Third Quarter Results 2019

INVESTOR PRESENTATION

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FORWARD-LOOKING STATEMENTS

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.

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Programme NOW on track

PROGRAMME NOW ON TRACK
- Execution at high speed

BRAND RELAUNCH INITIATED
- Positive early results in most markets

PERFORMANCE IMPROVEMENT EXPECTED IN Q4
- Uncertainty remains high

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Key highlights
- Q3 performance burdened by the Commercial Reset - Cost saving target raised

EXECUTION OF COMMERCIAL INITIATIVES

- Global PR event in Los Angeles
- New store concept rolling out
- New online store launched
- Autumn collection improving "newness" performance
- Additional marketing investments initiated mid-September

Q3 2019 MARKED BY COMMERCIAL RESET

- Inventory buyback initiated in all markets
- Deliberate reduction of promotions
- Like-for-like of -10% (excl. -1pp impact from Hong Kong SAR)
- Gross margin reached new record level
- EBIT margin of 20.2% reflecting deleverage from -14% organic growth
- Strong cash generation

FULL-YEAR FINANCIAL GUIDANCE UPDATED

- Like-for-like guidance confirmed
- Organic growth adjusted to "-7% to -9%" reflecting mainly inventory reduction
- EBIT-margin narrowed to lower end of previous range, now "26-27%"
- 2019 and 2020 cost savings target increased

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Programme NOW execution overview

Turnaround objectives	Initiatives
Brand Relevance	• New company purpose “We give a voice to people’s loves” and tagline “Something about you” • Brand relaunch initiated on 29 August – influencer partnerships, collaborations and celebrity endorsements • Significant increase in marketing investments • Product strategy under development
Brand Access	• New store concept being tested and new online store launched • Omnichannel progressing well in US • Network strategy being revisited • 50 store closures announced in the Q1 2019 Interim Report
Cost Reset	• Significant cost savings realised in all quarters • Further cost reduction opportunities identified – run rate cost reduction of 6% of revenue by the end of 2020
Commercial Reset	• Significant reduction of promotional days across all key markets each quarter • Comprehensive inventory buyback programme initiated in Q3 • Simplification of the product assortment – 30% SKU reduction • Reduction of NPI sell-in packages to wholesale partners

Programme NOW timeline

- Nov 2018 — *Programme NOW initiated*
- Feb 2019 — *Diagnosis concluded – Initiatives of Programme NOW revealed*
- May 2019 — *Solid progress on Programme NOW with pilot testing and the Commercial Reset initiated*
- Aug 2019 — *Preparing for Brand re-launch – Initiatives revealed and solid results from testing additional marketing spend in the UK and Italy*

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Brand relaunch successfully initiated...

Global PR event in LA

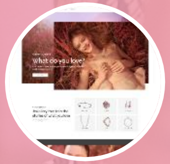
- More than 600 participants at the global PR event in Los Angeles including the six Pandora muses

Several local brand initiatives

- Brand activities across big cities with great media coverage

Launch of the Autumn collection

- O-carrier off to a good start



New online stores

- Positive consumer feedback, especially on ease of website use
- Increase in global traffic by more than 20%

New store concept

- Early indications are encouraging based on the first full-store refurbishments

...with additional media investments across the largest markets

Brand activation & amplification of Autumn drop

- The Autumn collection and the brand relaunch were amplified through digital and traditional media such as out-of-home
- TV campaigns were launched in the weeks following the brand relaunch

Amplifying Pandora ME through digital

- Primary media channel for Pandora ME has been digital through Instagram, Facebook, banner ads etc.
- In collaboration with Millie Bobby Brown, Pandora has held "Pandora ME – Charm academy" in two cities to strengthen the brand and consumer engagement

New store concept to be tested across 11 stores + 1 pop-up store

- Five fully refurbished concept stores (Italy, UK, China) + 1 pop-up store opened in the turn style of New York
- First experience store opened in Yu Garden, Shanghai, China
- Further full-store refurbishments in November and December including a new store opening in Covent Garden, London, UK

A new consumer experience

- New store concept has optimised store layout built for intuitive consumer flow and self-discovery
- New gallery window, charms bar, gifting area, treasure table
- The new store concept will evolve based on learnings from the pilot stores

Initial results are encouraging

- Early indications show positive impact on traffic and sales
- Strong consumer feedback on design as the new store concept is perceived more welcoming and sophisticated
- Consumers spend more time in the store - indicating increased self-discovery and engagement
- Insufficient data-points to draw conclusions

New product introductions supporting charms sale - Solid Q4 product line-up

The O-carrier is expanding charms beyond the wrist

- The O-carrier has a unique collectability proposition to combine 3 sub-categories in the transaction (Necklace, O-carrier and Charms)
- The O-carrier has high units per transaction compared with other concepts
- For every O-carrier, 1.7 charms are sold

Pandora ME proving to be a viable platform to complement Moments

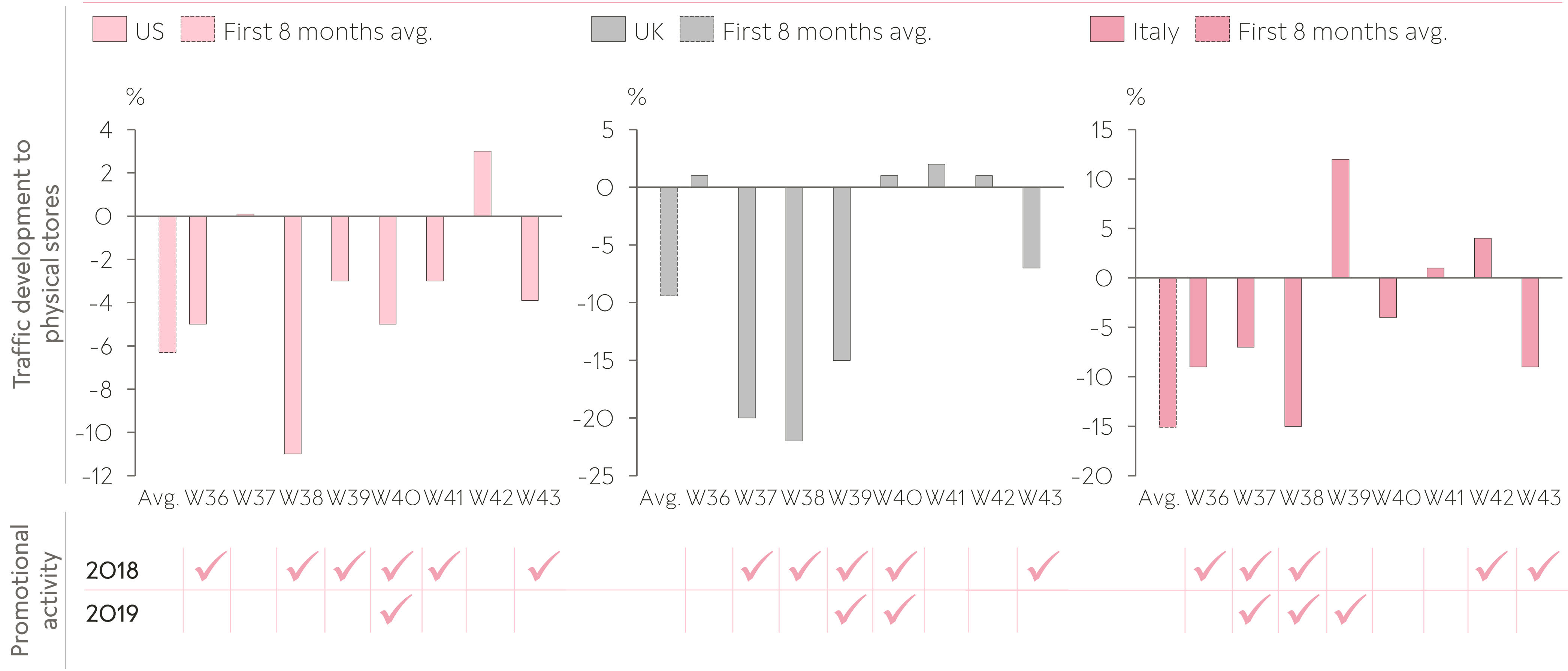
- Pandora ME has been well-received by consumers
- The number of charms per bracelet sold is significantly higher compared with Essence and Pandora Reflexions
- In connection with Pandora's partnership with Unicef, two Pandora ME charms have been launched in support to Unicef to empower and educate children and young people

Solid product line-up for November and December

- Amplify collaborations with the Harry Potter and Frozen II collections
- Launch of strong Christmas drop - the Christmas collection has received positive feedback in focus group testing
- December product launches and media investments are made in clear coherence with the new brand promise and the new tag-line "Something about you"

Underlying traffic improvement following brand relaunch (week 35)

Improved traffic to physical stores outside of promotional weeks driven by the brand relaunch and additional marketing investments



Improvement in most key markets in October is partly offset by disappointing performance in China

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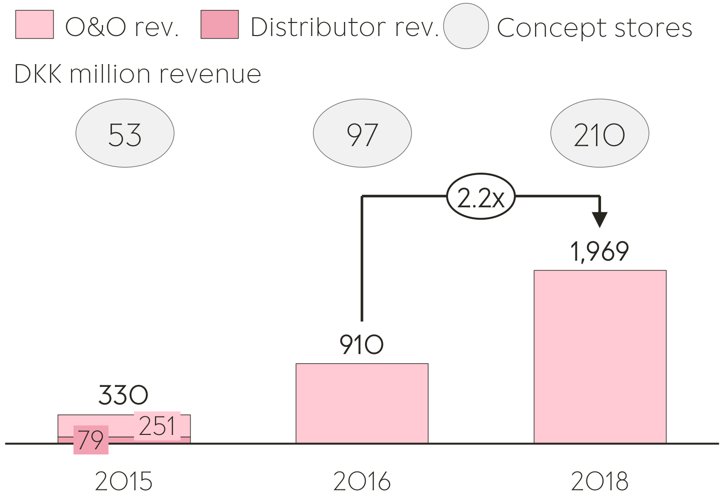
China challenged by a blurred brand position and increased competition

PANDORA HAS BUILT A DKK 2 BILLION BUSINESS IN 3 YEARS



Growth drivers

- Store expansion in key cities
- Strong online platform since Q4 2016 with exclusive Tmall partnership – today around 20% of revenue in China
- Strong like-for-like growth in 2016 and 2017

SIGNIFICANT DETERIOATION OF TRAFFIC INTO PHYSICAL STORES WHILE STRONG ONLINE GROWTH

- Blurred brand position
- Inefficient media strategy
- Lack of sufficient local relevance
- Weak Chinese Valentine's Day

KEY FOCUS AREAS TO REJUVENATE THE BRAND

Rejuvenate the brand

Media strategy
supported by additional marketing investments

Product development
Leverage local moments and Chinese elements

Brand building
Building rejuvenated brand positioning and executing accordingly

Network strategy
Develop the store network and explore further online opportunities

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Performance impacted by the Commercial Reset – building a stronger foundation

Global promotional days reduced by 41% compared to Q3 2018

-67%	-38%	-51%	-30%	-30%	-27%	-74%

- Like-for-like impact in the high end of the expected FY 2019 impact of -2 to -4%
    - Estimated Q3 impact in some markets of more than -4%
- In the US, promotional days were reduced by 67% from 27 days to 9 days. Two promotions were held during the quarter compared to five promotions in the same quarter last year

Inventory buyback & product assortment cut on track

- Inventory buyback programme well-received by wholesale partners with high participation rate
- The programme has been finalised in most markets
- In North America, the programme will be completed in early 2020
- Simplification of the product assortment has commenced
- Restructuring costs impacted by around DKK 0.5 billion from the inventory buyback programme and DKK 0.2 billion from product assortment simplification

Change of payment terms in Italy with reverse impact in Q4

- Organic growth in Q3 significantly impacted by cancellation of prolonged payment terms in Q3
- The change has caused a phasing of sell-in revenue from Q3 to Q4 of around DKK 150 million (3pp on organic growth) – opposite positive effect is expected in Q4
- The cancellation of the programme is another initiative to ensure an improved alignment between sell-in and sell-out

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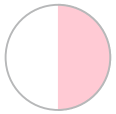
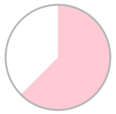
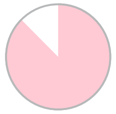
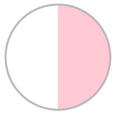
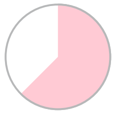
Cost savings target for 2019 increased to DKK 0.65 billion and 2020 run-rate target to DKK 1.3 billion (from DKK 1.2 billion)

COST CATEGORIES	COST INITIATIVES & IMPROVEMENTS	ANNUAL RUN RATE TARGET BY END 2020 (DKK billion)	SAVINGS ACHIEVED (RUN RATE END 2020, DKK billion)
Cost of sales	• Plating capabilities now built in-house to reduce expensive OEM setup • Continued manufacturing efficiency activities ongoing to reduce cost of sales • Margin potential from a balanced sell-in/sell-out in the wholesale channel being analysed	0.3 to 0.4	
Retail expenses	• Store OPEX ratio stable year over year despite negative like-for-like • Adjustment of labour hours incorporated into standard Retail Operations processes • Renegotiation of selected leases ongoing with the assistance of a global real estate agent	0.35	
Administrative expenses	• Travel spending significantly reduced over the first quarters of the year • Increased focus on spending and sourcing of professional services	0.2	
IT	• All major IT contracts signed with the two new partners Accenture and TCS (Tata) • Transition and transformation work with partners gaining speed to achieve savings	0.2	
Other	• Tender of major media contracts progressing to secure savings • Implementation of new payment providers in retail and online progressing according to plan • Cost reduction potential following a simpler product portfolio being analysed	0.15 to 0.25	

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Improvement in underlying performance offset by the initiatives of the Commercial Reset

Q3 2019 results	Key highlights
Revenue DKK **4,415** million *(-13% YoY growth in local currency)*	• Organic growth was -14% and driven by the negative like-for-like but also a significant negative impact from the Commercial Reset – reducing promotions, reducing inventories in the wholesale channel and change of payment terms in Italy
Total like-for-like **-10%** *(-3% in Q3 2018)*	• Total like-for-like was -10% - positive effect from marketing investments offset by reduction of promotional days • Like-for-like in Online Stores was 12% • Total like-for-like improved in most markets in October and ended at -7% – disappointing performance in China drags down like-for-like in October by -2pp
Organic growth **-14%** *(-7% in Q3 2018)*	• The EBIT margin was heavily affected by deleverage from negative organic growth. This was partly offset by DKK 0.3 billion cost reductions and a record high gross margin • Cost reduction target increased to DKK 0.65 billion for 2019 and run-rate for 2020 to DKK 1.3 billion (up from DKK 1.2 billion)
EBIT margin excluding restructuring costs **20.2%** *(24.0% in Q3 2018)*	• Programme NOW restructuring costs amounted to DKK 1,089 million of which DKK 721 million impacts cost of sales related to the inventory buyback programme and product assortment simplification
Free cash flow DKK **1,070** million *(DKK 1,059 million in Q3 2018)*	• Free cash flow remained strong in the quarter • Operating working capital improved to 8.6% of revenue, significantly below Q3 2018 level of 16.4%

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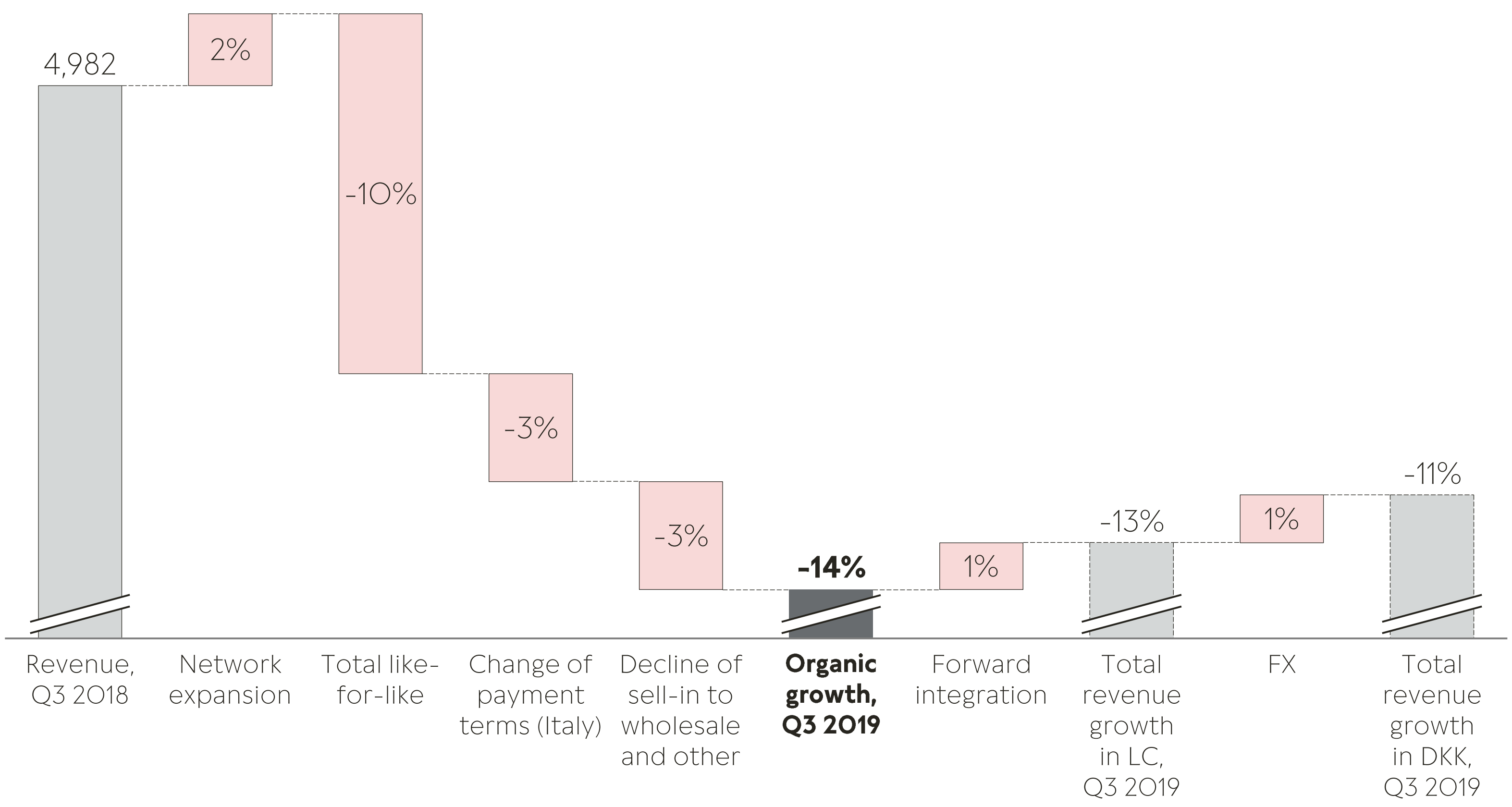
Organic growth significantly affected by the Commercial Reset – almost -10pp impact on organic growth in Q3 2019

Brand relaunch is expected to improve the like-for-like momentum in Q4

DKK million, %-p growth



Commentary

Organic growth was -14% driven by negative like-for-like and the Commercial Reset

- The Commercial Reset has a significant impact on organic growth in Q3 (almost -10pp):
    1. Reduction of promotional days (close to -4%)
    2. Change of payment terms in Italy (-3%)
    3. Continued reduction of inventories in the wholesale channel (around -2%)
- Organic growth was positively impacted (around 2%) by the addition of net 107 concept stores since Q3 2018

Revenue growth in local currency was -13% and -11% in Danish kroner

- Positively impacted by forward integration made in 2018 and the take-over of Taiwan with effect from 1 January 2019
- FX contributing to total revenue in Danish kroner by 1pp

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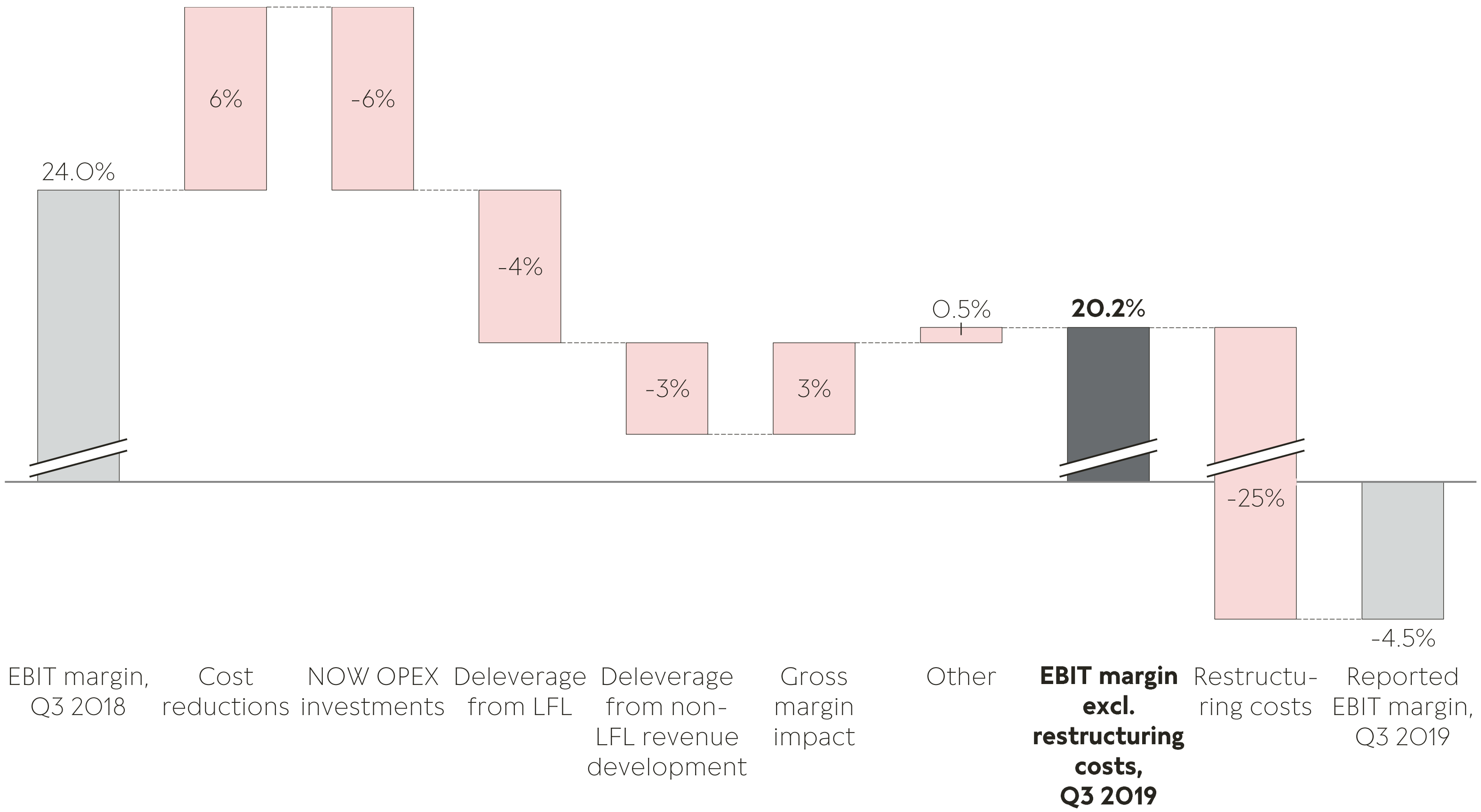
EBIT margin impacted by deleverage – significant cost reductions realised

EBIT margin excluding restructuring costs of 20.2%

DKK million, %-p growth



Commentary

EBIT margin of 20.2% excluding restructuring costs

- Significant cost reductions in Q3 2019 of around 6pp
    - Programme NOW: Around DKK 200 million
    - Q2 2018 cost initiatives: Around DKK 100 million
- NOW OPEX investments amounted to around 6pp driven by the additional marketing spend across markets from September and the brand relaunch in late August
- Gross margin supported by less forward integration (less write-down of acquired inventories), tailwind from commodities and a higher share of own retail revenue

Restructuring costs of DKK 1,089 million of which around DKK 375 million is non-cash

- Cost of sales was impacted by DKK 721 million related to the inventory buyback and product assortment simplification
- OPEX was impacted by DKK 368 million including consultancy expenses of DKK 175 million
- Non-cash expenses are mainly related to write-down of certain IT projects and product assortment simplification

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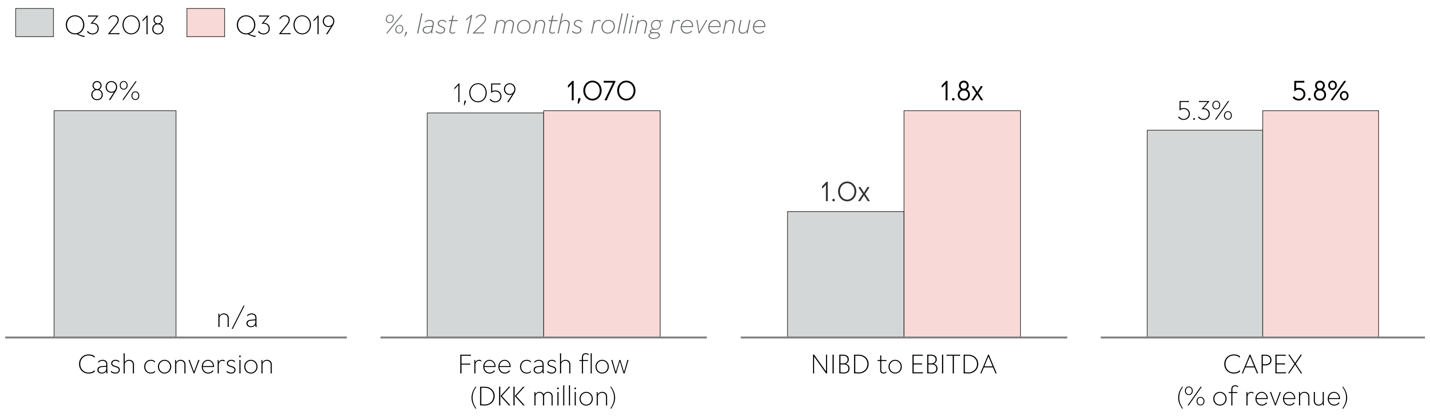
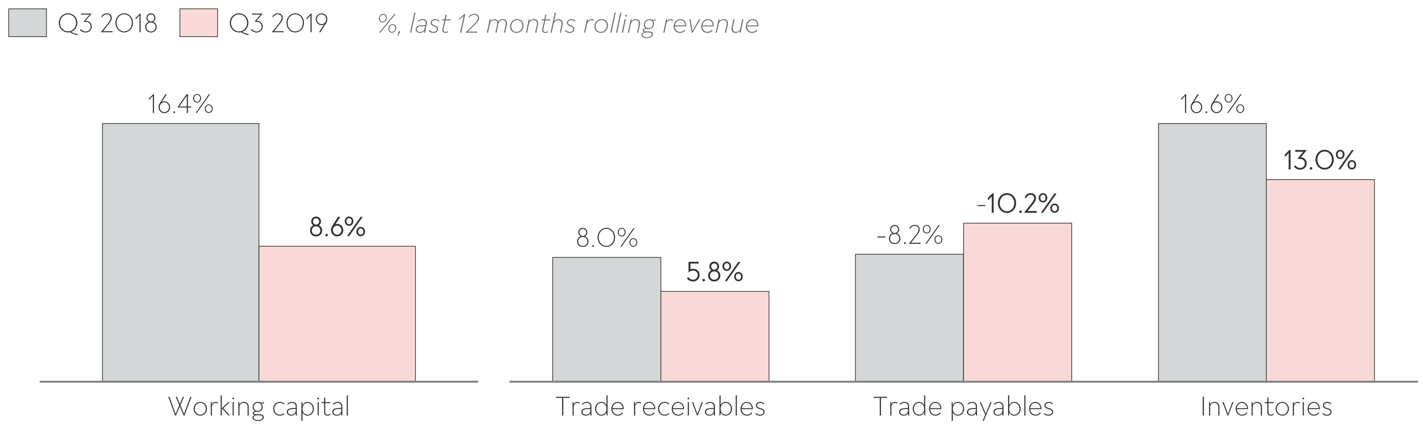
Continued significant cash flow generation

Significant positive cash flow despite negative reported EBIT



Operating working capital ratio reduced by 7.8pp of revenue since Q3 2018



Commentary

- Free cash flow was DKK 1,070 million in the quarter (DKK 758 million adjusted for IFRS 16) driven by an attractive working capital level and a significant increase in payables related to the one-off restructuring costs
- The leverage ratio increased to 1.8x EBITDA. As communicated in connection with the Annual Report 2018, this ratio will be temporarily above the 0.5-1.5 range according to Pandora's capital structure policy due to the significant restructuring costs
- CAPEX amounted to DKK 254 million in the quarter, which is lower than the same quarter last year, due to fewer store openings and lower IT CAPEX
- Operating working capital ratio improved significantly with better performance across trade receivables, inventories and trade payables. Trade payables are temporarily elevated due to certain restructuring costs with cash effect later

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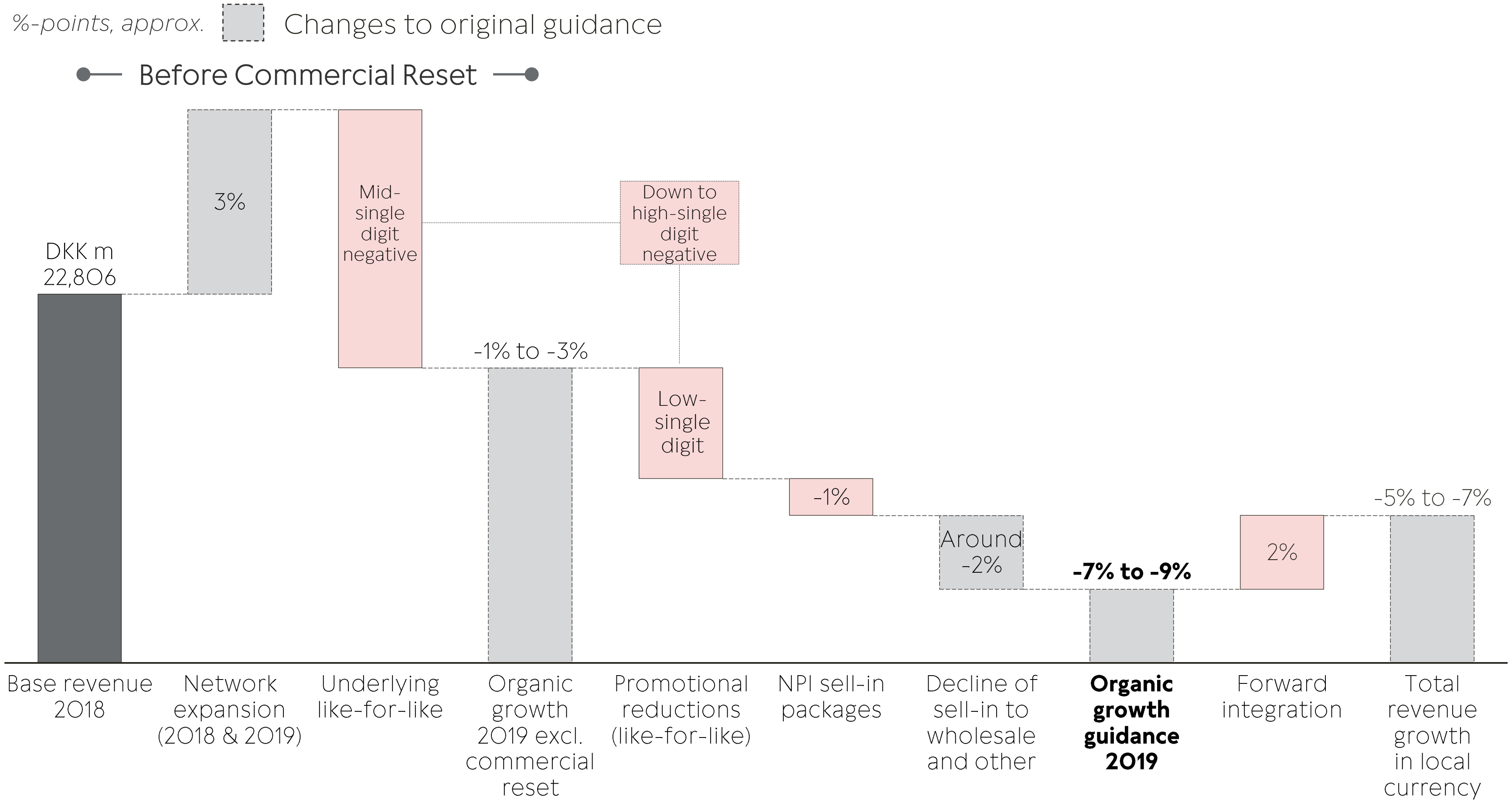
Full-year financial guidance has been updated - organic growth

Organic growth expected to be "between -7% to -9%"



Drivers of organic growth

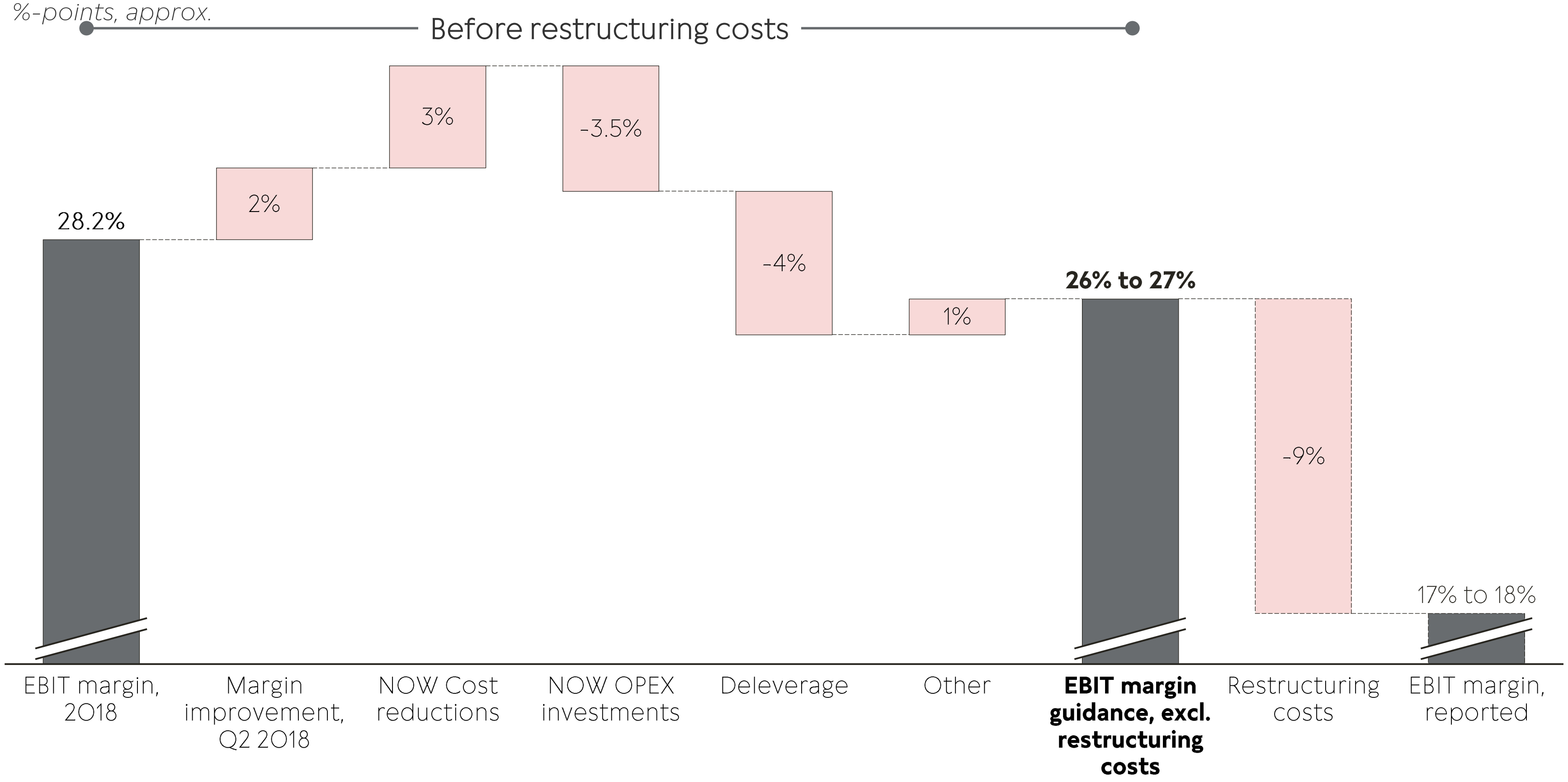
Organic growth is expected to be "-7% to -9%" from previously "-3% to -7%"

- Network expansion lowered from 4% to 3%:
  - Net concept store openings for 2019 still expected to be around net 50 (initial guidance was around net 75). Phasing of the opening is more back-end loaded than expected (net 16 openings year-to-date)
- The impact from reduction of inventories in the wholesale channel will be higher than initially expected

The Commercial Reset is estimated to impact the organic growth negatively by 5-6pp in 2019

Full-year financial guidance has been updated – EBIT margin

EBIT margin excluding restructuring costs to be "between 26% and 27%"



Rationale for updating EBIT margin guidance

EBIT margin excluding restructuring costs is expected to be "between 26% and 27%" from previously guided "between 26% and 28%"

- Higher deleverage is anticipated due to updated organic growth guidance which is partly offset by the increased cost savings target and favorable development in the gross margin (included in Other)

Changes to other assumptions

- CAPEX is expected to be "around DKK 1.0 billion" from previously "DKK 1.0 to 1.2 billion"
- Effective tax rate is expected to be "23% to 24%" compared to previously "22% to 23%"

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Closing remarks

PROGRAMME NOW ON TRACK

- Execution at high speed

BRAND RELAUNCH INITIATED

- Positive early results in most markets

PERFORMANCE IMPROVEMENT EXPECTED IN Q4

- Uncertainty remains high

APPENDIX

The Pandora equity story: A turnaround opportunity with fundamentals intact

Pandora has strong assets to build on

- Cross-generational brand with unmatched recognition
- Comprehensive global footprint across touchpoints
- Magic DNA of innovative products
- State-of-the-art crafting facilities

Return to sustainable growth and support industry-leading margins

- Clear transformation roadmap towards restoring sustainable growth
- Significant cost reduction potential to be executed before the end of 2020
- Continued strong cash generation during transformation period
- Attractive cash pay-out policy

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Pandora returns all excess cash to shareholders

Capital structure policy

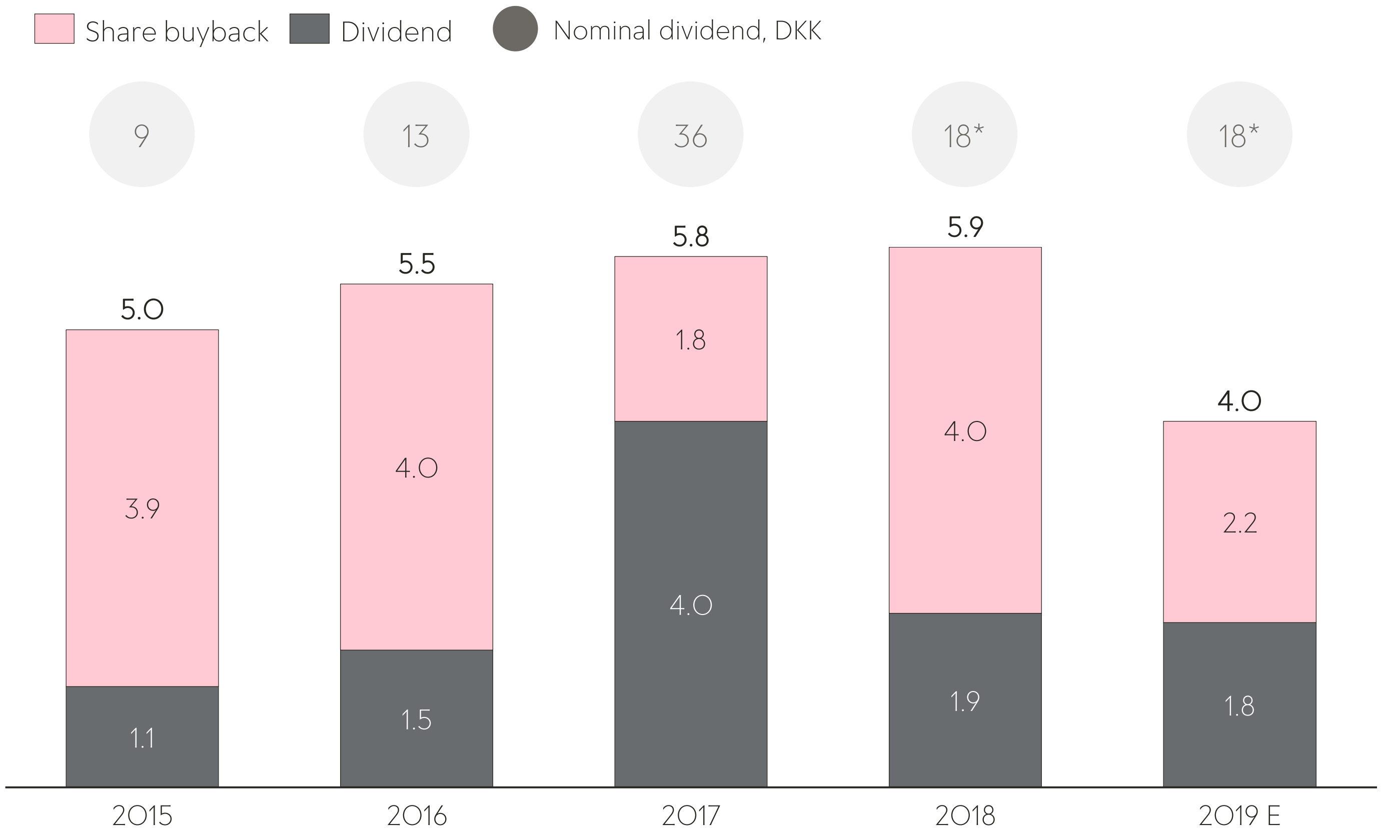
- Pandora expects to temporarily exceed the upper end of the capital structure interval in 2019 - reflecting that financials are impacted by one-offs during the transformation period
- **Capital structure ratio target** has been changed from 0-1x NIBD to EBITDA to 0.5-1.5x NIBD to EBITDA reflecting the accounting implications of IFRS 16

Cash distribution

- **2019 total cash return of DKK 4.0 billion**
  - **Share buyback programme**[1] of DKK 2.2 billion
  - **Dividend payment maintained** at 2 x DKK 9 per share (DKK 1.8 billion)

[1]Share buyback programme will end in March 2020

5-year cash distribution development



** The dividend in 2018 and 2019 is a combination of an ordinary dividend of DKK 9 per share, and an interim dividend at half year of DKK 9 per share*

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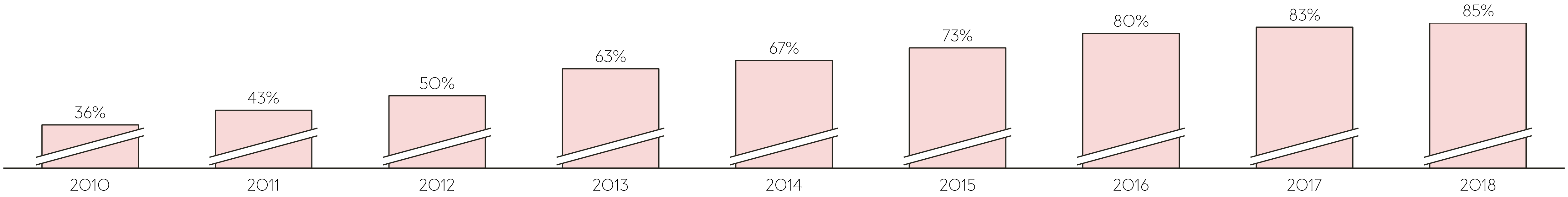
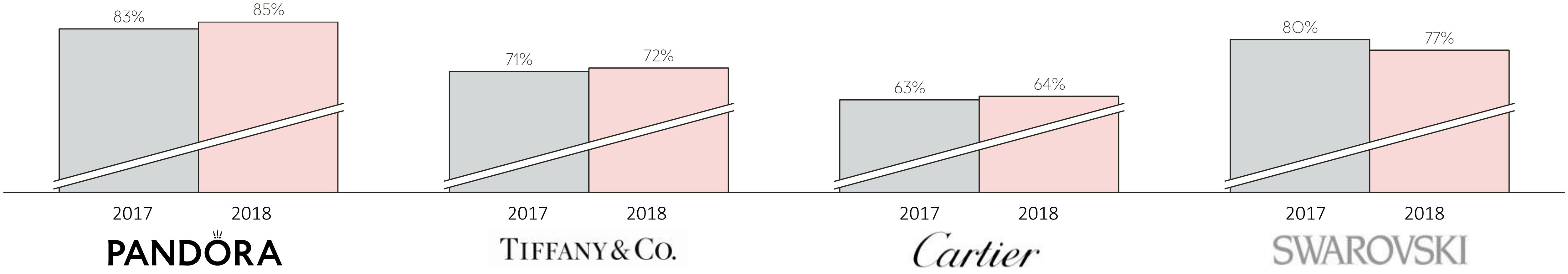
Pandora is the world's most recognised jewellery brand

Aided brand awareness development



Aided brand awareness across selected jewellery companies



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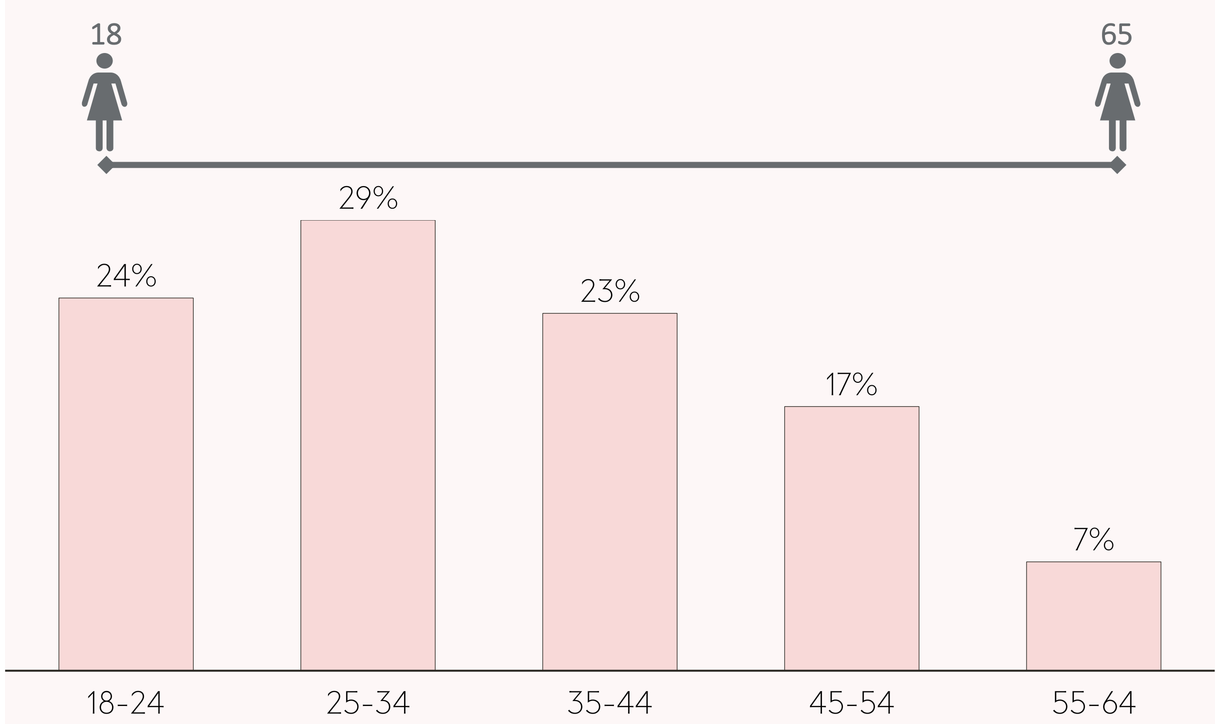
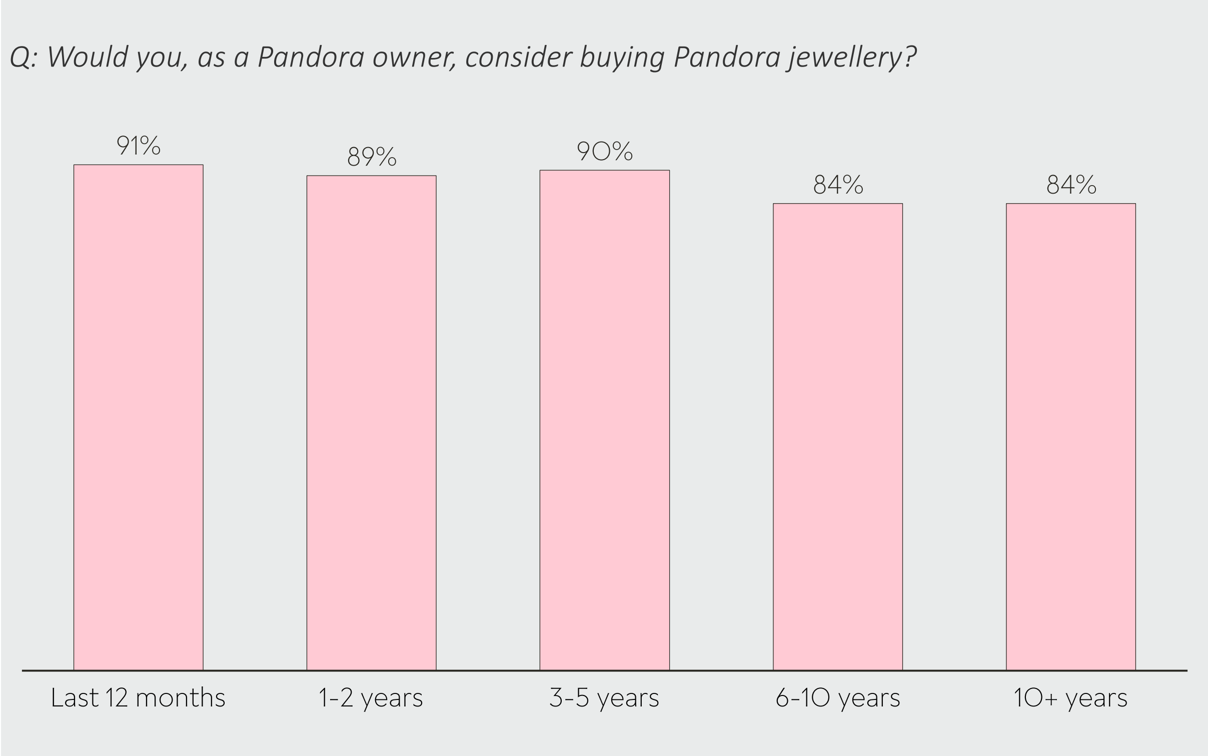
Pandora consumers are across generations and stay loyal

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



Source: Pandora Brand Tracker 2015-2018
Note: Markets include AU, BE, BR, CA, CN, FR, DE, HK, IE, IL, IT, PL, PT, RU, ZA, KR, ES, CH, NL, TR, UK, US

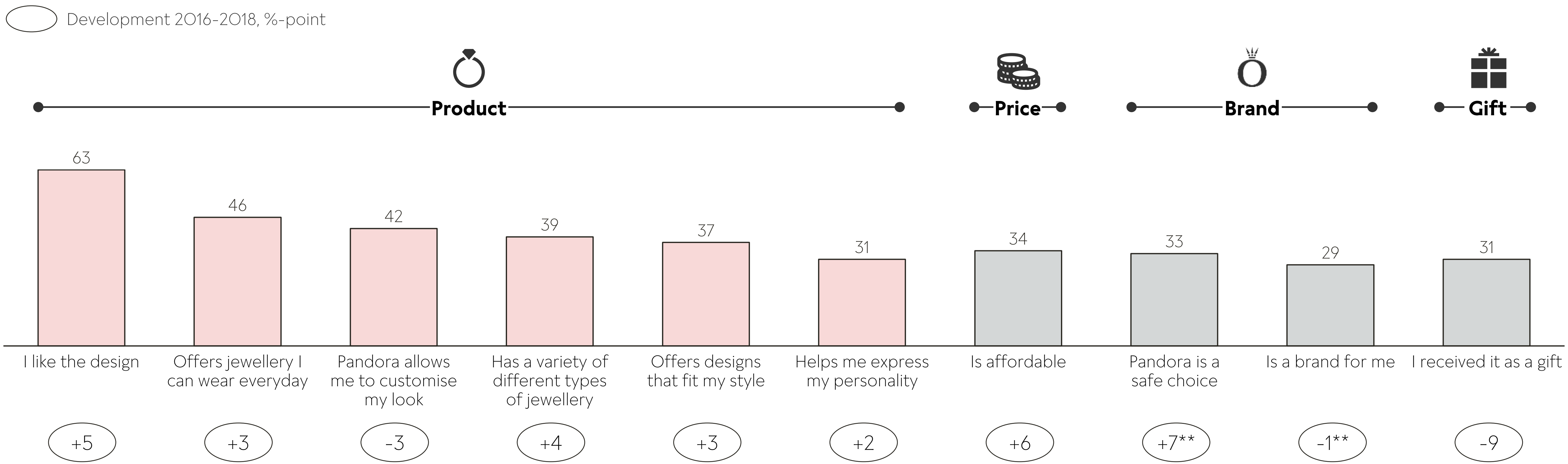
Pandora owners highly consider to buy Pandora jewellery unrelated to time of ownership



*Survey-data allows for the possibility that share of repurchasers can be slightly higher than previous years active owner-base
**Deviation in Awareness from funnel-slides caused by different market filters in order to compare to 2014 (excludes CN, CZ, JP, SG and AE)

Pandora consumers have a wide-range of purchase criteria

Reasons for choosing Pandora for oneself (N=4,467)
Share of respondents, % (multiple answers allowed)



Source: Pandora Brand Tracker 2018 (n=4,467)
Note: Based on the question "why did you choose Pandora for yourself?"

**Active Owners include owners who have purchased past 12 months and/or received past 12 months*
***2017-2018 development only available*

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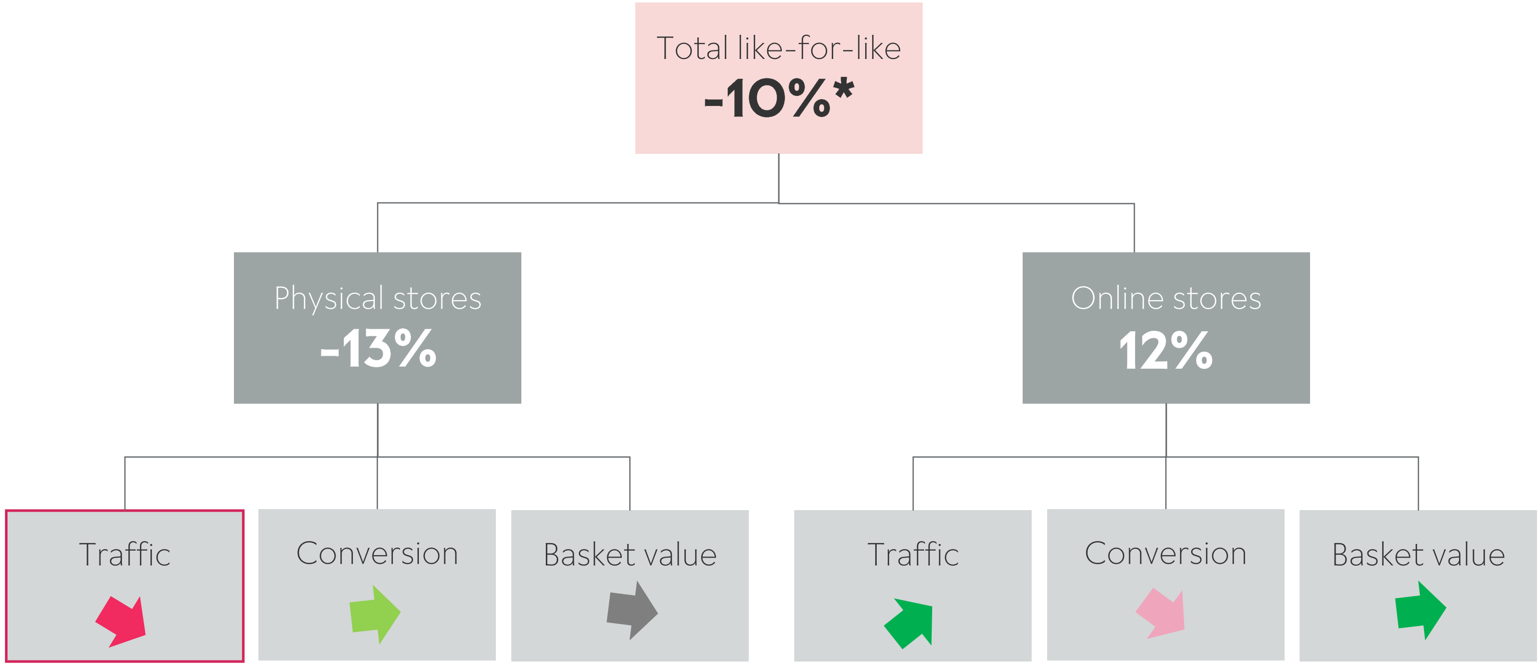
Total like-for-like momentum continues to be driven by less traffic to physical stores

Total like-for-like drivers, Q3 2019



Data based on available data at the time of reporting.

**Excluding Hong Kong SAR*

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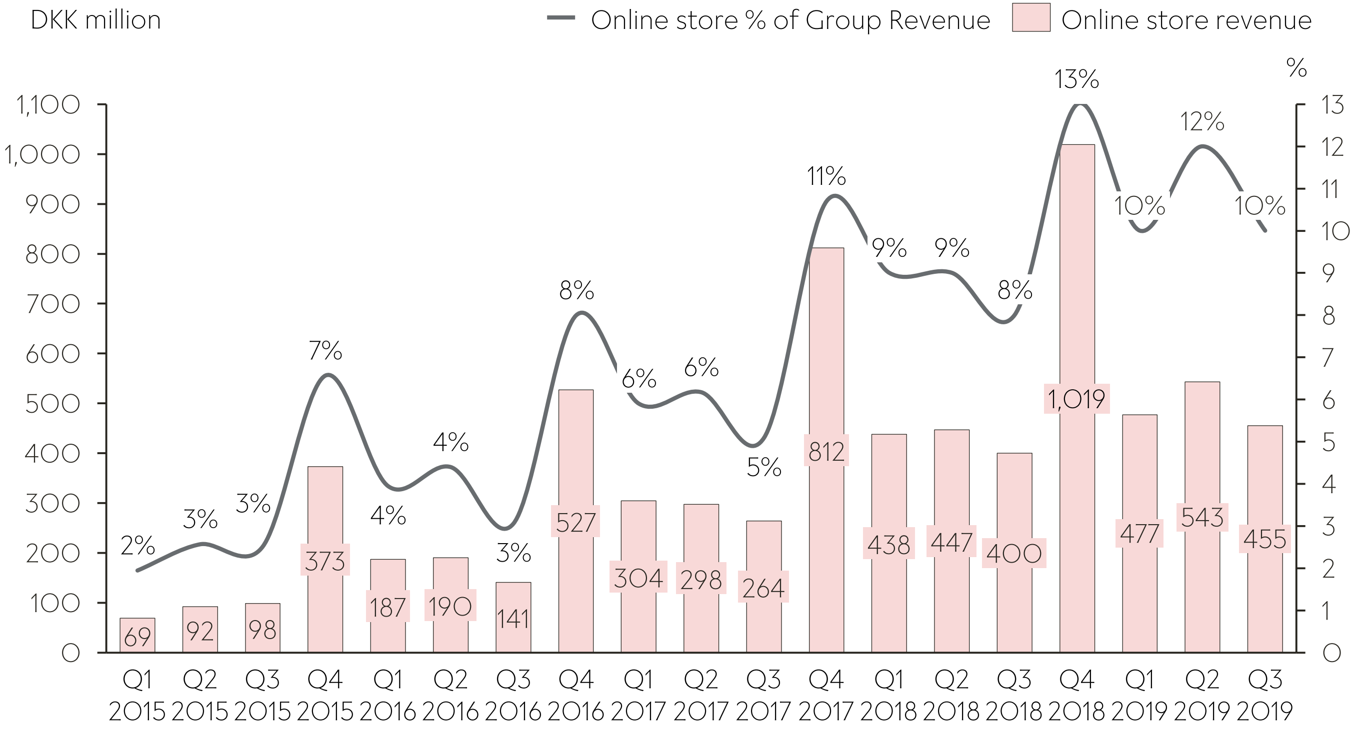
Pandora's online business & presence

Online store development



12% LIKE-FOR-LIKE IN Q3 '19	10% REVENUE SHARE OF GROUP REVENUE IN Q3 '19	20 MARKETS	SINGLE DIGIT RETURN RATES	STRONG PROFITABILITY

Online platforms

Pandora online stores available in 20 markets across all regions, incl. China (own and Tmall distribution), Australia, Italy, the UK, the US etc.

More than **237 million visits** on the Pandora online stores in 2018

More than **13 million Pandora club members** worldwide

15.7 million Facebook followers

7.2 million followers on Instagram

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Revenue development by sales channel and by product category

Channel development

DKK million	Q3 2019	Growth, Q3/Q3, LC	Q3 2019 share of revenue	FY 2018	Growth, FY/FY, LC	FY 2018 share of revenue
Pandora owned retail	2,783	6%	63%	12,895	35%	57%
- of which Pandora owned concept stores	*2,168*	*3%*	*49%*	*9,965*	*36%*	*44%*
- of which online stores	*455*	*12%*	*10%*	*2,304*	*39%*	*10%*
- of which other points of sale	*160*	*26%*	*4%*	*626*	*11%*	*3%*
Wholesale	1,383	-34%	31%	8,633	-23%	38%
- of which franchise concept stores	*758*	*-38%*	*17%*	*5,010*	*-23%*	*22%*
- of which other points of sale	*625*	*-30%*	*14%*	*3,623*	*-23%*	*16%*
Third-party distribution	249	-24%	6%	1,278	-15%	6%
Total revenue	4,415	-13%	100%	22,806	3%	100%

Product category development

DKK million	Q3 2019	Growth Q3/Q3, LC	Q3 2019 share of revenue	FY 2018	Growth, FY/FY, LC	Share of revenue FY 2018
Charms	2,321	-13%	53%	12,126	-4%	53%
Bracelets	856	-14%	19%	4,393	13%	19%
Rings	629	-14%	14%	3,168	3%	14%
Earrings	286	-7%	6%	1,486	7%	7%
Necklaces & Pendants	323	-8%	7%	1,633	27%	7%
Total revenue	4,415	-13%	100%	22,806	3%	100%

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Regional and key markets revenue and total like-for-like overview

DKK million	Q3 2019	Growth Q3/Q3, LC	Like-for-like Q3 2019	Share of revenue, Q3 2019	FY 2018	Growth FY/FY, LC	Like-for-like FY 2018	Share of revenue, FY 2018
EMEA	2,133	-11%	n/a	48%	11,190	4%	n/a	49%
- of which the UK	522	-9%	-10%	12%	2,746	-2%	-5%	12%
- of which Italy	471	-27%	-12%	11%	2,461	-6%	-8%	11%
- of which France	202	-4%	-11%	5%	1,253	-2%	-11%	5%
- of which Germany	188	-8%	-5%	4%	1,041	-2%	5%	5%
AMERICAS	1,320	-11%	n/a	30%	6,807	0%	n/a	30%
- of which the US	868	-18%	-9%	20%	4,880	-5%	1%	21%
ASIA PACIFIC	962	-17%	n/a	22%	4,809	4%	n/a	21%
- of which Australia	195	-23%	-22%	4%	1,361	-12%	-15%	6%
- of which China	491	-8%	-16%	11%	1,969	26%	-2%	9%
Group	4,415	-13%	-10%	100%	22,806	3%	-4%	100%

PANDORA

Store network development

Number of points of sale	Q3 2019	Net openings Q3 2019 vs Q2 2019	Net openings Q3 2019 vs Q3 2018
Concept stores	2,721	-10	107
- of which Pandora owned	1,379	-1	113
- of which franchise owned	833	-1	-17
- of which third-party distribution	509	-8	11
Other points of sale	4,729	-49	-429
- of which Pandora owned	197	9	40
- of which wholesale	3,899	-29	-430
- of which third-party	633	-29	-39
Total points of sale	7,450	-59	-322

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Concept stores per market

	Number of concept stores Q3 2019	Number of concept stores Q2 2019	Number of concept stores Q3 2018	Growth Q3 2019 /Q2 2019	Growth Q3 2019 /Q3 2018	Number of O&O Q3 2019	Growth O&O stores Q3 2019 /Q2 2019	Growth O&O stores Q3 2019 /Q3 2018
UK	231	233	233	-2	-2	127	0	6
Russia	186	195	200	-9	-14	0	0	0
Germany	148	151	154	-3	-6	142	-3	-3
Italy	148	146	126	2	22	107	2	26
France	120	121	109	-1	11	75	0	14
Spain	83	83	77	0	6	69	1	7
Poland	49	49	49	0	0	37	-1	-1
South Africa	30	30	30	0	0	28	0	0
Turkey	29	29	22	0	7	29	0	7
Ireland	28	28	29	0	-1	23	0	-1
Netherlands	27	27	25	0	2	27	0	2
Ukraine	28	27	24	1	4	0	0	0
Portugal	26	26	24	0	2	0	0	0
Belgium	25	25	25	0	0	15	0	2
Romania	22	22	21	0	1	12	0	0
United Arab Emirates	19	20	21	-1	-2	19	-1	-2
Czech Republic	19	19	19	0	0	10	0	0
Israel	17	17	17	0	0	0	0	0
Austria	14	15	15	-1	-1	9	-1	-1
Greece	14	14	15	0	-1	0	0	0
Denmark	12	14	14	-2	-2	12	-2	-2
Saudi Arabia	12	12	12	0	0	0	0	0
Sweden	11	11	11	0	0	11	0	0
Nigeria	10	10	8	0	2	0	0	0
Rest of EMEA	138	137	128	1	10	19	0	1
EMEA	1,446	1,461	1,408	-15	38	771	-5	55
US	396	395	392	1	4	154	1	5
Brazil	94	95	99	-1	-5	56	-1	-3
Canada	79	79	79	0	0	23	0	0
Mexico	67	66	53	1	14	41	1	14
Caribbean	27	27	27	0	0	0	0	0
Rest of Americas	68	67	54	1	14	13	0	5
Americas	731	729	704	2	27	287	1	21
China	234	227	203	7	31	223	5	27
Australia	127	128	124	-1	3	38	-1	4
Philippines	36	35	34	1	2	0	0	0
Malaysia	31	33	31	-2	0	0	0	0
Hong Kong	27	28	30	-1	-3	25	0	0
Thailand	18	19	16	-1	2	0	0	0
New Zealand	18	17	17	1	1	9	1	1
Singapore	15	16	15	-1	0	11	-1	0
Rest of Asia Pacific	38	38	32	0	6	15	-1	5
Asia-Pacific	544	541	502	3	42	321	3	37
All markets	2,721	2,731	2,614	-10	107	1,379	-1	113

PANDORA

Profitability development

DKK million	Q3 2019 reported	Restructuring costs	Q3 2019 excl. restructuring costs	Q3 2018[1]
Revenue	4,415	-	4,415	4,982
Cost of sales	-1,668	721	-946	-1,380
Gross profit	2,747	721	3,469	3,602
Gross margin	*62.2%*	-	*78.6%*	*72.3%*
Operating expenses (incl. D&A)	-2,945	368	-2,578	-2,406
- of which sales, distribution and marketing expenses	-2,261	190	-2,071	-1,916
- of which administrative expenses	-684	177	-507	-490
EBIT	-198	1,089	891	1,196
EBIT margin	*-4.5%*	-	*20.2%*	*24.0%*

[1]Comparison figures have not been restated following the implementation of IFRS 16 Leases

PANDORA

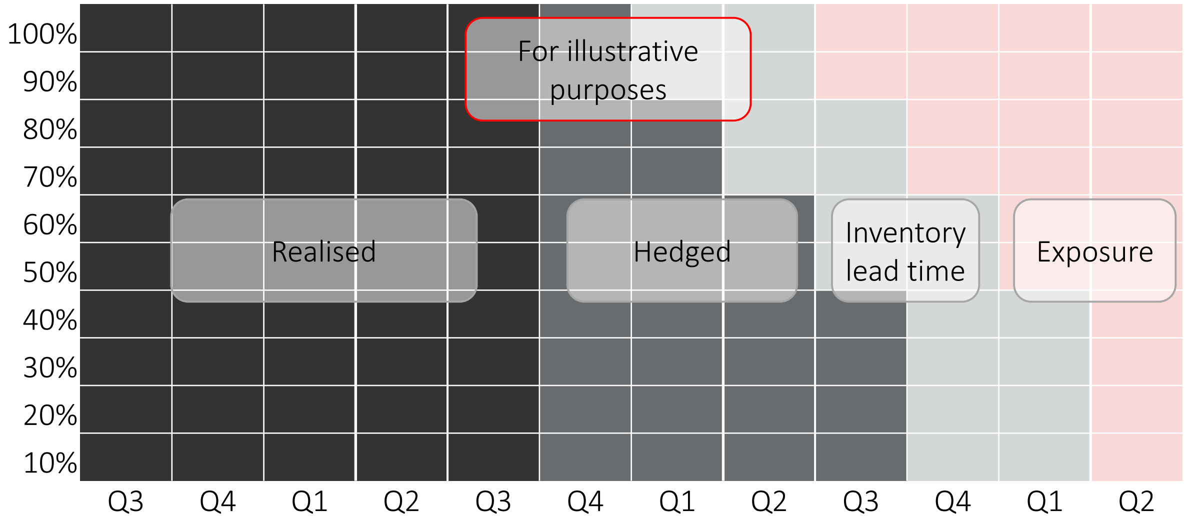
Working capital and cash management

DKK million	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Inventory	2,835	2,609	3,116	3,158	3,737
- Share of revenue (last 12 months)	*13.0%*	*11.7%*	*13.9%*	*13.8%*	*16.6%*
Trade receivables	1,256	1,124	1,269	1,650	1,806
- Share of revenue (last 12 months)	*5.8%*	*5.0%*	*5.6%*	*7.2%*	*8.0%*
Trade payables	-2,222	-1,632	-1,673	-2,253	-1,847
- Share of revenue (last 12 months)	*-10.2%*	*-7.3%*	*-7.4%*	*-9.9%*	*-8.2%*
Operating working capital	1,869	2,101	2,712	2,555	3,696
- Share of revenue (last 12 months)	*8.6%*	*9.4%*	*12.1%*	*11.2%*	*16.4%*
Free cash flow	1,070	1,418	673	2,911	1,059
CAPEX	254	206	178	324	265
% of revenue	*5.8%*	*4%*	*4%*	*4%*	*5%*
NIBD to EBITDA (last 12 months)	*1.8x*	*1.4x*	*1.4x*	*0.8x*	*1.0x*
Selected KPIs					
Days Sales of Inventory - last 6 months of COGS (183 days)	*182*	*201*	*176*	*168*	*267*
Days Sales of Outstanding - last 3 months of wholesale and third party distribution revenue (90 days)	*49*	*40*	*48*	*40*	*60*

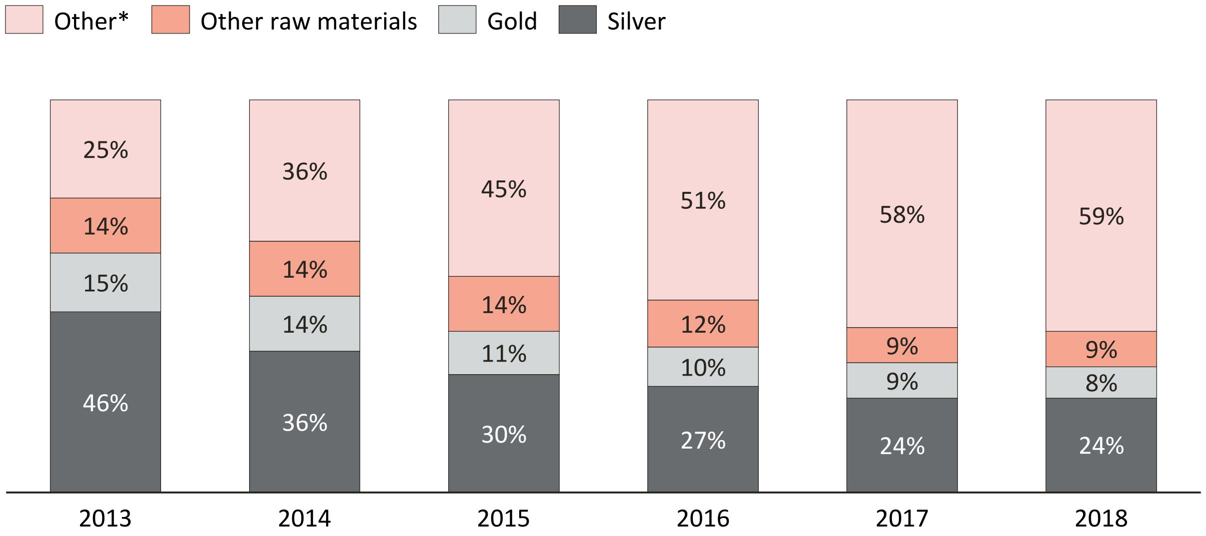
PANDORA

Hedging policy and raw materials share of production costs

Commodity hedging policy



Raw material share of cost of goods sold

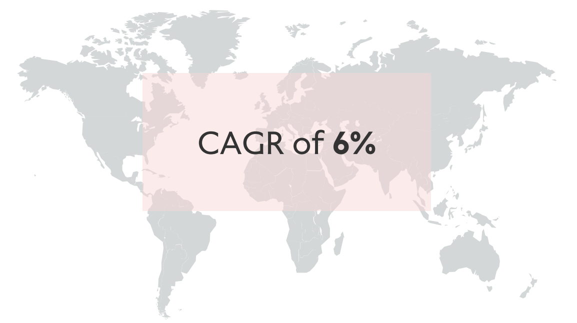


- Other in 2018 consists of ~40% labour, ~30% cost to third-party set-ups (i.e. plating) and ~30% licence, customs, remelt and minor provisions

Overview of the global jewellery market

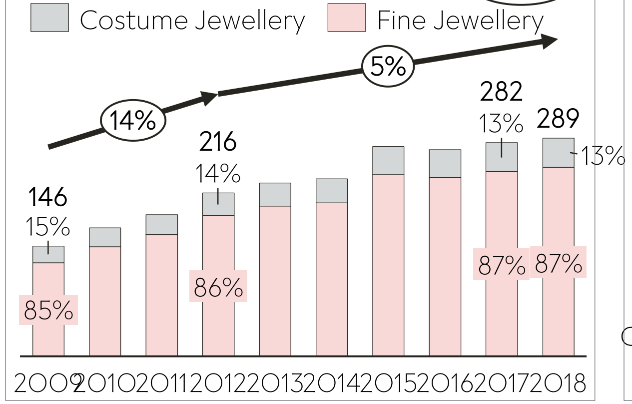
MARKET DEVELOPMENT

Fine jewellery market 2018- 2022



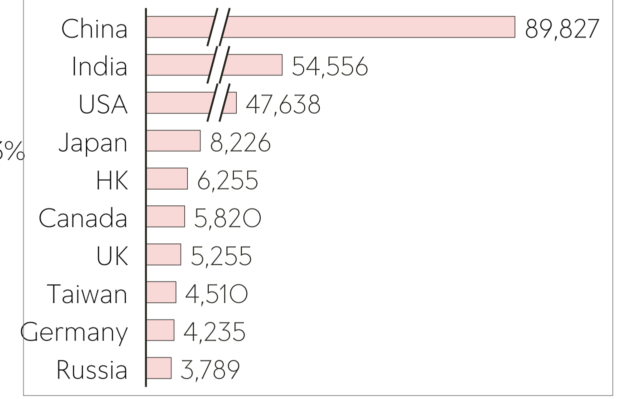
Jewellery market development

10 years, EUR billion



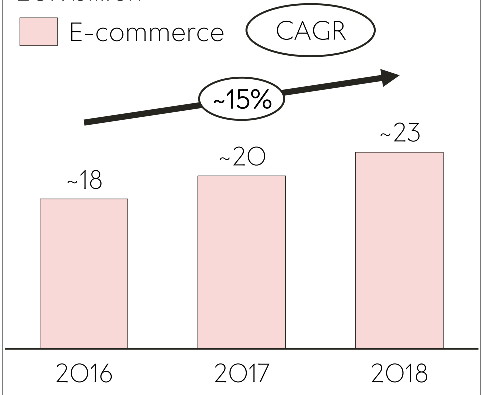
10 largest jewellery markets

2018, EUR million



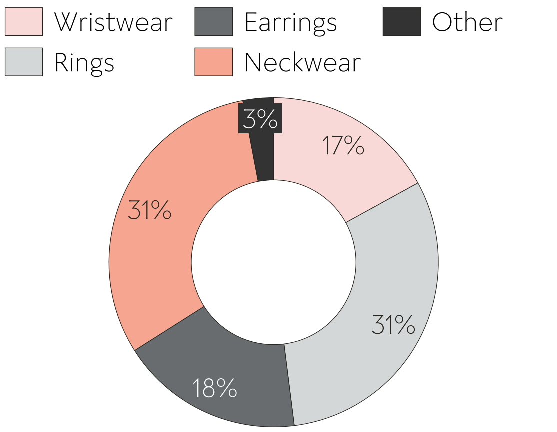
Jewellery eCOM development

EUR billion

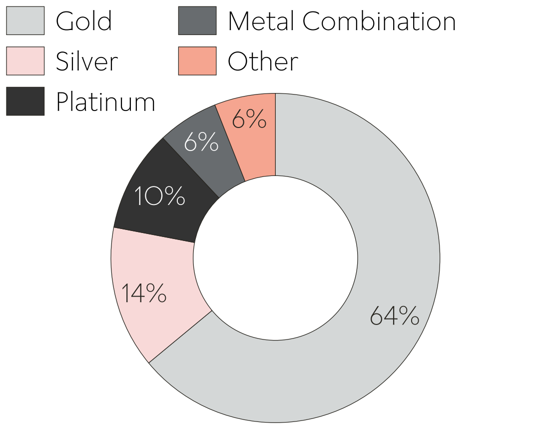


JEWELLERY DEVELOPMENT

Global category share

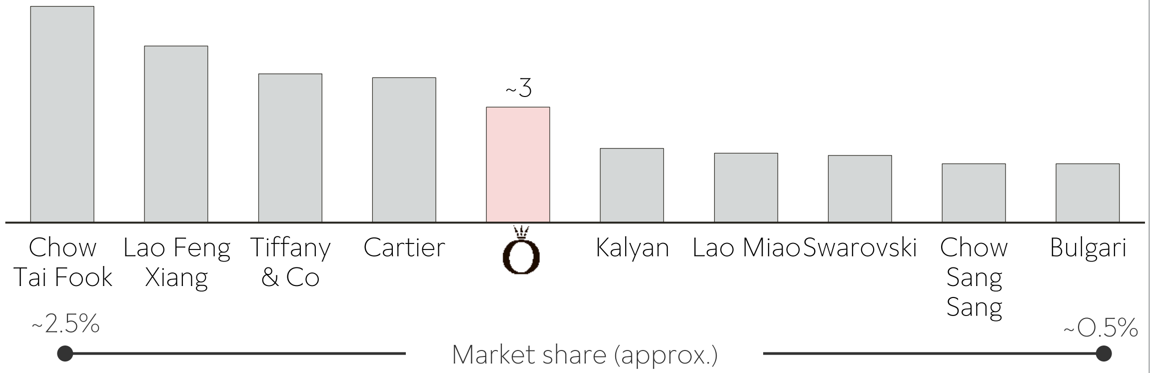


Fine jewellery metal split (2018)



World's 10 largest jewellery brands

EUR billion, 2017, approx.

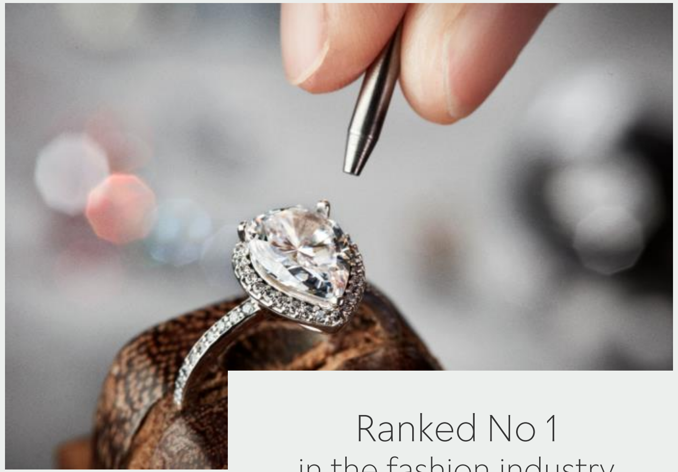


Source: Euromonitor

PANDORA

High Quality & Sustainability Standards

At the heart of Pandora´s business is the belief that high ethical standards and high-quality jewellery go hand in hand. We want women to be able to express themselves with responsibly crafted jewellery made from ethically sourced materials – because we care about our planet and our people. We are committed signatories of the United Nations Global Compact and acknowledge our responsibilities in the areas of human rights, labour, environment and anti-corruption. Pandora is a certified member of the Responsible jewellery Council since 2012, which means that external auditors have verified the high ethical standards throughout our operations.



Ranked No 1
in the fashion industry
by the Morgan Stanley Capital International's Environmental, Social, Governance (ESG) rating (2017, 2018)

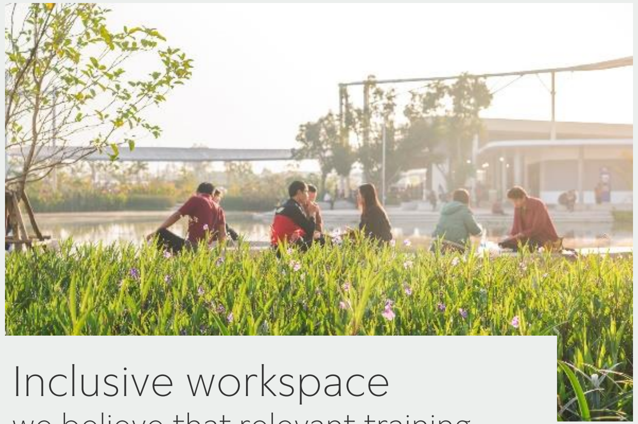
Pandora contributes to progress on most of the 17 United Nations Sustainable Development Goals. We focus on the seven goals where we believe our business can have the largest positive, as well as adverse, impact.

Read our 2018/19 Sustainability- and UNGC progress report

Pandora People in brief

PEOPLE ASPIRATIONS
To ensure our people have a safe, developing workplace

79%
of our managers are female
we are committed to fostering, cultivating and preserving a culture of diversity and inclusion



Inclusive workspace

we believe that relevant training, tools, support system and accessibility are crucial for a safe and welcoming environment for all colleagues. Examples of this are special benefits for pregnant employees and 100+ people with disabilities joining our production team

Community Development

13 schools helped and more than 1,600 children in Thailand have been positively impacted via our My School Project charity initiative

data per Dec. 31, 2018

Pandora Product in brief

PRODUCT ASPIRATIONS
To craft our product with integrity

99.96%
of all stones were man-made

88%
recycled silver

100%
recycled gold

100% certified
LMBA/RJC silver and gold grain suppliers

Responsible Supplier Programme
ensures that our suppliers have the same high standards as we do

Pandora Planet in brief

PLANET ASPIRATIONS
To minimise our environmental impact

89%
of waste was recycled at our crafting facilities

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

95%
environmental saving for every kg of recycled gold & silver used
(compared to mined silver/gold)

99%
environmental saving for every kg of cubic zirconia used
(compared to mined diamonds)

Read our 2018/19 Sustainability- and UNGC progress report

data per Dec. 31, 2018

Investor Relations contact details

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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