



ANNUAL GENERAL MEETING

COPENHAGEN, MARCH 2020

Use of headsets during the Annual General Meeting



For translation into Danish, channel 1



For translation into English, channel 2

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.

Speakers of today



PETER A. RUZICKA

Chair of the
Board of Directors



ALEXANDER LACIK

President and Chief Executive Officer
(CEO)

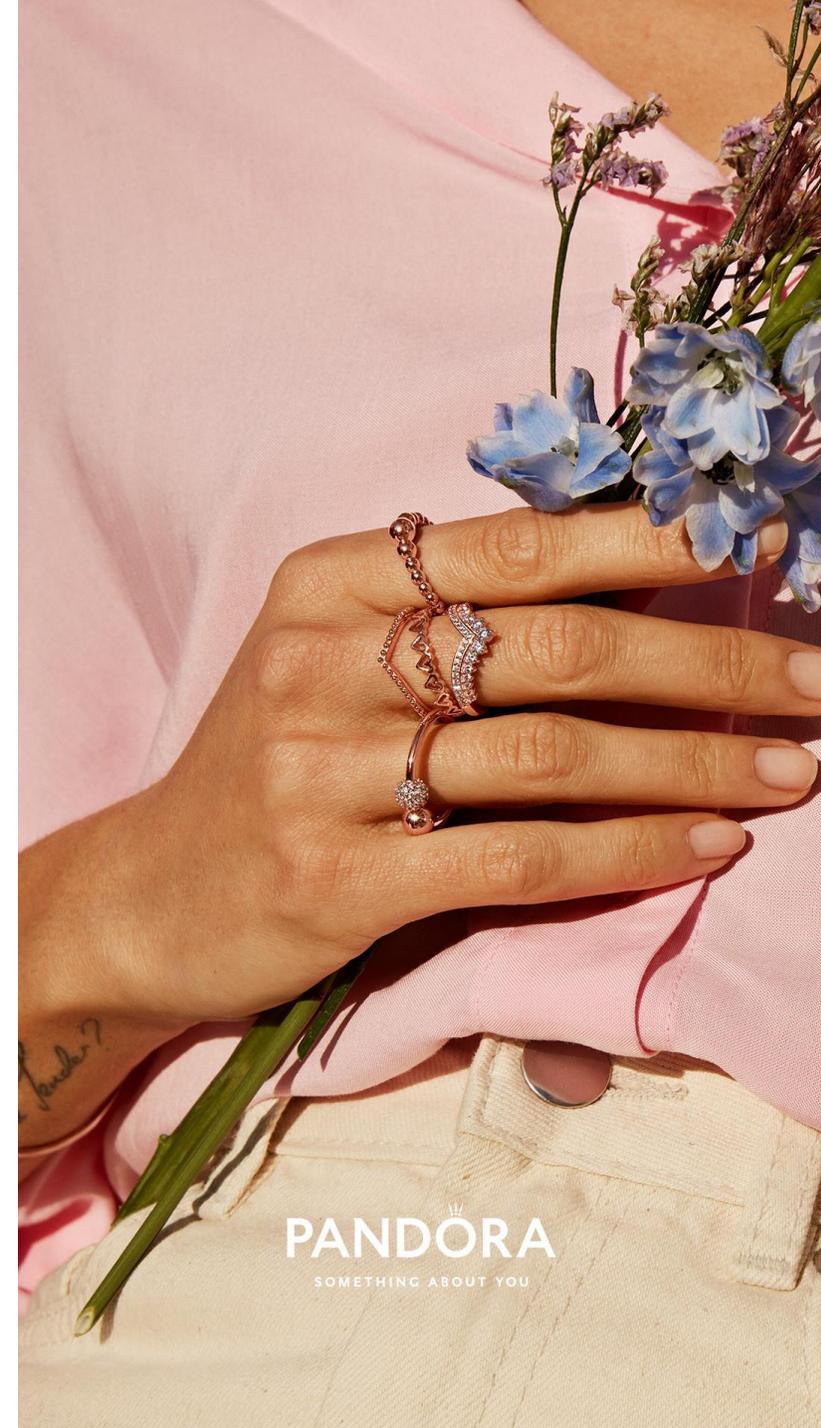


ANDERS BOYER

Executive Vice President and Chief
Financial Officer (CFO)

Agenda of today

- 1 THE BOARD OF DIRECTORS' REPORT ON THE COMPANY'S ACTIVITIES DURING THE PAST FINANCIAL YEAR**
- 2 Adoption of the audited 2019 Annual Report
- 3 Adoption of proposal on the Board of Directors' remuneration for 2020
- 4 Proposed distribution of profit as recorded in the adopted 2019 Annual Report, including the proposed amount of any dividend to be distributed or proposal to cover any loss
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A turnaround with solid fundamentals intact



Cross-generational brand with unmatched recognition



State-of-the-art crafting facilities



Comprehensive global footprint across touchpoints



Strong profitability and cash generation



Programme NOW - Clear roadmap towards sustainable growth

A strong strategic position

PANDORA IS LEADING THE AFFORDABLE JEWELLERY INDUSTRY

Unrivalled scale

>250

thousand pieces of jewellery sold per day

No. 1

jewellery manufacturer in the world by volume

Global reach

>340

million visits to our website in 2019

7,427

points of sale across the world

Brand universe of collectability

86%

aided brand awareness in key markets

23.5

million followers on Facebook and Instagram

Programme NOW delivers strong early results



PROGRAMME NOW
ON TRACK



IMPROVED
PERFORMANCE IN Q4



FY 2019 RESULTS WITHIN
GUIDANCE

The structure of Programme NOW

Turnaround objectives



Brand relevance



Brand access



Cost reset

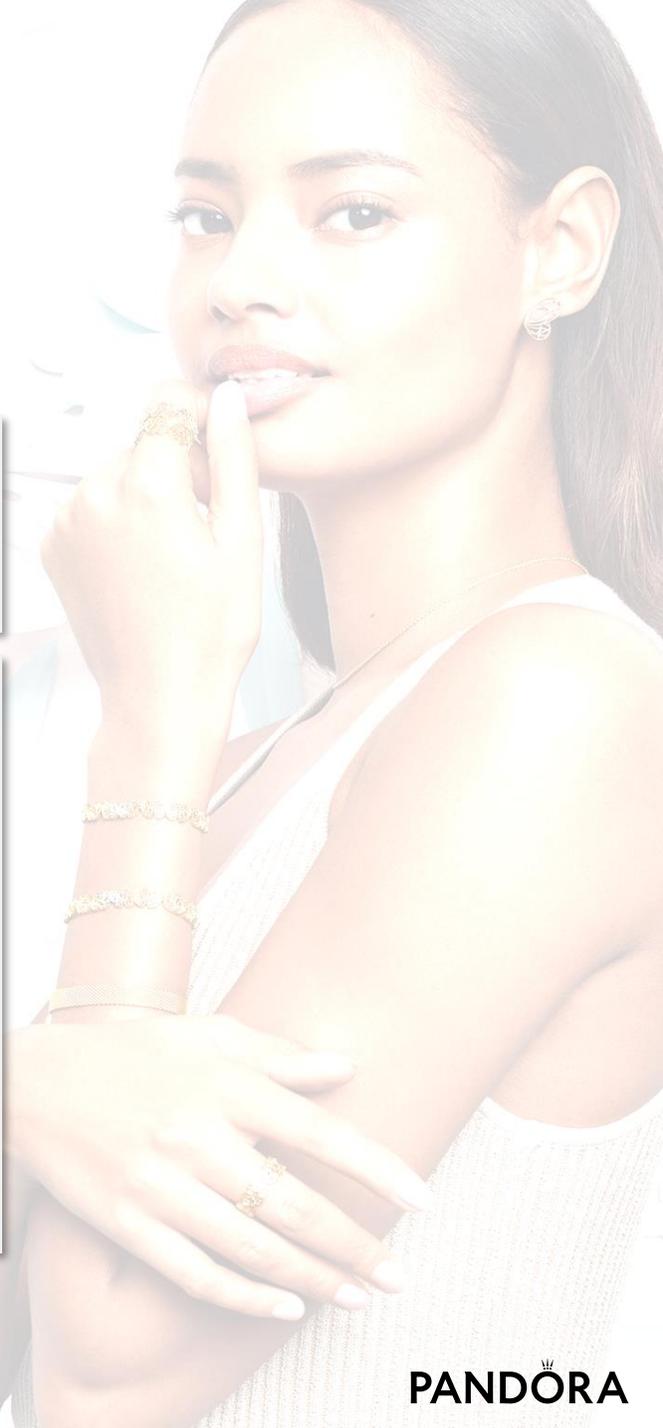
Initiatives

- Brand promise
- Marketing
- Media
- Products

- Network
- Store experience
- Ecommerce
- Omnichannel



Commercial reset



Status after year one in Programme NOW – Several milestones achieved



Commercial reset



35% fewer promotional discounting days



Taken inventory to a healthier level



Optimised the product assortment



Brand relevance



Brand Relaunch on 29 August 2019



Increased media investments



New product launches



New social media strategy



Brand access



New and improved Pandora online stores



New store concept piloting



Omnichannel being piloted in the US together with franchise partners



Network strategy revisited



Cost reset



Cost savings of DKK 675 million in 2019

Brand relaunch kicked off by global PR event







PANDORA

... to Australia

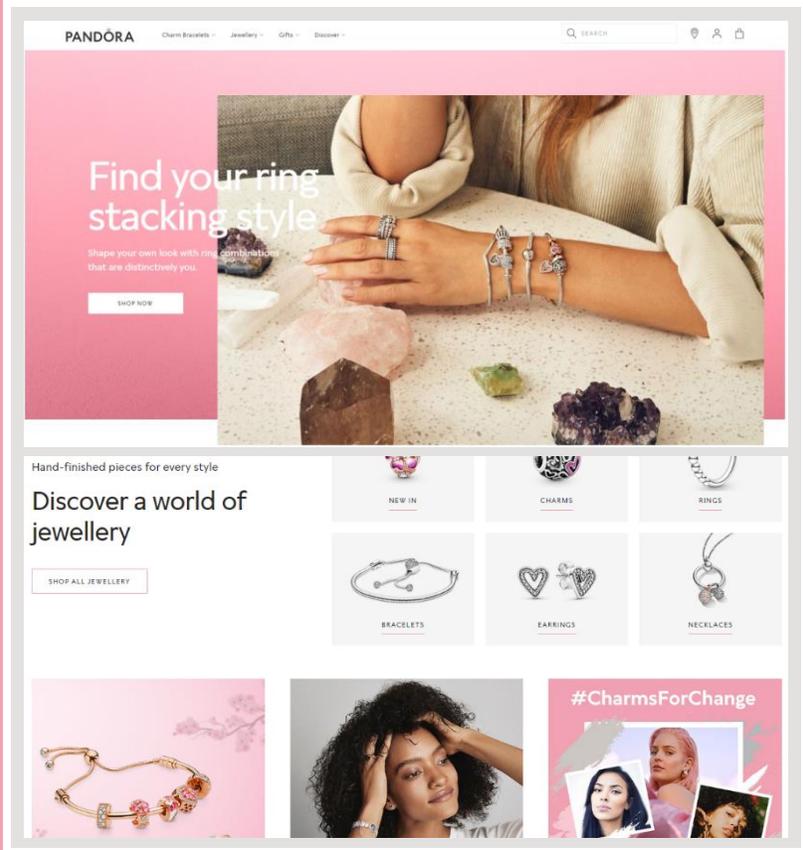


Refreshing the brand across all consumer touchpoints

NEW VISUAL IDENTITY AND TAG LINE



NEW DIGITAL...



...AND RETAIL SHOPPING EXPERIENCE



Launching new exciting products...

**THE O-CARRIER IS EXPANDING
CHARMS BEYOND THE WRIST**

**PANDORA ME – A NEW CHARMS AND
BRACELET PLATFORM**

**PANDORA X HARRY POTTER
COLLECTION**

PANDORA



...And working with celebrities and influencers to create stronger brand relevance

The biggest marketing push in the history of Pandora

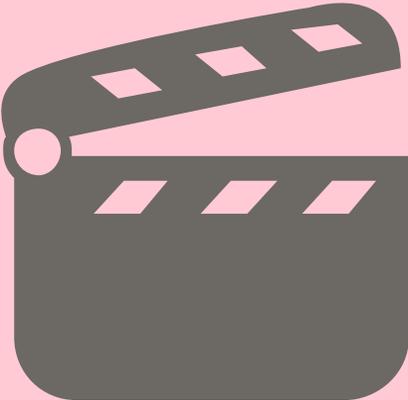
Full year 2019

DKK

2,696,000,000

+26% YoY

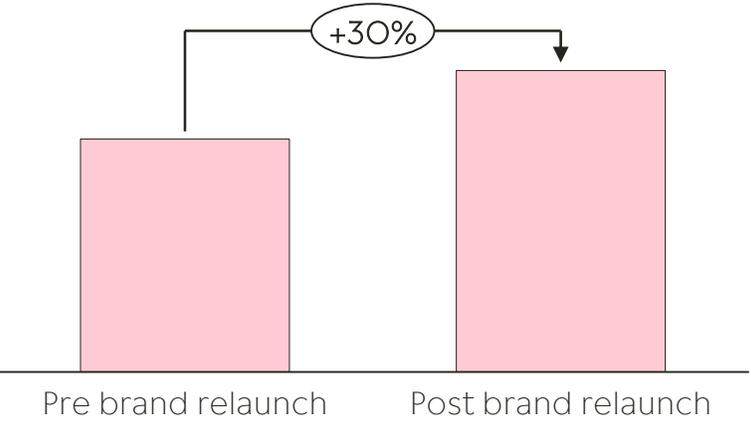
Successful Christmas TV campaign on national television in key markets



Key brand metrics have clearly improved since the brand relaunch

UNAIDED ADVERTISEMENT RECALL

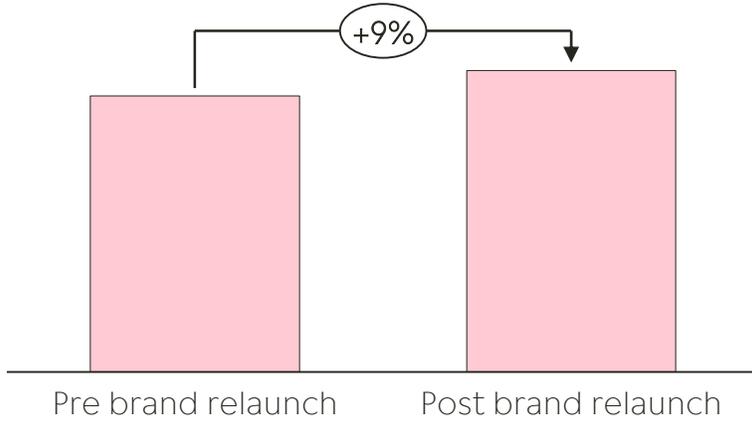
Q: Name jewellery brands that you can remember having seen an ad for in the past 3 months



- After a significant marketing push across media channels, "unaided ad recall" has increased materially for all top-7 markets

UNAIDED BRAND AWARENESS

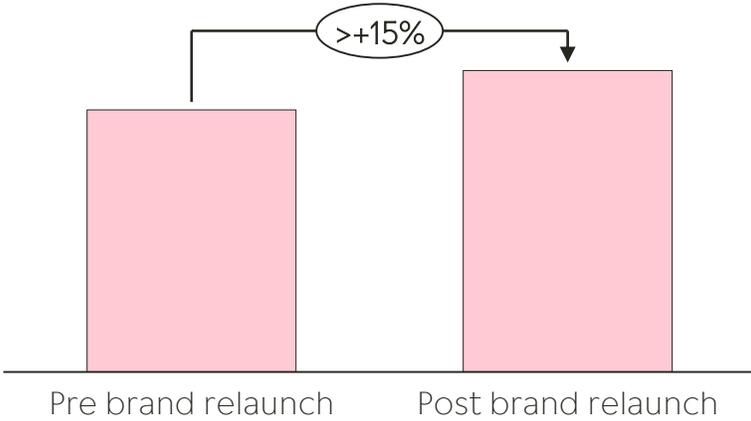
Q: Name jewellery brands that come to mind



- Positive indications on "unaided brand awareness" for all top-7 markets

GOOGLE SEARCHES¹

Index



- Increased google activity across markets with especially a strong pickup in December

Source: Pandora brand tracker surveys
 Note: Pre brand relaunch period is 12 months before brand relaunch. Post brand relaunch period is from September 2019 to December 2019. Google searches are measured through +20,000 key words related to Pandora. ¹China not included

Programme NOW initiatives leading to a significant momentum change in key markets

Area	Market	Momentum change	Quarterly like-for-like 2019 Q3 YTD	Q4	% of total revenue FY 2019
Americas			-6%	-3%	21%
EMEA			-10%	-3%	13%
			-15%	7%	10%
			-21%	3%	5%
			-9%	2%	4%
			-8%	-22%	9%
Asia Pacific			-19%	-14%	5%

The seven key markets account for 69% of the Group's total revenue

The Group like-for-like materially improved from -10% in the first three quarters of the year to **-4%** in the last quarter

Pandora and Covid-19



Our primary concern continues to be the well-being of our employees and ensuring safe environments for our customers. We follow guidelines from local authorities and mall operators and temporarily close stores and offices as they request.

Our crafting in Thailand continues with stable supplies and currently without notable impact from the situation.

We continue to suspend all business travel to risk areas and only allow travel to other destinations if strictly necessary.

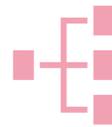
Strategic reorganisation of Pandora being implemented

Establishing a fully consumer focused organisation with strengthened leadership to support future growth ambitions

GLOBAL STRUCTURE DESIGNED TO DEVELOP A BRAND EXPERIENCE BASED ON DEEP CONSUMER INSIGHTS

Strengthening of global functions to support enhanced consumer focus:

- Global business units with accountability for strategy, product and marketing plans across the full value chain
- Digital hub is currently being created in Copenhagen



FLAT OPERATIONAL MODEL TO DRIVE WORLD CLASS RETAIL EXECUTION

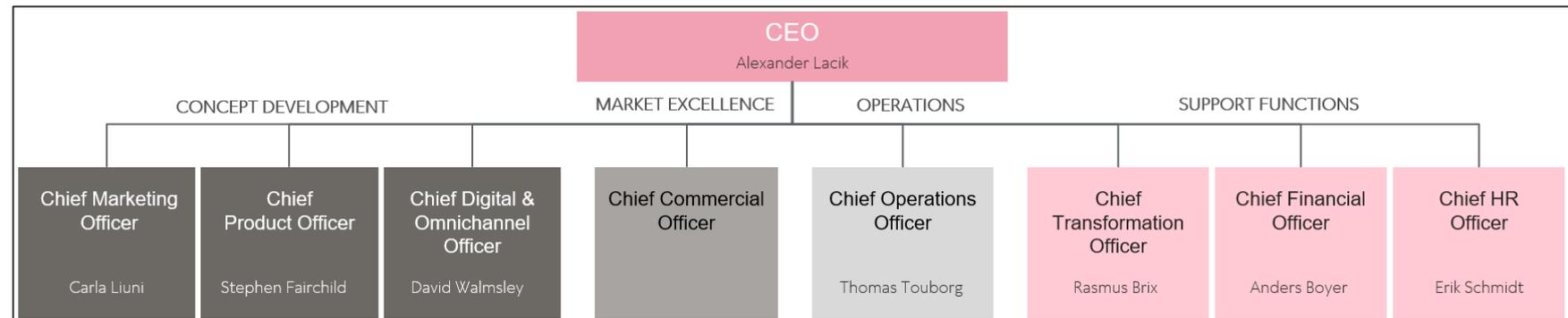
From...

- 3 regional organisations
- No Chief Commercial Officer role



To...

- 10 clusters responsible for 100+ markets in total
- Chief Commercial Officer to join Pandora early in Q2 2020



Pandora sets new climate ambitions

Pandora will be carbon neutral by 2025 and has joined the Science Based Targets initiative to reduce emissions across the value chain

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

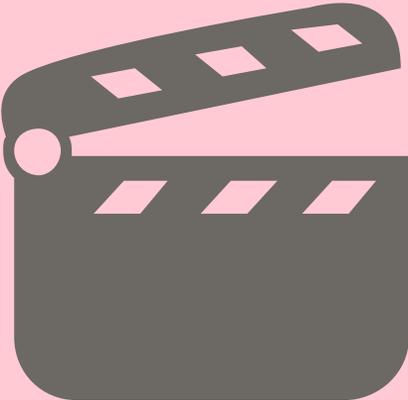


100% renewable energy
at our crafting facilities
by 2020



Committed to set a science-based target
to reduce emissions across
full value chain

A day in Thailand



2019 was the first year of restructuring

Revenue

21.9

DKK billion

Organic growth

-8%

Total like-for-like

-8%

EBIT margin*

26.8%

Free cash flow

6.2

DKK billion

Shareholder distribution

4.0

DKK billion

**Excluding restructuring costs*

Financial guidance 2020

Organic growth

-3% to -6%

EBIT margin excl. restructuring costs

Above 23%

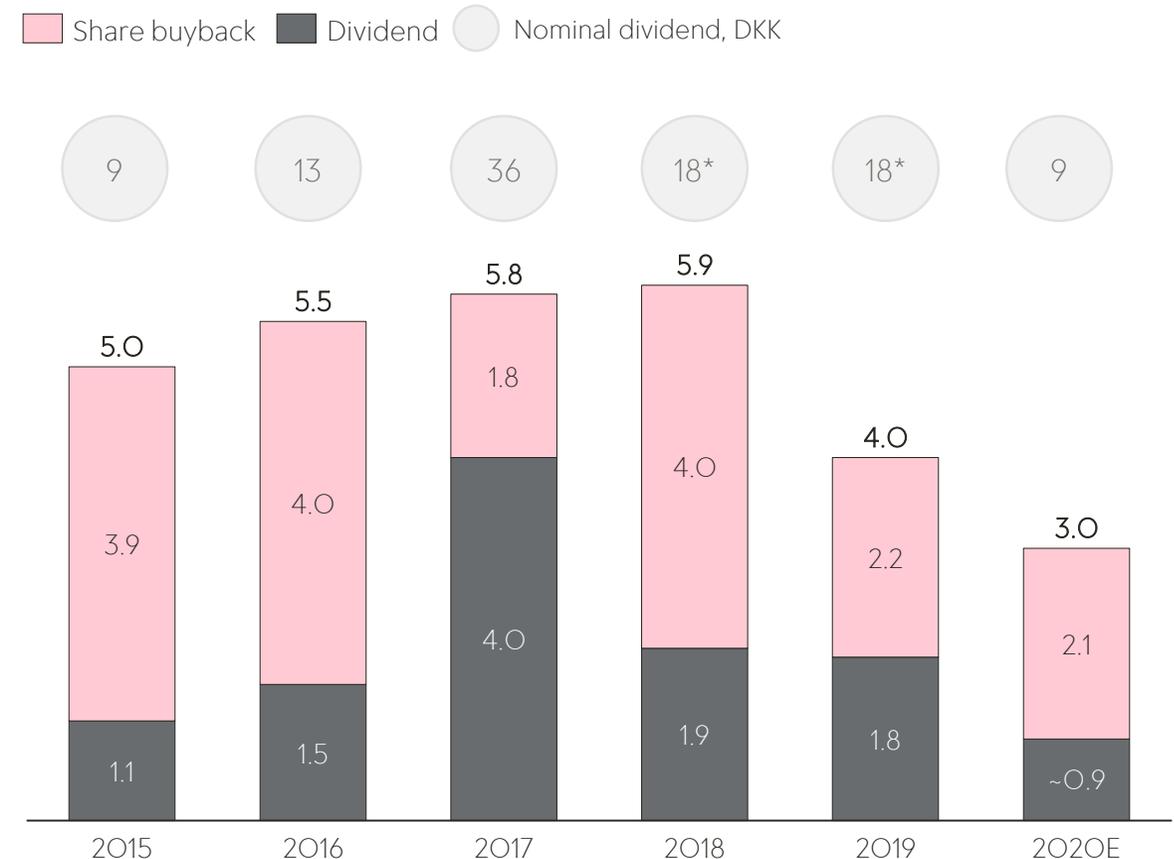
Note: Financial guidance is excluding Covid-19 impact

Continued strong cash distribution to shareholders in 2020

- Total net profit in 2019 was DKK 2.9 billion
- Total cash return in 2020 of DKK 3.0 billion despite significant restructuring costs
- Share buyback programme of DKK 2.1 billion
- Ordinary dividend payment at DKK 9 per share (around DKK 0.9 billion)

¹Share buyback programme will end in March 2021

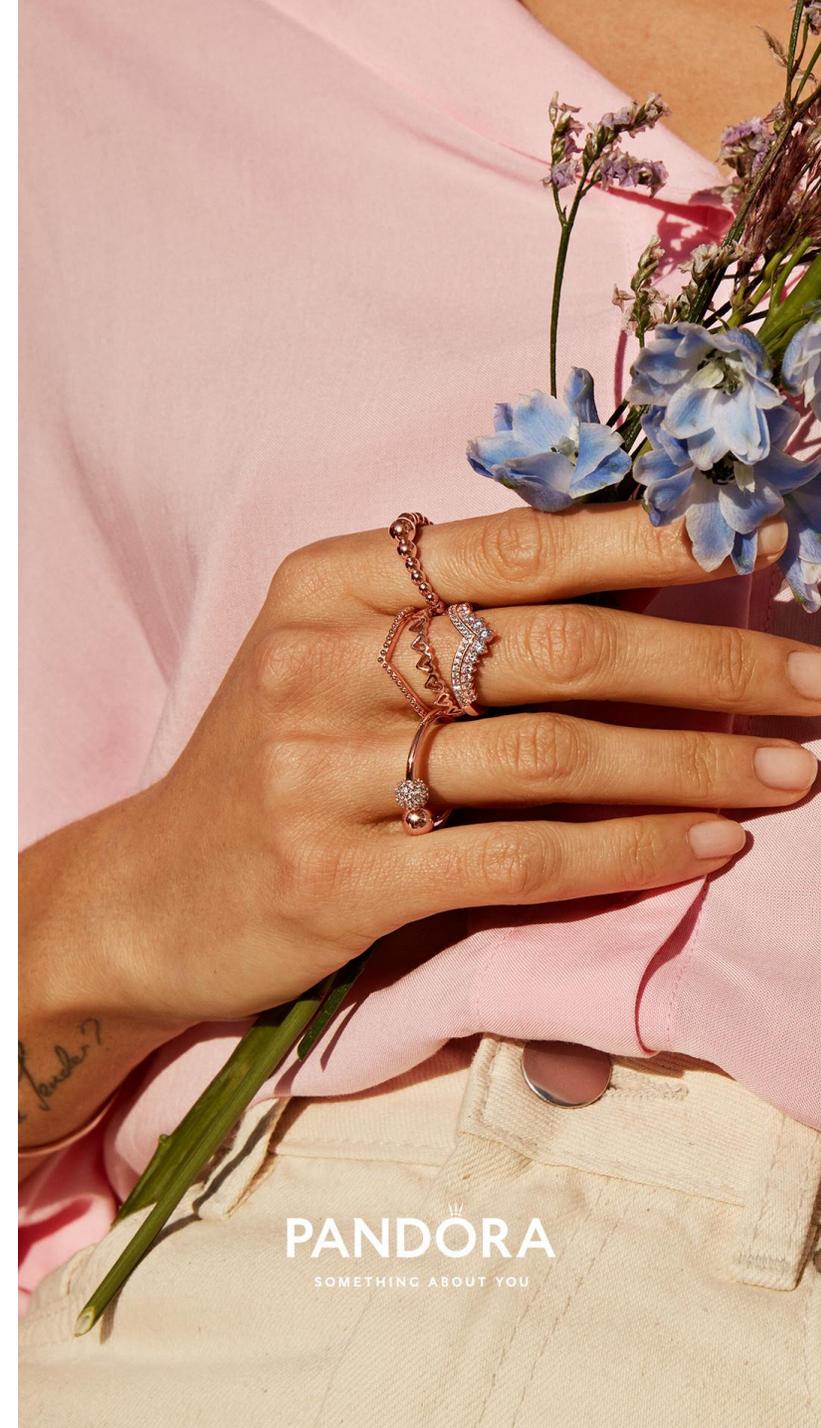
Cash distribution development since 2015 (DKK billion)



* 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

Agenda of today

- 1 The Board of Directors' report on the Company's activities during the past financial year
- 2 **ADOPTION OF THE AUDITED 2019 ANNUAL REPORT**
- 3 Adoption of proposal on the Board of Directors' remuneration for 2020
- 4 Proposed distribution of profit as recorded in the adopted 2019 Annual Report, including the proposed amount of any dividend to be distributed or proposal to cover any loss
- 5 Election of members to the Board of Directors
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- 7 Resolution on the discharge from liability of the Board of Directors and the Executive Management
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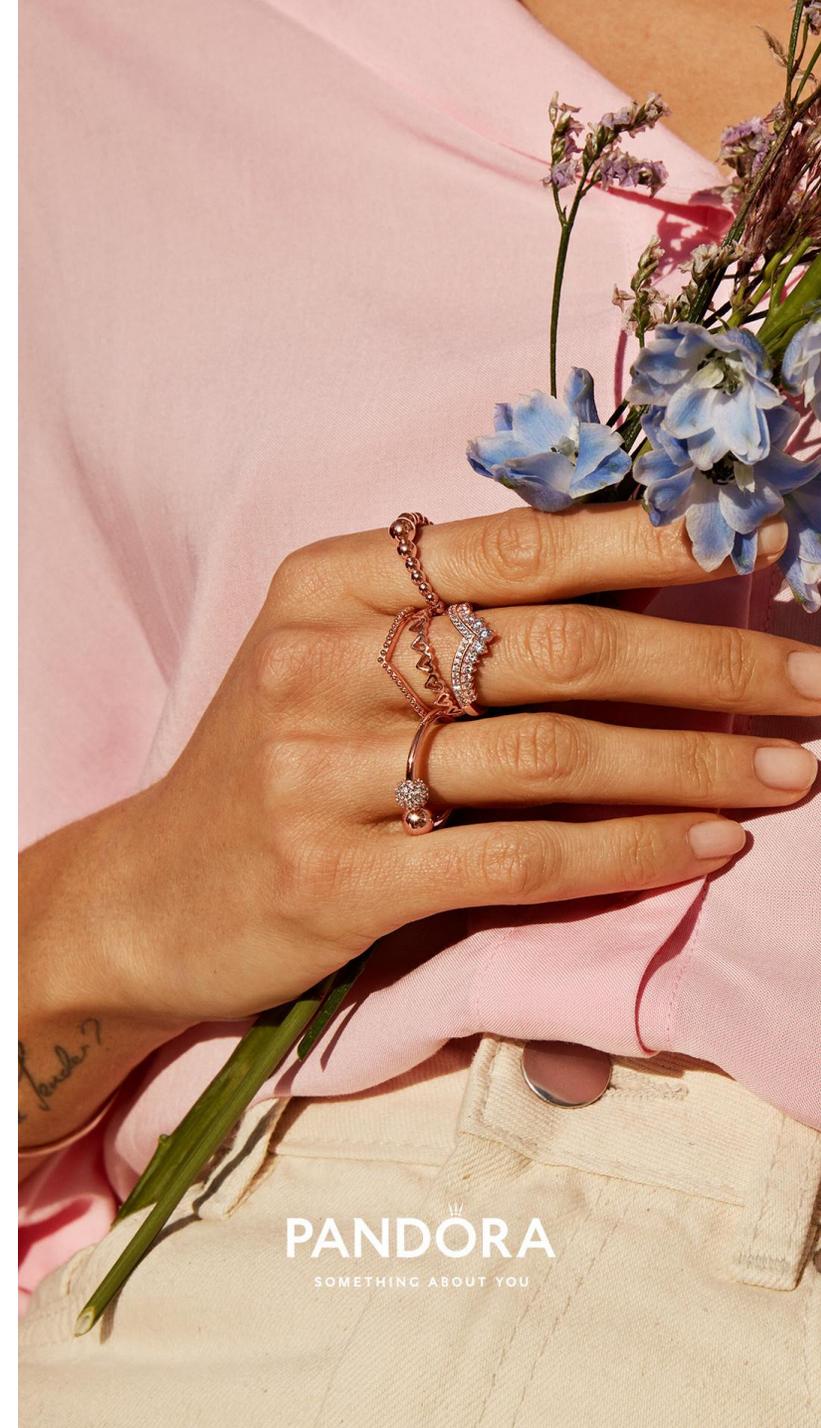
Quote from the independent auditor EY



In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2019 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January - 31 December 2019 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act

Agenda of today

- 1 The Board of Directors' report on the Company's activities during the past financial year
- 2 Adoption of the audited 2019 Annual Report
- 3 ADOPTION OF PROPOSAL ON THE BOARD OF DIRECTORS' REMUNERATION FOR 2020**
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Board of directors remuneration for 2020 (proposed)

Position	DKK thousand
Chair of the Board	1,500
Deputy Chair of the Board	750
Members of the Board	500
Chair of committee	150
Member of committee	100
Audit committee adjustment	+50

Committees

The chair of a committee will receive a fixed fee of DKK 150,000 and a committee member will receive a fixed fee of DKK 100,000.

The chair and members of the Audit Committee shall each receive DKK 50,000 as an additional fee

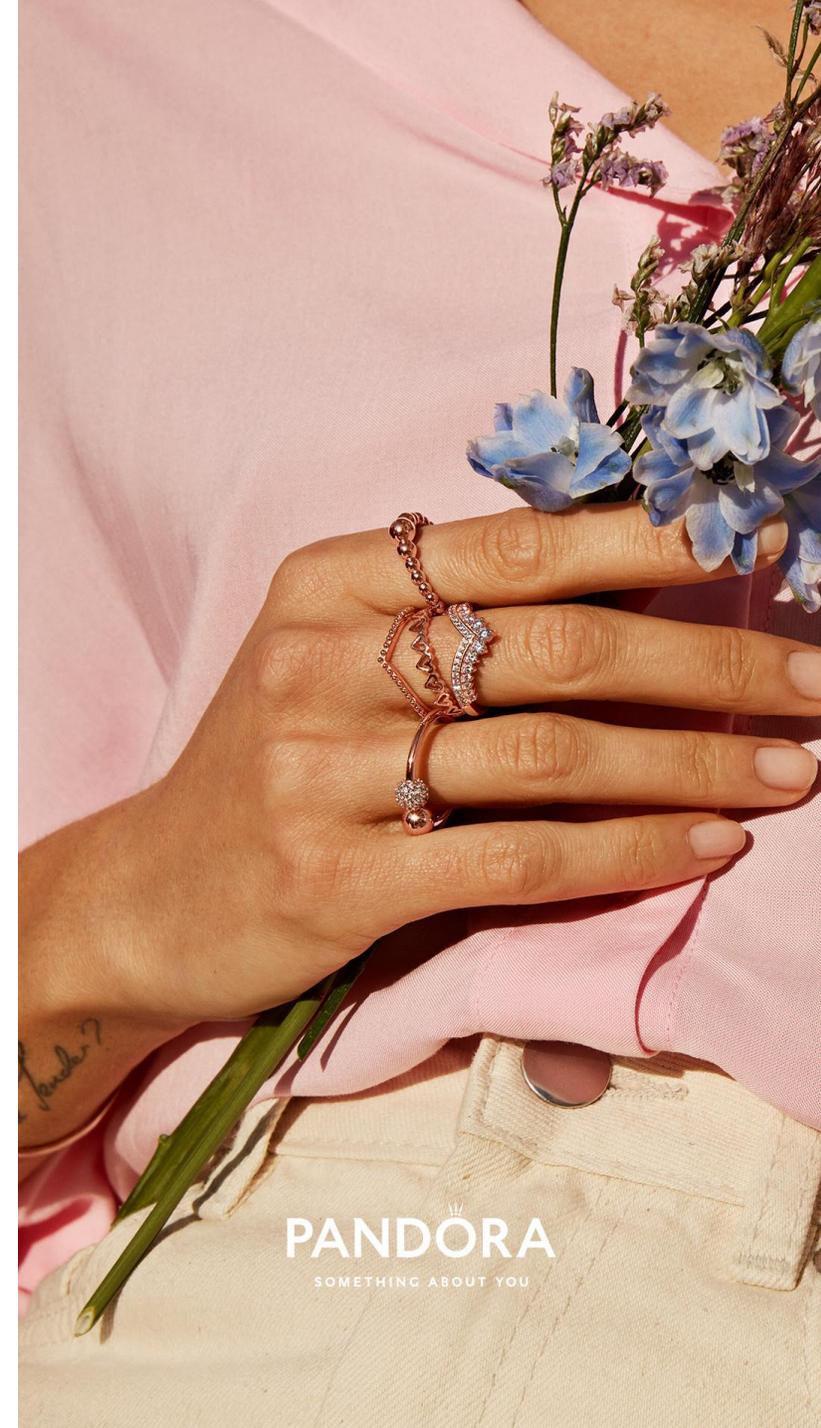
Travel Allowance

Members of the Board will receive a fixed travel allowance when participating in company meetings outside their country of residence.

- Within a continent: DKK 30,000
- Overseas: DKK 60,000

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- 4 PROPOSED DISTRIBUTION OF PROFIT AS RECORDED IN THE ADOPTED 2019 ANNUAL REPORT, INCLUDING THE PROPOSED AMOUNT OF ANY DIVIDEND TO BE DISTRIBUTED OR PROPOSAL TO COVER ANY LOSS**
- 5 Election of members to the Board of Directors
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- 7 Resolution on the discharge from liability of the Board of Directors and the Executive Management
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Proposed cash distribution to shareholders in 2020

DKK
3.0
billion

Total dividend pay-out of DKK

~0.9
billion

Total buyback of own
shares of DKK

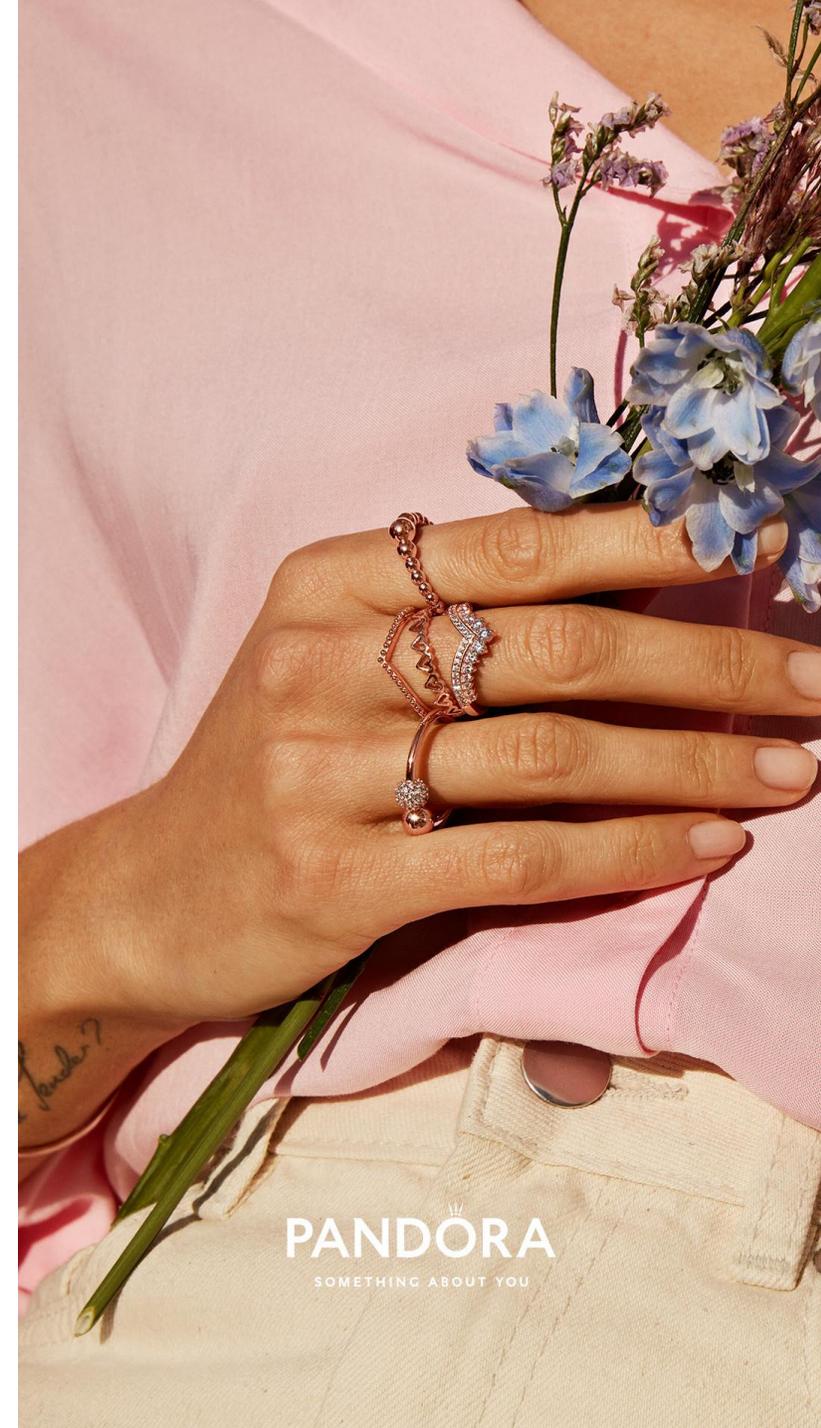
2.1
billion

Total cash return

- Ordinary dividend of DKK 9 per share
- Share buyback programme will run for one year and commence on 12 March 2020 if proposal 8.3 is approved

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- 5 ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS**
- 6 Election of auditor
- 7 Resolution on the discharge from liability of the Board of Directors and the Executive Management
- 8 Any proposal by the shareholders and/or the Board of Directors
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New board candidates up for election

MARIANNE KIRKEGAARD

Recent experience



2016 – present

President & CEO, CSM Bakery Solutions

2015 – present

Board member, AAK AB

2014 – present

Board member, Salling Group A/S

CATHERINE SPINDLER

Recent experience



2019 – present

Chief Marketing Officer, Lacoste

2014 – 2019

Managing Director &
Group Chief Marketing Officer, Veepee

2008 – 2014

International Brand Director,
Yves Rocher Group

Presentation of the Board of Directors

Boards members up for re-election



PETER A. RUZICKA
Chair



CHRISTIAN FRIGAST
Deputy Chair



ANDREA ALVEY
Board member



**BIRGITTA STYMNE
GÖRANSSON**
Board member



ISABELLE PARIZE
Board member



RONICA WANG
Board member

New candidates up for election



CATHERINE SPINDLER
Board member candidate



MARIANNE KIRKEGAARD
Board member candidate

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- 6 ELECTION OF AUDITOR**
- 7 Resolution on the discharge from liability of the Board of Directors and the Executive Management
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Election of auditor

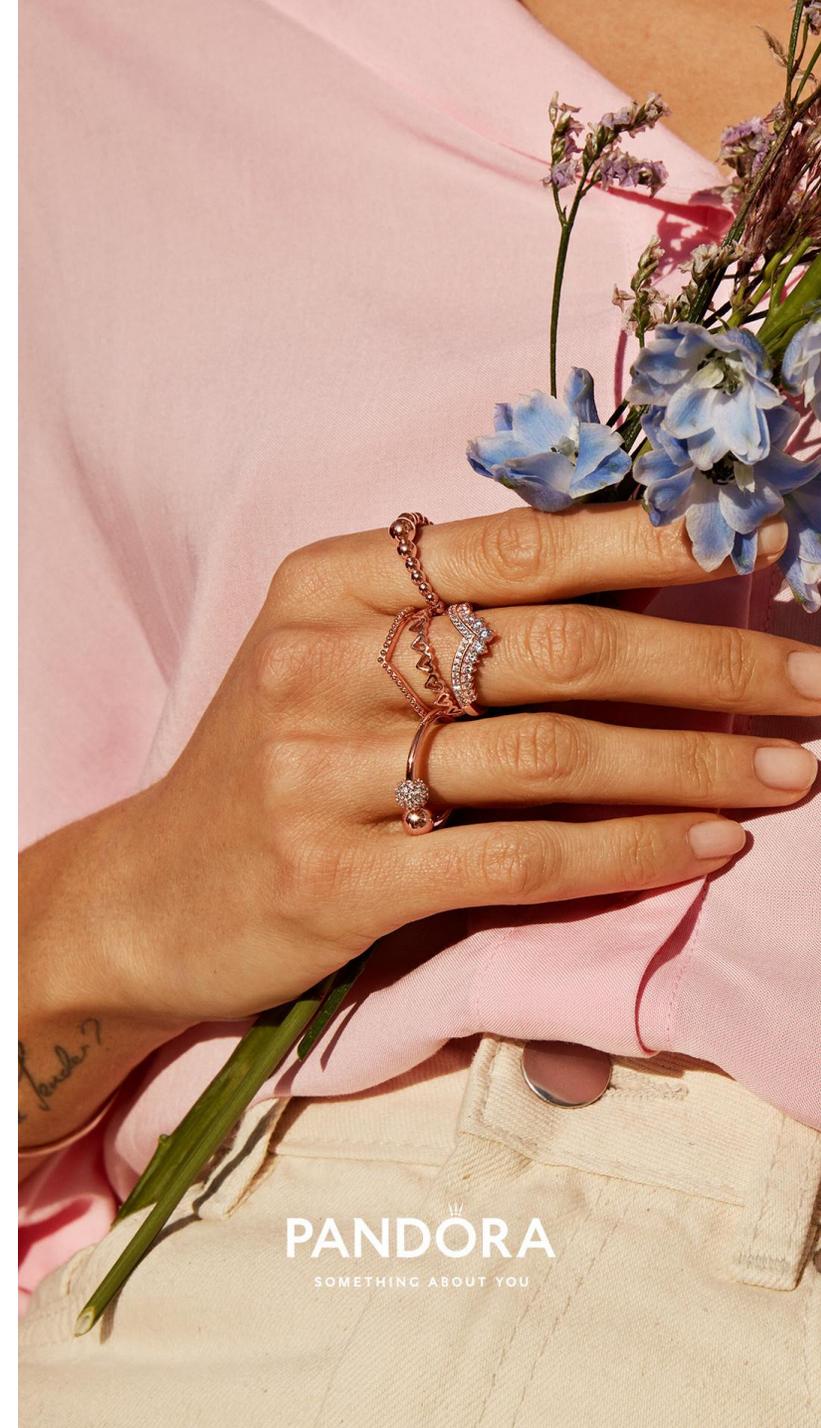
The Board proposes re-election of Ernst & Young P/S in accordance with the Audit Committee's recommendation.



The Audit Committee and the Board has not been influenced by third parties and has not been subject to any agreement with third parties, which limits neither the Board nor the shareholders to the election of certain auditors or audit firms

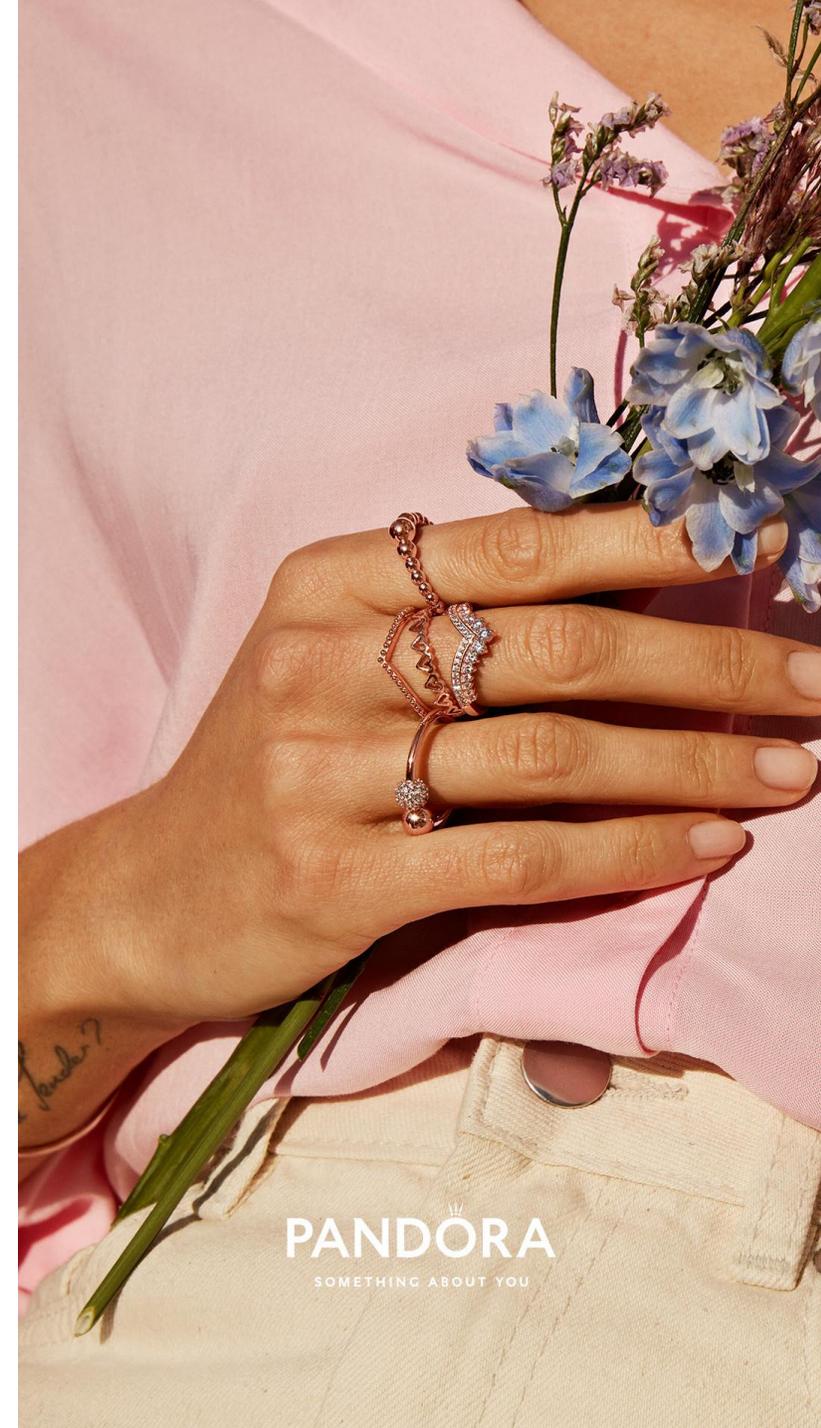
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- 7 RESOLUTION ON THE DISCHARGE FROM LIABILITY OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT**
- 8 Any proposal by the shareholders and/or the Board of Directors
- 9 Any other business



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- 8 ANY PROPOSAL BY THE SHAREHOLDERS AND/OR THE BOARD OF DIRECTORS**
- 9 Any other business



Proposals by the Board of Directors

8.1 Reduction of the Company's share capital

8.2 Amendment of the agenda for annual general meetings to include presentation of the remuneration report

8.3 Authority of the Board to let the Company buy back own shares

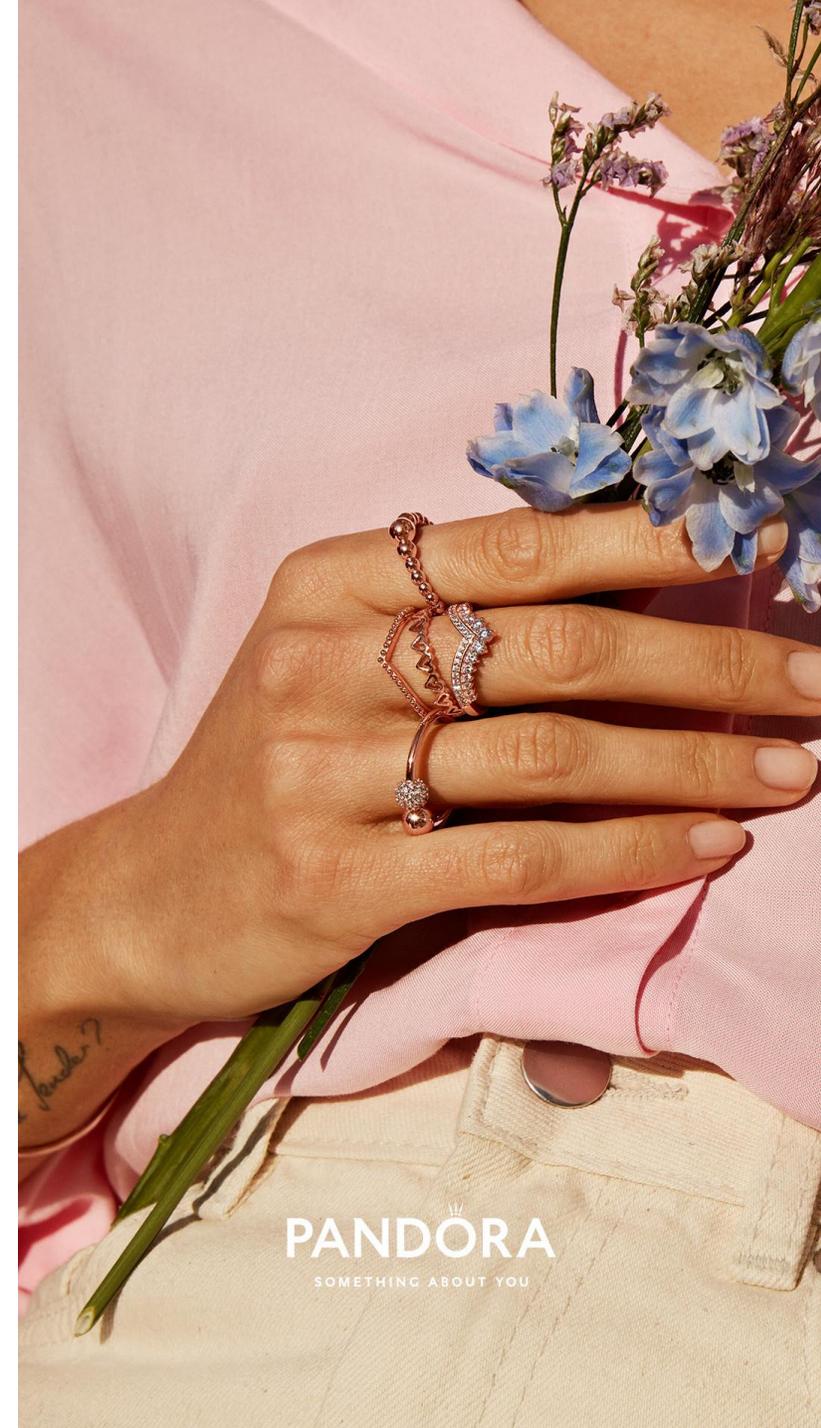
8.4 Adoption of the remuneration policy

8.5 Authority to the chair of the Meeting



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A woman is shown from the chest down, holding a large, vibrant bouquet of hydrangeas. The bouquet features large, light pink and pale yellow flowers with green foliage. She is wearing a white, textured cardigan with a silver buckle. On her left hand, she wears a ring with a pink floral design. On her right wrist, she wears a matching bracelet with pink floral charms. The background is a soft-focus green outdoor setting.

THANK YOU

