
The Board of Directors is pleased to invite you to the

ANNUAL GENERAL MEETING

Friday, 8 April 2011 at 10.00 am (CET)

at Tivoli Hotel, Arni Magnussons Gade 2,
DK-1577 Copenhagen V

ANNUAL GENERAL MEETING

Pursuant to Article 6.3 of the Articles of Association, the Annual General Meeting of PANDORA A/S (the "Company") is hereby convened to be held on

Friday, 8 April 2011 at 10.00 a.m. (CET)

at

Tivoli Hotel, Arni Magnussons Gade 2, DK-1577 Copenhagen V

with the following agenda:

1. The Board of Directors' report on the Company's activities during the past financial year.
2. Adoption of the annual report.
3. Proposal by the Board of Directors for remuneration to the Board of Directors for 2010 and 2011.
 - 3.1. Approval of remuneration for 2010.
 - 3.2. Approval of remuneration level for 2011.
4. Proposed distribution of profit as recorded in the adopted annual report, including the proposed amount of any dividend to be distributed or proposal to cover any loss.
5. Resolution on the discharge from liability of the Board of Directors and the Executive Management.
6. Proposal by the Board of Directors:
 - 6.1. Proposal to adopt the Company's remuneration policy.
 - 6.2. Proposal to approve changes to the Company's existing incentive payment guidelines.
7. Election of members to the Board of Directors.
8. Election of auditor.
9. Miscellaneous.

COMPLETE PROPOSALS

Re agenda item 1:

The Board of Directors proposes that the report of the Board of Directors is adopted.

Re agenda item 2:

The Board of Directors proposes that the Annual Report be approved.

Re agenda item 3:

Re agenda item 3.1

The Board of Directors proposes that the actual remuneration of the Board of Directors for 2010 is approved at the general meeting. Reference is made to the Annual Report for 2010 note 6 and 7.

Re agenda item 3.2

The Board of Directors proposes that the Board of Directors remuneration for the current financial year is approved. The proposed remuneration is shown in the table below:

<u>Remuneration to the Board of</u>	<u>Wages and salaries</u>	<u>Committees</u>	<u>Total</u>
<u>Directors 2011</u>	(TDKK)	(TDKK)	(TDKK)
Chairman (Allan Leighton)	2,600 DKK	0 DKK	2,600 DKK
Deputy Chairman (Torben Ballegaard Sørensen)	750 DKK	100 DKK	850 DKK
Andrea Alvey	500 DKK	100 DKK	600 DKK
Marcello V. Bottoli	500 DKK	100 DKK	600 DKK
Sten Daugaard	500 DKK	150 DKK	650 DKK
Christian Frigast	500 DKK	100 DKK	600 DKK
Erik D. Jensen	500 DKK	100 DKK	600 DKK
Nikolaj Vejlsgaard	500 DKK	100 DKK	600 DKK
<u>Total remuneration:</u>			7,100 DKK

Re agenda item 4:

The Board of Directors proposes that the profit as recorded in the Annual Report as adopted by the general meeting should be distributed as follows:

PROFIT ALLOCATION 2010 (DKK MILLION)

Net profit for the year	1,871
Proposed dividend*	650
Amount transferred to free reserves	<u>1,221</u>

*No dividend will be paid on the Company's holding of treasury shares.

Re agenda item 5:

The Board of Directors proposes that the Board of Directors and the Executive Management should be discharged from liability.

Re agenda item 6:

Re agenda 6.1

The Board of Directors proposes to adopt the Company's remuneration policy for the Board of Directors and the Executive Management. The proposed remuneration policy is set out in Appendix 1 to the notice of the General Meeting.

Re agenda 6.2

The Board of Directors proposes to approve the following changes in the Company's existing incentive payment guidelines, i.e. "GENERAL GUIDELINES ADOPTED PURSUANT TO SECTION 139 OF THE DANISH COMPANIES ACT GOVERNING INCENTIVE PAYMENT FOR PANDORA A/S" paragraph 4.1:

"The cash bonus cannot exceed 33% and 30% of the annual basic salaries of the Chief Executive Officer and the Group Chief Financial Officer, respectively."

Changed to:

"The cash bonus cannot exceed 50% and 40% of the annual basic salaries of the Chief Executive Officer and the Group Chief Financial Officer, respectively."

Re agenda item 7:

Pursuant to Article 11.1 of the Company's Articles of Association, all members of the Board of Directors appointed by the General Meeting stand for election.

The Company's Board of Directors has been composed to reflect the skills and experience required to supervise and manage a listed company in the business of the Company. The Company is aiming at composing the Board of Directors of persons who possess the professional and international experience required to serve as a board member. Further information about the Company's Board of Directors please refer to the Company's website **www.Pandoragroup.com**

The Board of Directors proposes re-election of the following members: Allan Leighton, Torben Ballegaard Sørensen, Andrea Alvey, Marcello V. Bottoli, Sten Daugaard, Christian Frigast, Erik Danquard Jensen and Nikolaj Vejlsgaard.

The proposed candidates for the Board of Directors have the following backgrounds:

Allan Leslie Leighton was born in 1953, is an English citizen and currently lives in Toronto, Ontario, Canada. Allan Leslie Leighton has attended Harvard University's Advanced Management Program. Currently, Allan Leslie Leighton is President and Deputy Chairman of Loblaw Companies Ltd., Deputy Chairman of Selfridges & Co. and George Weston Ltd., and Non-Executive Director of BskyB Group plc. Allan Leslie Leighton has been the Chairman of the Board of Directors of PANDORA A/S since August 2010.

Allan Leighton is regarded as an independent board member.

The special competences possessed by Allan Leighton that are important for the performance of his duties are his extensive experience within general management and international retail and Allan Leighton is regarded as one of UK's top business leaders. Allan Leighton additionally has extensive board experience.

Torben Ballegaard Sørensen was born in 1951, is a Danish citizen and currently lives in Højbjerg, Denmark. Torben Ballegaard Sørensen holds an MBA from Aarhus School of Business and he is an adjunct professor in Management at Aarhus University. Currently, Torben Ballegaard is the Managing Director of Investeringselskabet af 1. Juli 2008 ApS. Further, Torben Ballegaard Sørensen is Chairman of the Board of Directors in CAT Management ApS, Realfiction ApS, CAT Seed A/S, Thomas A/S, Tajco Group A/S and CAT Forsknings- og Teknologipark A/S. Further, Torben Ballegaard Sørensen is also a member of the Board of Directors of Fonden CAT Center for Avanceret Teknologi, Forsknings- og Teknologipark, Egmont Fonden, AS3 Companies A/S, Årstiderne Arkitekter Herning A/S, Årstiderne Arkitekter A/S, Dyrup A/S, Egmont International Holding A/S, Ejendomsselskabet Vognmagergade 11 ApS, LEGO A/S, Systematic A/S, Monberg & Thorsen A/S, Ejendomsselskabet Gothersgade 55 ApS, AB Electrolux and Fonden Cat Invest Zealand. Torben Ballegaard Sørensen has been a member of the Board of Directors of PANDORA A/S since March 2008.

Torben Ballegaard Sørensen is regarded as an independent board member.

The special competences possessed by Torben Ballegaard Sørensen that are important for the performance of his duties are his extensive experience within international sales and marketing and branded consumer goods, combined with his experience with PANDORA.

Andrea Dawn Alvey was born in 1967, is an American citizen and currently lives in Raleigh, North Carolina, USA. Andrea Dawn Alvey holds a bachelor in Science on Business Economics/Statistics from Southern Connecticut State University. Currently, Andrea Dawn Alvey is President of Kitabco Investment Inc. and Regional Developer for Peak Franchising. Andrea Dawn Alvey has been a member of the Board of Directors of PANDORA A/S since August 2010.

Andrea Alvey is regarded as an independent board member.

The special competences possessed by Andrea Alvey that are important for the performance of her duties are her solid experience and insight in global supply chain and IT operations and finance within retail.

Marcello Vittorio Bottoli was born in 1962, is an Italian citizen and currently lives in Surlej-Silvaplane, Switzerland. Marcello Vittorio Bottoli holds an Italian Doctorate in Business Administration from Bocconi University, Milan, Italy. Currently, Marcello Vittorio Bottoli is Non-Executive Director of International Flavour & Fragrances Inc. and True Religion Apparel, Inc. Further, Marcello Vittorio Bottoli is associated to Advent International, a Global Private Equity Firm as Operating Partner and to Virima Consulting & Investments LLP as Partner. Marcello Vittorio Bottoli has been a member of the Board of Directors of PANDORA A/S since August 2010.

Marcello V. Bottoli is regarded as an independent board member.

The special competences possessed by Marcello V. Bottoli that are important for the performance of his duties are his profound knowledge and experience in branding and commercializing luxury and consumer goods, not least in the Asia-Pacific region.

Sten Daugaard was born in 1957, is a Danish citizen and currently lives in Christiansfeld, Denmark. Sten Daugaard holds a Business Administration Degree from Copenhagen Business School. Currently, Sten Daugaard is Chief Financial Officer of Lego A/S and is a member of the Board of Directors in Lego Systems A/S. Sten Daugaard has been a member of the Board of Directors of PANDORA A/S since August 2010.

Sten Daugaard is regarded as an independent board member.

The special competences possessed by Sten Daugaard that are important for the performance of his duties are his strong financial background as well as significant industrial experience in both global and Central Western Europe operations.

Povl Christian Lütken Frigast was born in 1951, is a Danish citizen and currently lives in Klampenborg, Denmark. Povl Christian Lütken Frigast holds a MSc. in Political Science and Economics from the University of Copenhagen. Currently, Povl Christian Lütken Frigast is managing partner at Axcel Management A/S and Chief Executive Officer of Axcel Industriinvestor A/S, CCTC Invest A/S, Axcel II Management A/S, Axcel II A/S, Axcel III KS Invest ApS, Axcel Management A/S and MP-AX I Invest ApS. Further, Povl Christian Lütken Frigast is currently Chairman of the Board of Directors of Prometheus Invest ApS, Esko-Graphics Holding ApS, KW Invest ApS, Royal Scandinavia Invest A/S, EGA 2008 ApS, Axcel Prometheus Invest 1 ApS, AX NO Invest ApS, Axno Invco ApS, Axcel Prometheus Newco ApS, Esko-Graphics Invest A/S, Axcel Prometheus Invest 2 ApS, IDINVEST 2010 ApS, MNGT Komplementar ApS, MNGT 1 ApS, MNGT2 ApS, MNGT 3 ApS, MNGT 4 ApS, Axcel-Junkers Invest A/S, Junkers Holding A/S, IDINVEST ApS, AX3 Investco ApS, Management Invco A/S, AXIII MP Holding ApS, EGA Invest ApS, EGA Invco ApS and Axcel III G.P. ApS. Finally, Povl Christian Lütken Frigast is also a member of the Board of Directors of Hamton I - bond 004 Ltd, Hamton European Equities Ltd, Hamton Special Situations Ltd, Hamton Fund of Funds Ltd, TORM A/S, Door Holding A/S, Royal Scandinavia A/S, Invest AX II A/S, TCM Invest A/S, Noa Noa ApS, NN AX 1 ApS, NN AX 2 ApS, BB Electronics Invest ApS, KIFU-AX II A/S, AXTCM Invest ApS, Axcel Management A/S, AXIII TCM Invco ApS, AX Ball Invest ApS and AXBL Invco ApS. Povl Christian Lütken Frigast has been a member of the Board of Directors of PANDORA A/S since August 2010.

Christian Frigast is not regarded as an independent board member due to his position as Managing Partner of Axcel.

The special competences possessed by Christian Frigast that are important for the performance of his duties are his extensive experience in general management and active involvement in a number of retail and other companies obtained through his numerous directorships.

Erik Danquard Jensen was born in 1943, is a Danish citizen and currently lives in Stenløse, Denmark. Erik Danquard Jensen holds a Master of Business Administration from Tietgenskolen. Erik Danquard Jensen is working as a professional board member and currently he is the Chairman of the Board of Directors of Royal Scandinavia A/S, Royal Scandinavia II A/S, Cens A/S, PBI Inge A/S, PBI Holding A/S, Kærup Erhvervspark A/S, MLA Gruppen A/S, MLA A/S, MLA Car Rental A/S, MLA Biler A/S and Michael Lassen Automobiler A/S. Further, Erik Danquard Jensen is also a member of the Board of Directors in Royal Copenhagen A/S, Ejnar og Meta Thorsens Fond, Artium ApS, Skandinavisk Design Center ApS and PBI-Dansensor A/S. Erik Danquard Jensen has been a member of the Board of Directors of PANDORA A/S since May 2008.

Erik Danquard Jensen is not regarded as an independent board member due to his longstanding relationship with Axcel and his board positions in Royal Scandinavia A/S and Royal Copenhagen A/S.

The special competences possessed by Erik Danquard Jensen that are important for the performance of his duties are his strong financial background and his experience through his management and board positions in branded retail and consumer goods companies as well as his experience with PANDORA.

Nikolaj Vejlsgaard was born in 1971, is a Danish citizen and currently lives in Vedbæk, Denmark. Nikolaj Vejlsgaard holds a Msc in Economics & Business Administration from Copenhagen Business School. Currently, Nikolaj Vejlsgaard is a partner at Axcel Management A/S and the Managing Director of Prometheus Invest ApS, DDD Invest ApS, Royal Scandinavia Invest A/S, Waldorf & Statler ApS, AXIII MPH Invest ApS, UIM Holding ApS, MP-AX II Invest ApS and Aztec Holding ApS. Further, Nikolaj Vejlsgaard is currently Chairman of the Board of Directors of IP Gruppen Holding ApS and IP Development A/S. Finally, Nikolaj Vejlsgaard is also a member of the Board of Directors of KW Invest ApS, Axcel Prometheus Newco ApS, Royal Scandinavia Invest A/S, Royal Scandinavia A/S, Era Biler A/S, IP Online A/S, IP Administration A/S, DDD Invest ApS, AFMS Investco ApS, Prometheus Invest ApS, Royal Scandinavia II ApS, Georg Jensen A/S, MNGT1 ApS, MNGT2 ApS, MNGT3 ApS, MNGT4 ApS, MNGT Komplementar ApS, AXIII MP Holding ApS, AFMS Invest ApS, Axcel Prometheus Invest 1 ApS and Axcel Prometheus Invest 2 ApS. Nikolaj Vejlsgaard has been a member of the Board of Directors of PANDORA A/S since March 2008.

Nikolaj Vejlsgaard is not regarded as an independent board member due to his position as Partner in Axcel.

The special competences possessed by Nikolaj Vejlsgaard that are important for the performance of his duties are his extensive experience in general management and active involvement in a number of retail and other companies obtained through his numerous directorships, combined with his experience with PANDORA.

Re agenda item 8:

The Board of Directors proposes re-election of Ernst & Young P/S.

VOTING REQUIREMENTS

All proposals may be passed by a simple majority of votes, cf. Article 10.2 of the Articles of Association.

REGISTRATION DATE, ADMISSION, PROXY AND POSTAL VOTE

Registration date, right to participate and right to vote

A shareholder's right to participate in the General Meeting and the number of votes, which the shareholder is entitled to cast, is determined on the basis of the shares held by such shareholder on **1 April 2011** (*the registration date*). The shares held by each shareholder are determined at the registration date on the basis of the shareholdings registered in the share register and in accordance with any notices on shareholding received, but not yet registered, by the Company in the share register. Furthermore, participation is conditional upon the shareholder having timely obtained an admission card as described below.

Notice of attendance and admission card

An admission card is required for attending the General Meeting. A shareholder, its proxy or any adviser wishing to attend the General Meeting and thus have an admission card issued shall notify the Company of their attendance no later than **5 April 2011**, cf. Article 9.5 of the Articles of Association. Notice of attendance may be given to the Company by returning the form attached hereto as Appendix 2, duly completed and signed, to Computershare A/S, Kongevejen 418, DK-2840 Holte for receipt no later than 5 April 2011. Notice of attendance may also be given electronically at the Company's website **www.Pandoragroup.com** no later than 5 April 2011. Admission card for physical attendance will be sent to the address indicated by a shareholder when notifying attendance.

Proxy

Shareholders prevented from attending the General Meeting may vote by proxy to the Board of Directors or a named third party. Proxy may be granted by returning the form of proxy attached as Appendix 2, duly completed and signed, to Computershare A/S, Kongevejen 418, DK-2840 Holte for receipt no later than **5 April 2011**. Proxy may also be granted electronically at the Company's website **www.Pandoragroup.com** no later than 5 April 2011.

Postal vote

Shareholders may also vote by post before the date of the General Meeting. If you wish to vote by post, please fill in and return the voting form attached as Appendix 2, duly completed and signed, to Computershare A/S, Kongevejen 418, DK-2840 Holte for receipt no later than **5 April 2011**. Your postal vote may also be submitted electronically at the Company's website **www.Pandoragroup.com** no later than 5 April 2011. Once received by the Company, a postal vote is binding on the shareholder and cannot be revoked.

SHARE CAPITAL, VOTING RIGHTS AND CUSTODIAN BANK

The Company's share capital is DKK 130,143,258, divided into shares of DKK 1 or any multiple thereof. Each share of DKK 1 carries one vote.

The Company has designated Nordea Bank Danmark A/S, through which shareholders of the Company may exercise their financial rights.

QUESTIONS

At the General Meeting, the Board of Directors and the Executive Management will answer questions from the shareholders on matters of relevance to the assessment of the Annual Report, the Company's position, and other questions to be addressed by the meeting. Questions can be asked until the date of the General Meeting by writing to PANDORA A/S, Hovedvejen 2, DK-2600 Glostrup, The Legal Department attention General Counsel Lars Jensen or by e-mail to legal@pandora.net. Questions from the shareholders can be asked in both Danish and English, and will be answered in English and can be answered in Danish if so requested.

AGENDA, LANGUAGE, QUESTIONS ETC.

The complete, unabridged text of the documents to be submitted to the General Meeting, as well as the agenda with the full text of all proposals to be submitted to the General Meeting are available at the Company's registered office, Hovedvejen 2, DK-2600 Glostrup, from 9 a.m. to 4 p.m. CET not later than 3 weeks before the meeting.

The following information will be made available at the Company's website www.Pandoragroup.com no later than 3 weeks before the meeting:

- 1) Notice convening the meeting.
- 2) The total number of shares and voting rights as at the date of the notice.
- 3) The documents to be submitted to the general meeting.
- 4) The agenda and the full text of the proposals.
- 5) The forms to be used for voting by proxy and by post.

Registration will commence on Friday, 8 April 2011 at 9.30 a.m. (CET) from which time coffee and tea will also be served.

In accordance with Article 9.8 of the Articles of Association, the General Meeting will be held in English.

Glostrup, 16 March 2011
PANDORA A/S

The Board of Directors

Appendix 1

REMUNERATION POLICY

1.0 Introduction

PANDORA A/S' remuneration policy covers the Board of Directors and the Executive Management. Furthermore, it covers both fixed and incentive-based payment. It aims to attract, retain and motivate the Board Members and the Executive Management. Remuneration levels are designed to ensure:

- The attraction and retention of the Company's Executive Management.
- Further to ensure that the Company's Executive Management are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for the individual contributions to the success of the company.
- The alignment of the interest of the Company's Executive Management with the long-term interest of the Company's shareholders.

The Remuneration policy has been approved by the Board of Directors at a board meeting on **March 14, 2011**.

2.0 Board of Directors

Each Board Member is to receive a fixed base fee per year. The base fee is the same for all Board Members except for the Chairman of the Board. The Deputy Chairman of the Board will receive 1,5 times the base fee.

Furthermore, some Board Members are included in a share program as described in the Company's incentive payment guidelines. This is to be found on the www.Pandoragroup.com website.

A number of committees have been established and the members of each committee will receive a fixed fee for their contribution. The chairman of the committee will receive 1,5 times this fee. The Chairman of the Board will not receive any fee for committee work.

3.0 Executive Management

The Remuneration Committee must review trends in the Company's Executive Management' compensation, and annually benchmark the total remuneration of the Company's Executive Management versus a comparative national and international set and adjust accordingly if necessary. The remuneration package consists of a fixed base salary, a short-term cash bonus, a long-term share based incentive and other benefits.

The short-term incentive cash program is designed to encourage enhanced performance and to ensure that the Company's Executive Management are, in a fair and responsible manner, rewarded for the individual contributions to the success of the Company.

The short-term incentive cash program may result in a maximum payout per year equal to 50% of the yearly base salary for the Executive Management. The targets for the short-term cash program are set by the Remuneration Committee and approved by the Board of Directors.

The long-term incentive program is designed to promote the collective performance of the Executive Management and to align the interest of the Company's Executive Management with the long-term interest of the Company's shareholders.

Both the short-term cash program and the long-term incentive program are described in detail in the Company's incentive payment guidelines which is to be found on the www.Pandoragroup.com website.

Executive Management will receive non-monetary benefits, such as company car, phone etc. Such other benefits are approved by the Board of Directors. In addition the Executive Management may participate in programs that are offered to all PANDORA employees.

PANDORA may terminate the employment contract by giving the Executive Management a notice of up to 24 months. Executive Management may terminate the employment by giving PANDORA a notice of 12 months. In the case of a termination from PANDORA the Executive will have the right to be released from his/her duties after 3 months.

No person will be eligible for severance pay in case of termination for willful misconduct or gross negligence.

The Executive Management' contract will include non-competitive, non-customer and non-solicitation clauses.

PANDORA A/S

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