	27%	6%	72%
hereof Moments	2,948	2,440	8%	9%	62%	9,190	7,006	28%	3%	64%
hereof Collabs	377	408	-13%	22%	8%	1,109	954	23%	40%	8%
Style and Upstream Innovation	1,403	1,222	0%	2%	30%	4,085	3,158	23%	-4%	28%
hereof Timeless	722	660	0%	-18%	15%	2,435	1,827	28%	-18%	17%
hereof Signature	483	456	8%	43%	10%	1,294	1,065	20%	18%	9%
hereof Me	188	107	-41%	275%	4%	328	267	-13%	n/a	2%
hereof Brilliance	10	-	-	n/a	0%	28	-	-	n/a	0%
Total revenue	4,728	4,070	5%	9%	100%	14,383	11,118	27%	4%	100%

STORE NETWORK DEVELOPMENT

STORE NETWORK, OTHER POINTS OF SALE DEVELOPMENT

	Q3 2021	Q2 2021	Q3 2020	Growth Q3 2021 / Q2 2021	Growth Q3 2021 /Q3 2020
Other points of sale (retail)	279	257	232	22	47
Other points of sale (wholesale)	3,256	3,274	3,655	-18	-399
Other points of sale (third-party)	570	564	576	6	-6
Other points of sale, total	4,105	4,095	4,463	10	-358

STORE NETWORK, CONCEPT STORE DEVELOPMENT

	Total concept stores					O&O concept stores		
	Number of concept stores Q3 2021	Number of concept stores Q2 2021	Number of concept stores Q3 2020	Growth Q3 2021 / Q2 2021	Growth Q3 2021 /Q3 2020	Number of concept stores O&O Q3 2021	Growth O&O stores Q3 2021 / Q2 2021	Growth O&O stores Q3 2021 /Q3 2020
US	386	389	401	-3	-15	186	7	33
China	219	216	236	3	-17	203	1	-22
UK	211	215	217	-4	-6	155	14	16
Italy	146	145	146	1	0	107	1	0
Australia	123	122	123	1	0	41	2	4
France	122	121	121	1	1	78	1	1
Germany	135	137	139	-2	-4	132	-2	-3
All markets	2,616	2,630	2,689	-14	-73	1,403	24	24

KEY MARKETS REVENUE AND SELL-OUT GROWTH OVERVIEW

QUARTERLY DEVELOPMENT

DKK million	Q3 2021	Q3 2020	Sell-out growth vs 2020	Sell-out growth vs 2019	Organic growth vs 2020	Local currency growth	Share of revenue
US	1,342	901	29%	59%	47%	51%	28%
China	233	350	-35%	-45%	-37%	-37%	5%
UK	637	617	-5%	12%	-3%	-2%	13%
Italy	527	484	7%	10%	9%	9%	11%
Australia	170	225	-31%	-22%	-25%	-25%	4%
France	221	222	-9%	-6%	0%	0%	5%
Germany	280	233	5%	30%	20%	20%	6%
Total top-7 markets	3,411	3,031	3%	16%	10%	11%	72%
Rest of Pandora	1,317	1,040	10%	-9%	26%	26%	28%
Total revenue	4,728	4,070	5%	9%	14%	15%	100%

YEAR-TO-DATE DEVELOPMENT

DKK million	9M 2021	9M 2020	Sell-out growth vs 2020	Sell-out growth vs 2019	Organic growth vs 2020	Local currency growth	Share of revenue
US	4,504	2,523	77%	59%	88%	92%	31%
China	904	939	-2%	-36%	-5%	-5%	6%
UK	1,793	1,616	3%	-1%	8%	9%	12%
Italy	1,482	1,196	20%	-3%	24%	24%	10%
Australia	639	584	6%	-8%	4%	4%	4%
France	624	659	-8%	-14%	-5%	-5%	4%
Germany	712	597	-3%	1%	19%	20%	5%
Total top-7 markets	10,659	8,114	29%	14%	33%	35%	74%
Rest of Pandora	3,725	3,004	20%	-19%	27%	27%	26%
Total revenue	14,383	11,118	27%	4%	32%	33%	100%

CONSOLIDATED INCOME STATEMENT

DKK million	Notes	Q3 2021	Q3 2020	9M 2021	9M 2020	FY 2020
Revenue	3	4,728	4,070	14,383	11,118	19,009
Cost of sales		-1,158	-888	-3,402	-2,693	-4,634
Gross profit		3,571	3,183	10,981	8,425	14,375
Sales, distribution and marketing expenses		-2,170	-2,094	-6,404	-6,095	-9,155
Administrative expenses		-444	-621	-1,416	-1,857	-2,536
Operating profit		957	467	3,161	472	2,684
Finance income		52	61	134	132	316
Finance costs		-189	-85	-384	-418	-507
Profit before tax		820	443	2,911	186	2,494
Income tax expense		-184	-100	-655	-42	-556
Net profit for the period		635	343	2,256	144	1,938
Earnings per share, basic, DKK		6.4	3.6	22.7	1.5	20.0
Earnings per share, diluted, DKK		6.4	3.6	22.6	1.5	19.9

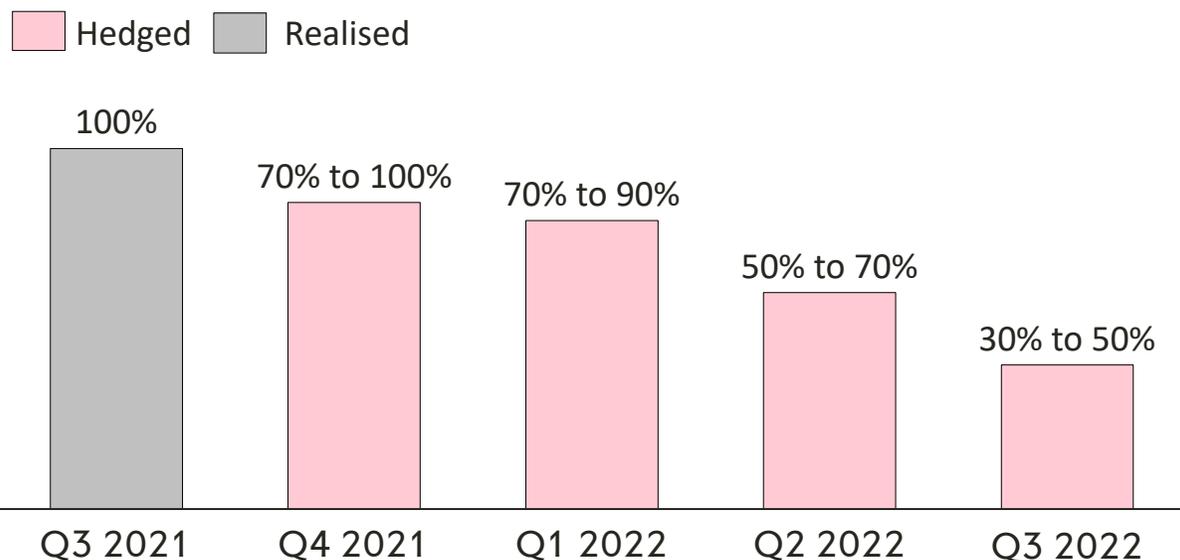
WORKING CAPITAL AND CASH MANAGEMENT

DKK million	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Inventory	3,197	2,557	2,373	1,949	2,619	2,250
- Share of revenue (last 12 months)	14.4%	11.8%	12.3%	10.3%	13.7%	11.6%
Trade receivables	801	691	602	870	607	602
- Share of revenue (last 12 months)	3.6%	3.2%	3.1%	4.6%	3.2%	3.1%
Trade payables	-2,445	-2,236	-2,285	-3,211	-2,425	-2,316
- Share of revenue (last 12 months)	-11.0%	-10.3%	-11.8%	-16.9%	-12.7%	-11.9%
Other net working capital elements	-1,503	-1,069	-765	-1,055	-796	-821
- Share of revenue (last 12 months)	-6.7%	-4.9%	-4.0%	-5.6%	-4.2%	-4.2%
Net working capital	50	-57	-76	-1,447	5	-286
- Share of revenue (last 12 months)	0.2%	-0.3%	-0.4%	-7.6%	0.0%	-1.5%
Free cash flow excl. IFRS1 6	502	1,278	-586	3,780	457	943
CAPEX	201	138	88	124	117	121
% of revenue	4.3%	2.7%	1.9%	1.6%	2.9%	4.2%
NIBD to EBITDA excl. restructuring costs (last 12 months)	0.5x	0.4x	0.6x	0.5x	1.1x	1.1x
Selected KPIs						
Days Sales of Inventory						
- last 6 months of COGS (183 days)	250	208	144	126	288	228
Days Sales of Outstanding						
- last 3 months of wholesale and third-party distribution revenue (90 days)	33	24	25	23	30	89

HEDGING POLICY AND RAW MATERIALS SHARE OF PRODUCTION COSTS

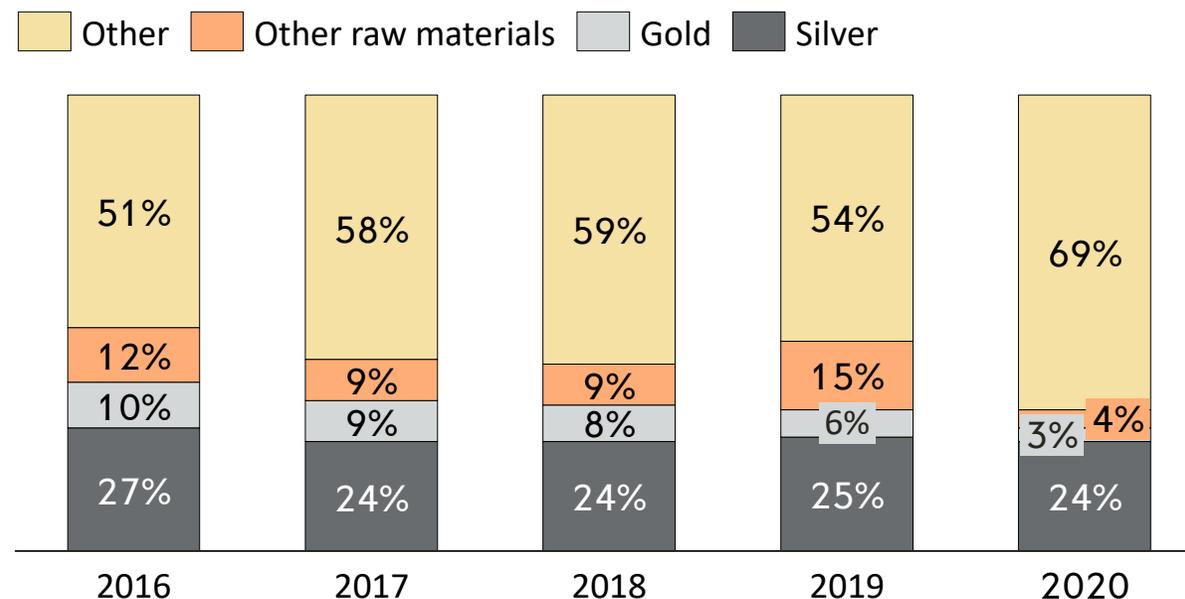
Commodity hedging policy is to hedge at least 70% of future 12 months use in production

For illustrative purposes



- The impact from commodity price changes is gradual as there exists a 2-7 months time lag from production to sale of the product and effect on the income statement.

Raw material share of cost of goods sold



- Other cost of goods sold consist of labour, cost to third-party set-ups (i.e. plating) and licence, customs, freight cost, remelt and minor provisions
- 'Other raw materials' decreased in 2020 as plating is done in-house and expensed mainly through 'Other'.

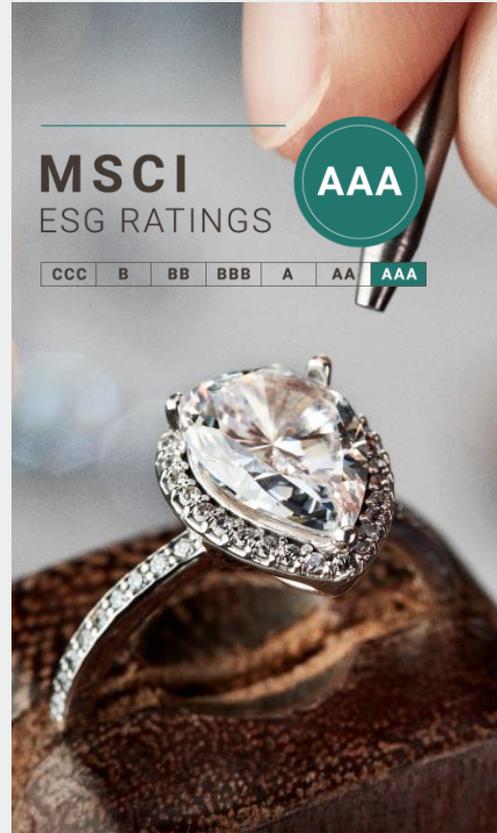
SUSTAINABILITY APPROACH

We believe high-quality jewellery, superior business performance and high ethical standards go hand in hand, and we craft our jewellery with respect for resources, environment and people. We will become carbon neutral in our operations by 2025 and have set an ambitious Science Based Target for reducing greenhouse gas emissions across our full value chain.

We are committed signatories of the United Nations Global Compact and certified member of the Responsible Jewellery Council since 2012.



Pandora supports the UN Sustainable Development Goals. Four goals in particular guide our strategy as this is where we can contribute the most.



Frontrunner in ESG Investment Performance
For the sixth consecutive year, we received the top rating of AAA in the MSCI ESG Ratings assessment.

1) LOW-CARBON BUSINESS

As the world's largest jewellery maker, we are determined to reduce our climate footprint and help set an example for the wider industry.



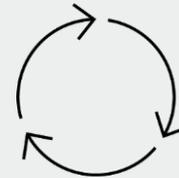
Carbon neutral
in own operations
by 2025 and
net zero across
value chain by 2040



100% renewable energy
at our crafting facilities
achieved in 2020



**Science based target
to reduce emissions
50% by 2030**
across own operations
and full value chain



90%
of waste was
recycled at our
crafting facilities
in 2020.



Our two largest crafting facilities and global office are Leadership in Energy and Environmental Design (LEED) Certified.

2) CIRCULAR INNOVATION



From 60%¹ recycled in
2020 to 100% in 2025

By 2025, 100% of products will
be made from recycled silver and gold

>99%

of all stones are
man-made



100% certified
silver and gold grain suppliers



Responsible Sourcing Programme

Pandora is committed
to ensuring that our
business practices,
including our suppliers,
live up to high social
and environmental
standards.

3) INCLUSIVE & FAIR CULTURE



Inclusive and fair workspace

We work to ensure a positive working
environment for our employees across
manufacturing, retail, distribution, and in
our offices is a top priority and one of
our fundamental responsibilities as an
employer.

In Q3 2021, we announced new
Inclusion and Diversity targets to have
1/3 females in leadership by 2025, and
full gender parity no later than 2030.,
have a workforce with proportionate
share of underrepresented groups, and
30% of advertising budget with
producers owned by women/
underrepresented groups.

PANDORA for 

Partnering with UNICEF to
empower young people
Pandora and UNICEF have
partnered to support the most
vulnerable children, especially
girls, around the world to lead
healthier and safer lives and fulfil
their potential. Through sale of
Jewellery and other initiatives,
Pandora will raise funds for
UNICEF's important work. During
the first partnership year,
Pandora raised USD 3.4 million
for UNICEF.

+1 M USD

donated to COVID-19 relief in
2020.

>200 colleagues

From over 40 different countries
joined our global office in 2020

KEY ESG RATINGS | PANDORA PERFORMANCE

RATING

PERFORMANCE



Methodology note, low score = good

12/100 – Pandora ranked 10th (out of 177 companies) in Textiles & Apparel sector



Methodology note, AAA = top score

Top “AAA” rating – 6th straight year



Methodology note, A = top score

C rating – Top 20% of Industry, B rating is highest industry score



Methodology note, 100 = top score

43/100



Methodology note, 100 = top score

74/100 – Pandora ranked 11th (out of 112 companies) in Textiles & Apparel sector



Methodology note, A = top score

C rating – European average

INVESTOR RELATIONS CONTACT DETAILS

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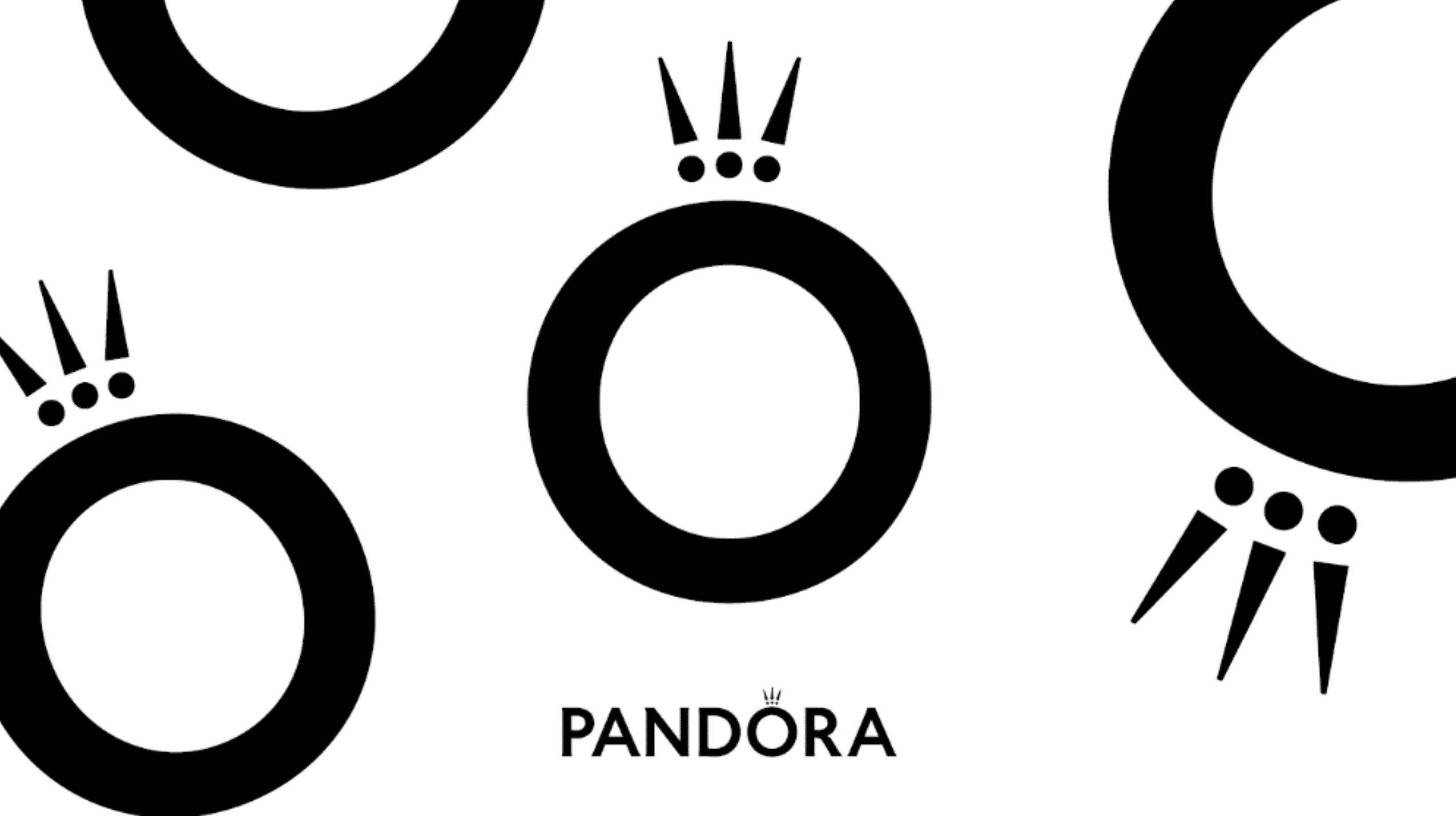
Manager, Investor Relations
+45 6167 7425
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Share information

Trading symbol	PNDORA
Identification number/ISIN	DK0060252690
GICS	25203010
Number of shares	100,000,000
Sector	Apparel, Accessories & Luxury Goods
Share capital	100,000,000
Nominal value, DKK	1
Free float (incl. treasury shares)	100%

ADR information

ADR trading symbol	PANDY
Programme type	Sponsored level 1 programme (J.P. Morgan)
Ratio (ADR:ORD)	4 ADRs : 1 ordinary share (4:1)
ADR ISIN	US 698 341 2031



PANDORA