

PRESS RELEASE

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PANDORA OPENS A NEW CRAFTING FACILITY IN THAILAND

One year after turning the first sod, PANDORA is now opening up its brand new crafting facility in Lamphun close to Chiang Mai in Northern Thailand. The new facility, which opened on 1 October, is now being ramped-up, ready to start commercial production at the start of next year. When fully utilized, the site will employ up to 5,000 people, offering some of the best working conditions and most modern production facilities in Asia. It will set new standards for the jewellery industry in terms of scale, size, green profile and modernity.

The new facility in Lamphun is one of three main projects in PANDORA's efforts to meet increasing demand.

"The site in Lamphun is the first of our recent initiatives to go live, but we are continuously expanding our production capacity, investing a total of DKK 1.8 billion in the period 2015 to 2019," says Thomas Touborg, Senior Vice President, Group Operations.

Besides the new facility in Lamphun, the capacity expansion programme includes building an additional crafting facility in Gemopolis near Bangkok, as well as optimising the existing crafting facilities in Gemopolis.

"With these initiatives we will be able to potentially double our total production capacity compared to 2015 to more than 200 million pieces a year by the end of 2019, and we aim to reduce lead-time from raw material to jewellery delivered by around 50%," says Thomas Touborg.

ABOUT THE CAPACITY EXPANSION PROGRAMME

PANDORA's capacity expansion plans will compared to 2015 potentially double production capacity to more than 200 million pieces a year by the end of 2019. As part of the work, PANDORA will introduce flow principles in production to shorten lead-times by up to 50%.

The capacity expansion programme involves three main projects:

- the new crafting facility in Lamphun
- the new crafting facility in Gemopolis, Bangkok, called Triple A
- reconstruction and optimisation of existing crafting facilities in Gemopolis, Bangkok

Lamphun facility (New) Lamphun	Triple A (New) Gemopolis, Bangkok	Gemopolis (existing) Gemopolis, Bangkok
<ul style="list-style-type: none"> • Construction started in October 2015 • Commercial operation from Q1 2017 • Employees: Up to 5,000 	<ul style="list-style-type: none"> • Construction started in June 2016 • Commercial operation from Q1 2018 • Employees: Up to 5,000 	<ul style="list-style-type: none"> • Ongoing optimisation within the period 2015-2019 • Employees: Up to 8,000

ABOUT PANDORA

PANDORA designs, manufactures and markets hand-finished and contemporary jewellery made from high-quality materials at affordable prices. PANDORA jewellery is sold in more than 100 countries on six continents through approximately 8,900 points of sale, including more than 1,900 concept stores.

Founded in 1982 and headquartered in Copenhagen, Denmark, PANDORA employs more than 17,800 people worldwide of whom approximately 12,000 are located in Gemopolis, Thailand, where the Company manufactures its jewellery. PANDORA is publicly listed on the NASDAQ Copenhagen stock exchange in Denmark. In 2015, PANDORA's total revenue was DKK 16.7 billion (approximately EUR 2.2 billion).

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