



PANDÖRA

INTERIM FINANCIAL REPORT

**Q4 2024**

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# CONTENTS

## HIGHLIGHTS

3	EQUITY STORY
4	EXECUTIVE SUMMARY
5	FINANCIAL HIGHLIGHTS

## BUSINESS UPDATE

6	BUSINESS UPDATE
10	REVENUE REVIEW
14	PROFITABILITY
18	CASH FLOW & BALANCE SHEET
20	FINANCIAL GUIDANCE
23	SUSTAINABILITY
24	OTHER EVENTS
26	CONTACT

## FINANCIAL STATEMENTS

27	FINANCIAL STATEMENTS
31	ACCOUNTING NOTES
41	DISCLAIMER



## EQUITY STORY

**A STRONG BRAND WITH VAST GROWTH OPPORTUNITIES****A STRONG BRAND IN AN ATTRACTIVE CATEGORY**

- Pandora stands as the sole global brand in accessible luxury jewellery, owning the distinct position of “jewellery with a meaning” with consumers worldwide.
- The jewellery market has historically outpaced GDP growth and remains highly fragmented, with global brands expected to grow faster than the overall market.
- Pandora holds the highest brand awareness in the industry.

**AN ASSET-LIGHT, FULLY INTEGRATED BUSINESS MODEL**

- Our asset-light business model benefits from a unique fully vertically integrated ecosystem - from design and crafting to a vast distribution network.
- This integration provides unrivalled scale and, together with our brand strength, drives our strong margin profile and high returns.

**UNIQUE GROWTH OPPORTUNITIES**

- There are numerous untapped growth opportunities within our existing business model across various geographies, jewellery categories and designs.
- The essence of our growth strategy is to shift the perception of Pandora to a full jewellery brand and leverage our existing infrastructure.

**A RESILIENT, SUSTAINABLE BUSINESS**

- Sustainability is an integral part of our business and we are progressing toward some of the most ambitious sustainability targets in the industry, spearheading the use of recycled silver and gold and lab-grown diamonds.

**DRIVING MID-TO-HIGH-TEENS EPS GROWTH**

- We expect to outgrow the jewellery market, targeting annual high-single digit organic growth, while maintaining best-in-class profitability with a gross margin around 80% and an EBIT margin increasing from around 25% today to 26-27% in 2026\*.
- We anticipate generating significant free cash flow, which, in line with our historic approach, will be fully returned to shareholders, driving annual EPS growth in the mid-to-high teens.



\*The EBIT margin target for 2026 was based on September 2023 foreign exchange rates and a silver price of USD 23.6 / oz. At the current spot price of USD 30.5 / oz, Pandora confirms the target, although currently pointing towards the low-end of the range.

## EXECUTIVE SUMMARY

**PANDORA DELIVERS 13% ORGANIC GROWTH IN 2024 – TARGETING 7-8% GROWTH IN 2025****FY 2024 HIGHLIGHTS**

- 2024 was another successful year for Pandora. Delivering on the Phoenix strategy, Pandora continued to elevate itself as a full jewellery brand, driving more consumers into the brand.
- Revenue and EBIT increased by 13% to reach DKK 31.7 billion and DKK 8.0 billion, respectively.
- Organic growth ended at 13% (guidance of “11-12%”), comprising of like-for-like (LFL) of 7% and network expansion of 5%.
- The gross margin continued to strengthen and ended at 79.8%, up 120bp Y/Y. The EBIT margin remained solid at 25.2% (guidance at “around 25%”). This helped drive 17% EPS growth to a new record-high of DKK 65.
- Strong progress on working capital drove cash conversion of 85%. Leverage ended at 1.1x NIBD/EBITDA.
- Proposed dividend of DKK 20 per share and a new share buyback programme of DKK 4.0 billion to be completed no later than 30 January 2026.

**Q4 2024 HIGHLIGHTS**

- Growth remained solid through Q4 2024. Organic growth ended at 11%, comprising of LFL growth of 6% and network expansion of 5%.
- Q4 LFL growth was driven by strong performance in the US of 9% and Rest of Pandora at 11%. Growth in key markets in Europe was slower at 0%.
- The Q4 gross margin reached 79.8%, +50bp Y/Y, supported by pricing. In line with expectations, the Q4 EBIT margin expanded by 70bp to reach 34.7%.

**PHOENIX STRATEGY HIGHLIGHTS**

- Pandora is making notable investments into its four major strategic Phoenix pillars which are collectively showing encouraging results.
- The objective to restage the Pandora brand is visible in the numbers; LFL growth in the “Core” segment ended 2024 with 2% growth whilst the “Fuel with more” segment drove 22% growth. Q4 2024 saw a continuation of this trend.
- After successful testing in Q4 2024, Pandora’s brand-new e-commerce platform is set to be rolled out globally through 2025. The new platform looks to notably step up Pandora’s brand desirability.
- Based on a silver price of USD 30.5/oz as of January 27, 2025, Pandora re-confirms the EBIT margin target of 26-27% by 2026, although currently pointing towards the low-end of the range.

**2025 GUIDANCE AND CURRENT TRADING**

- Initial guidance for 2025 is for “7-8% organic growth” and an EBIT margin of “around 24.5%”.
- Current trading in Q1 2025 shows LFL at high-single digit levels. This is somewhat flattered by a strong End of Season Sale. Pandora continues to see underlying LFL trading being at healthy mid-single digit levels.

**Alexander Lacik, President and CEO of Pandora, says:**

“We are pleased with how we ended 2024, particularly given the challenging macroeconomic backdrop and a competitive holiday period. Execution of our Phoenix strategy continued to drive the brand forward throughout the entire year. In 2025, we target another year of solid and profitable growth and we have all actions lined up to continue the strong development.”

DKK million	Q4 2024	Q4 2023	FY 2024	FY 2023	FY 2025 guidance
Revenue	11,973	10,820	31,680	28,136	
<b>Organic growth</b>	<b>11%</b>	<b>12%</b>	<b>13%</b>	<b>8%</b>	<b>7-8%</b>
Like-for-Like, %	6%	9%	7%	6%	
Operating profit (EBIT)	4,149	3,674	7,974	7,039	
<b>EBIT margin, %</b>	<b>34.7%</b>	<b>34.0%</b>	<b>25.2%</b>	<b>25.0%</b>	<b>Around 24.5%</b>

## FINANCIAL HIGHLIGHTS

DKK million	Q4 2024	Q4 2023	FY 2024	FY 2023
<b>FINANCIAL HIGHLIGHTS</b>				
Revenue	11,973	10,820	31,680	28,136
<b>Organic growth, %</b>	<b>11%</b>	<b>12%</b>	<b>13%</b>	<b>8%</b>
Like-for-like, %	6%	9%	7%	6%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	4,772	4,227	10,327	9,118
Operating profit (EBIT)	4,149	3,674	7,974	7,039
<b>EBIT margin, %</b>	<b>34.7%</b>	<b>34.0%</b>	<b>25.2%</b>	<b>25.0%</b>
Net financials	-347	-330	-1,048	-805
Net profit for the period	2,869	2,530	5,227	4,740
<b>FINANCIAL RATIOS</b>				
Revenue growth, DKK, %	11%	10%	13%	6%
Revenue growth, local currency, %	11%	13%	14%	9%
Gross margin, %	79.8%	79.3%	79.8%	78.6%
EBITDA margin, %	39.9%	39.1%	32.6%	32.4%
EBIT margin, %	34.7%	34.0%	25.2%	25.0%
Effective tax rate, %	24.5%	24.4%	24.5%	24.0%
Equity ratio, %	20%	23%	20%	23%
NIBD to EBITDA, x	1.1	1.1	1.1	1.1
Return on invested capital (ROIC), % <sup>1</sup>	46%	45%	46%	45%
Cash conversion incl. lease payments, %	124%	116%	85%	78%
Net working capital, % of last 12 months' revenue	-1.7%	1.8%	-1.7%	1.8%
Capital expenditure, % of revenue	4.6%	5.4%	6.1%	5.8%
<b>STOCK RATIOS</b>				
Total payout ratio (incl. share buyback), %	35%	30%	105%	136%
Dividend per share, proposed, DKK	20	18	20	18
Dividend per share, paid, DKK	-	-	18	16
Earnings per share, basic, DKK	35.6	29.6	64.8	55.5
Earnings per share, diluted, DKK	35.5	29.4	64.6	55.1
<b>CONSOLIDATED BALANCE SHEET</b>				
Total assets	27,758	23,798	27,758	23,798
Invested capital	16,515	15,126	16,515	15,126
Net working capital	-549	510	-549	510
Net interest-bearing debt (NIBD)	11,008	9,770	11,008	9,770
Equity	5,508	5,355	5,508	5,355
<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>				
Cash flows from operating activities	5,725	4,821	8,721	7,384
Capital expenditure, total	553	582	1,919	1,624
Capital expenditure, property, plant and equipment	439	394	1,419	1,176
Free cash flows incl. lease payments	5,126	4,277	6,767	5,489
<b>SUSTAINABILITY</b>				
Scope 1, 2 & 3 emissions, tonnes CO <sub>2</sub> equivalent <sup>2</sup>	-	-	286,198	272,967
Share of renewable electricity, %	-	-	100%	87%
Recycled silver and gold, total, %	-	-	100%	97%
Leadership Team gender ratio, female/male, %	-	-	35/65	34/66
Total employees (end of period), number	-	-	41,326	37,142

<sup>1</sup> Last 12 months' EBIT in % of last 12 months' average invested capital. The "Return on invested capital (ROIC), %" was updated in Q1 2024 from "Last 12 months' EBIT in % of invested capital" to "Last 12 months' EBIT in % of last 12 months' average invested capital" to present a more useful and less volatile KPI by switching to a moving annual average. All comparative periods have been restated.

<sup>2</sup> In 2024, we have reassessed Pandora's calculation methodology and data for Scope 3 based on updated knowledge. This led to adjustments in total emissions (tonnes CO<sub>2</sub>e), with an increase of 8,423 in 2023 (+3%).

For definitions of the performance measures used by Pandora, see note 5.6 Financial definitions to the consolidated financial statements in the Annual Report 2024.

**BUSINESS UPDATE****DELIVERING ON THE PHOENIX STRATEGY - SOLID GROWTH AND PROFITABILITY IN 2024**

At the Capital Markets Day in 2023, Pandora highlighted its vision to transform the perception of the brand into a full jewellery brand in the accessible luxury market and thereby accelerate revenue growth. Through the course of 2024, Pandora scaled up investments across its entire value chain to help set up Pandora for a consistent growth trajectory and tap into the vast untapped growth opportunities. These investments are already yielding good results with Pandora delivering 13% organic growth for 2024, including LFL growth of 7% and an EBIT margin of 25.2% - resulting in 17% EPS growth for the year.

The year ended on a solid note for Pandora with Q4 2024 marking the sixth consecutive quarter of double-digit organic growth. Pandora benefitted from strong execution across the holiday period which drove positive traffic, despite a highly promotional external environment and a tough comparison base which was boosted last year by various social media activations. Whilst Pandora continued to scale up investments into its value chain through the year, Pandora ended the year with strong profitability at 34.7%, +70bp Y/Y in Q4 2024, supported by a still strong gross margin around 80%.

The 11% organic growth in Q4 2024 was supported by solid LFL growth at 6% and network expansion at 5%. LFL growth was driven by strong growth in the US of 9%, helped by solid execution around the holiday period. In Europe, LFL growth in key markets slowed to 0% with the markets of France and Italy facing some country specific challenges, albeit being more than offset by still strong growth in Germany of 28%. Rest of Pandora continued to deliver another double-digit quarter of 11% LFL with growth remaining relatively broad based.

By channel, growth was predominantly driven by online which saw 20% revenue growth, and increased by 2pp share of business, landing at 27% in Q4 2024. Pandora's own stores continued to outperform partner stores in Q4 2024 with Pandora's physical network delivering a 6pp better LFL than partners.

In Q4 2024, Pandora's gross margin reached 79.8%, +50bp Y/Y. The increase came despite a 90bp combined headwind from commodities and foreign exchange, reflecting price increases and efficiencies at the crafting facilities and a lower headwind Y/Y from forward integration. Pandora notes that through the quarter, consumer activity was more concentrated around the promotional events, particularly Black Friday, driving a slight drag on the gross margin.

**INVESTING TO DRIVE BRAND DESIRABILITY, NEW E-COMMERCE PLATFORM SET TO GO LIVE GLOBALLY**

Driving Pandora towards its full jewellery brand promise, Pandora is scaling up investments across the entire value chain. These include marketing, design, the store network and technology - with the non-stop focus being to drive brand desirability. Through the year, Pandora's major brand KPIs continued to track positively which also indicate that the consumer awareness of Pandora's broader jewellery offering is steadily increasing. In marketing, during Q4 2024 Pandora continued to leverage its "BE LOVE" campaign which has been driving the initial phase of the restaging of the Pandora brand. Pandora's holiday campaign 2024 continued to build off this core message and featured some of the global brand ambassadors, including Halle and Chloe Bailey alongside Pamela Anderson. As in previous quarters, Pandora continued to be present across cultural events which included being the Principal Partner for The Fashion Awards 2024 in the UK.

Elsewhere, through the course of 2023 and 2024, Pandora has been investing in enhancing its already successful e-commerce platform. Whilst the current e-commerce platform has been successful in driving a strong online presence for the brand, Pandora has now taken this a step further with a significant elevation which centres on bringing the brand to life online for consumers in a much more immersive experience. The clear aim is to drive brand desirability. The new platform was tested over Q4 2024 in Italy and Canada with initial results being encouraging. Major commercial

metrics for the new e-commerce platform have been at least in-line with the previous platform and, importantly, the consumer interaction with the new branded content has been higher. Pandora will be rolling out the new platform globally in phases from Q1 2025, with all markets expected to be live by the end of Q2 2025.

### GROWING THE “CORE” WHILE “FUELLING WITH MORE”

Pandora continued to leverage the new marketing message from Pandora’s BE LOVE campaign to help drive growth across its two segments. In Q4 2024, the Core segment delivered 2% LFL growth whilst the Fuel with more segment drove 13% LFL growth, in-line with the strategic intent. Across the two segments Pandora looks to cater for a wide range of design aesthetics, with the specific collection focus in any given year depending on creative innovation, various marketing campaigns and consumer trends, all with a unified goal of consistently targeting existing and new consumers and driving overall growth in the two segments. During 2024, Pandora launched its brand-new collection, PANDORA ESSENCE. The collection expands into the aesthetic space of organic, fluid and natural which constitutes 17% of the global jewellery market where Pandora previously had very limited presence. In Q4 2024, PANDORA ESSENCE drove total revenue of DKK 232 million. This is despite a greater commercial focus in the holiday season towards the established platforms and overall represents good progress for a new collection. Encouragingly, broadly half of the revenue generated by PANDORA ESSENCE is still estimated to be generated by consumers who are new to the Pandora brand.

For the year, Pandora Lab-Grown Diamonds ended with DKK 315 million revenue with LFL growth of 43%. Pandora continues to play a significant role in democratising diamonds for consumers and has also seen a tangible positive halo effect on the brand from adding the collection to the portfolio. While growth is expected to continue, the global roll-out will proceed at a slower pace than originally anticipated. The DKK 1 billion revenue target set at the CMD in 2023 remains a key ambition, though it is now expected to be achieved beyond 2026. For 2025, Pandora will continue to take learnings forward and has exciting plans for its new Microfine Diamonds range.

REVENUE BY SEGMENT DKK million	Q4 2024	Q4 2023	Like- for-Like	Share of Revenue	FY 2024	FY 2023	Like- for-Like	Share of revenue
<b>Core</b>	<b>8,784</b>	<b>8,180</b>	<b>2%</b>	<b>73%</b>	<b>23,542</b>	<b>21,951</b>	<b>2%</b>	<b>74%</b>
- Moments	7,462	6,880	3%	62%	19,934	18,369	3%	63%
- Collabs	964	965	-5%	8%	2,564	2,681	-9%	8%
- ME	358	335	2%	3%	1,044	900	13%	3%
<b>Fuel with more</b>	<b>3,189</b>	<b>2,640</b>	<b>13%</b>	<b>27%</b>	<b>8,139</b>	<b>6,186</b>	<b>22%</b>	<b>26%</b>
- Timeless	2,527	2,117	11%	21%	6,339	4,787	22%	20%
- Signature	304	407	-27%	3%	910	1,129	-21%	3%
- PANDORA ESSENCE <sup>1</sup>	232	2	-	2%	574	5	-	2%
- Pandora Lab-Grown Diamonds	127	113	18%	1%	315	265	43%	1%
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>	<b>6%</b>	<b>100%</b>	<b>31,680</b>	<b>28,136</b>	<b>7%</b>	<b>100%</b>

<sup>1</sup>PANDORA ESSENCE was launched in Q2 2024 following a pilot in the Netherlands in 2023.

### NETWORK EXPANSION CONTINUES AT A GOOD PACE

In Q4 2024, Pandora delivered an incremental revenue contribution from network expansion of 5%, driven by the opening of concept stores and Pandora owned shop-in-shops over the past 12 months. The full year organic growth contribution from network expansion also landed at 5% with total net concept store openings of 137, in-line with the guidance of 125-150 and total net Pandora owned shop-in-shops at 99, compared to the guidance of 50-75. As has been the case in the past, 2024 was no exception to the value creation Pandora sees from its network expansion strategy with EBIT margins reaching 35-40% in a new store already in year 1, driving a rapid payback of investment.

Given the value accretion on margins and returns, Pandora continues its plans to expand the network with 400-500 targeted net openings through 2024-2026. In FY 2025, Pandora targets net 50-75 concept store openings. The lower

net concept store openings in 2025 reflect efforts to optimise the store network in China, anticipating closures of at least 50 concept stores. These closures will have minimal impact on Pandora's organic growth in the year with growth attributed from network expansion still expected to be 3%. For Pandora owned shop-in-shops, Pandora currently plans around 25 openings.

Pandora continues to see its stores as a key part of the branded experience for consumers and continues to invest behind this. During Q4 2024, Pandora's Holiday 2024 store window campaign captured the enchantment of a Nordic winter, inspired by the cherished tradition of the advent calendar. Each scene brought to life a snowy landscape, juxtaposed with the warmth and joy found behind every door and window. Inside, a signature Pandora pink interior was revealed, reinforcing the brand's distinctive identity. As such, Pandora continues to upgrade its store format with the roll-out of the new store concept. By the end of 2024, Pandora has a total of 425 stores in the new concept across its markets. The roll-out is a long-term investment and a multiyear journey, aiming to enable Pandora's positioning as a full jewellery brand while elevating brand desirability. Pandora continues to see encouraging signs from performance of its new store concept with particularly good execution of the entire new wall spaces across the holiday season, allowing for more selling stations across Pandora's diverse collections. Pandora is targeting around 1,375-1,425 stores in the new concept by the end of 2026.

#### **DESPITE ADVERSE MOVEMENTS IN COMMODITY PRICES, PANDORA CONFIRMS 2026 MARGIN TARGET**

At the Capital Markets Day in 2023, Pandora announced new financial targets including a 26-27% EBIT margin by 2026. The target was based on a silver price of USD 23.6 per ounce. Since April 2024, silver prices have increased to a spot price of around USD 30.5 per ounce as per January 27, 2025. All else equal, and when combined with the current gold price and foreign exchange rates, this represents a material headwind of around 270bp to the EBIT margin target for 2026.

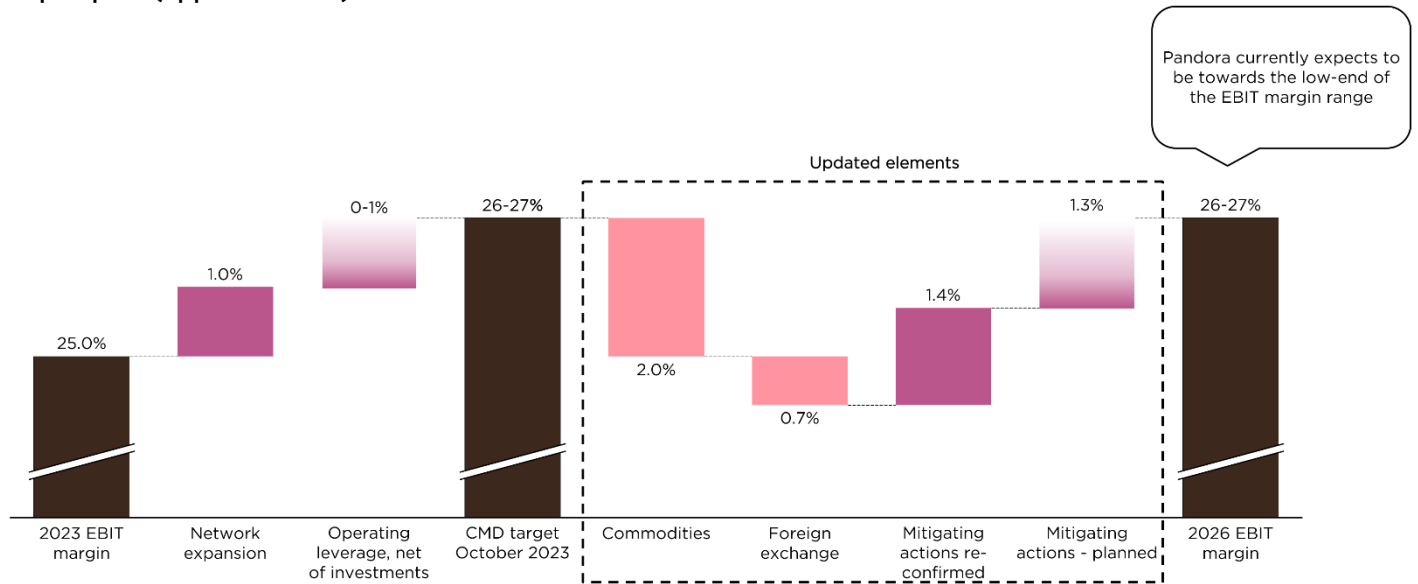
In response to the increase in silver prices, Pandora implemented a 5% price increase in October 2024 and kicked-off a group wide cost programme in Q4 2024. Based on the results of the price increase in October 2024, Pandora plans further pricing action in 2025 and 2026.

An initial assessment of the cost opportunities shows that Pandora can drive further EBIT margin benefit from 2026 onwards, on top of the cost efficiencies already embedded in the CMD EBIT margin target for 2026. Cost reductions are expected to be seen across several areas, including store operations, procurement, distribution and logistics, simplification and removal of overlaps etc.

Based on these mitigating actions and based on a silver price of around USD 30.5 and current foreign exchange rates, Pandora confirms the EBIT margin target of 26-27% in 2026, although currently pointing towards the low-end of the range.



**2026 EBIT MARGIN TARGET AT A SILVER PRICE OF USD 30.5/oz**  
**%-p impact (approximation)**



Pandora normally hedges silver on an ongoing basis resulting in a 9-12 months delayed impact on the EBIT margin from changes in the spot price. As of Q4 2024, Pandora has returned to its usual hedging practice with 70% of the Group's expected silver and gold consumption for the next 12 months being hedged. Adjusting for the time-lag from production through inventories to sales, this means that the P&L for 2025 is 91% hedged at a silver price of USD 29.

On a year-on-year basis, at the current spot price of silver, gold and foreign exchange, the combined EBIT margin headwind in 2025 vs 2024, before any mitigation, is 210bp. The incremental, additional headwind in 2026 - on top of the 210bp - is 50bp.

REVENUE REVIEW

**SOLID END TO 2024 WITH DOUBLE-DIGIT ORGANIC GROWTH IN Q4**

Pandora delivered solid organic growth of 11% in Q4 2024, driven by LFL growth of 6% and network expansion of 5%. Sell-in and other was neutral in the quarter.

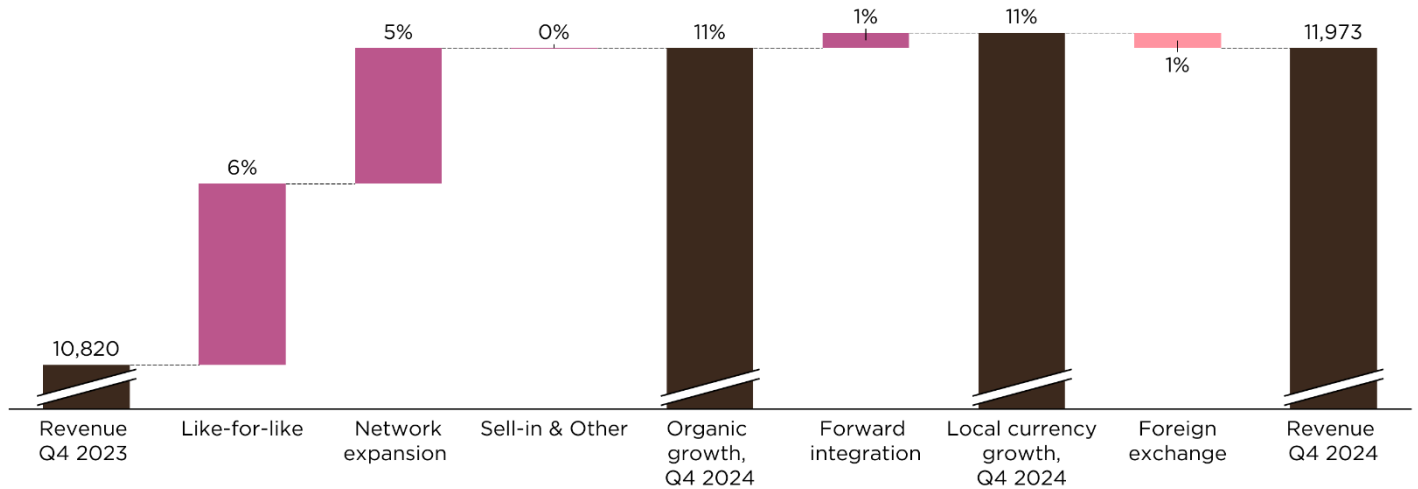
The Core segment delivered a robust LFL of 2% whilst the Fuel with more segment delivered 13% LFL growth. Growth in Fuel with more continue to be driven by the strong performance of Timeless which delivered a LFL of 11% despite comping last year’s viral trends across social media platforms.

Pandora continues to benefit from a strong omni-channel setup, and in Q4 and in particular during peak trading, the online channel performed exceptionally well and represented 27% of revenue in the quarter. Meanwhile, Pandora continues to expand its physical footprint with an emphasis on an owned and operated network, adding 137 net concept stores and 99 Pandora owned shop-in-shops over the past twelve months, contributing 5% to revenue in the quarter. Forward integration also continues to support total revenue growth with 36 stores acquired over the past 12 months, contributing around 1% to revenue growth in Q4 2024. Foreign exchange rates represented a net headwind of around 1%, mainly driven by the depreciation of the Mexican and Argentinian peso partially offset by the strengthened USD post the US presidential election as well as a stronger British pound.

The revenue growth can be illustrated as follows:

**Q4 2024 GROWTH COMPOSITION VS. Q4 2023**

%-p growth (approximation), DKK million



## REVIEW OF REVENUE BY KEY MARKET

### SOLID GROWTH THROUGH PEAK TRADING DRIVEN BY BRAND MOMENTUM

In Q4 2024, Pandora delivered a solid performance with LFL of 6%. The LFL growth was supported by strong execution across the holiday period where the external environment was highly promotional, being influenced by a compressed trading calendar with Black Friday closer to Christmas leading to a more competitive environment in the shorter run-up to Christmas. Pandora continued to leverage its strong brand campaign and attractive collections to ensure it remained top of consumer minds throughout the important period whilst also tactically responding in a few markets to the higher promotional activity. Organic growth was further boosted by network expansion, with new stores opening in multiple countries across the globe.

#### US

LFL growth in the US accelerated sequentially to a strong 9% in Q4. This was fuelled by solid execution around Black Friday and marketing investments which are yielding good results. The organic growth came in at 13%, driven by the momentum generated from new store openings over the past 12 months. LFL growth in the wholesale channel was flattish and the performance gap between Pandora's own stores and the wholesale channel thereby persisted in Q4.

#### KEY MARKETS IN EUROPE

The key markets in Europe delivered LFL growth of 0%, with the sequential decline partly driven by the expected normalisation of the exceptional performance in Germany but also weak performance in France and Italy. In Germany, brand momentum remains strong and LFL ended at 28% in Q4, driven by strong performance across the two segments. The LFL in Germany remains traffic-led, coupled with better execution resulting in higher conversion across channels despite an overall more promotional market.

The UK delivered a negative LFL of -3% amidst a highly promotional environment around Black Friday and Christmas trading. Pandora continued to focus on increasing the desirability of the brand, driving growth across its segments and improving in-store execution.

Italy generated LFL of -10% and France slowed sequentially to -14% LFL, both markets being impacted by weaker traffic. Whilst performance in these markets is negatively impacted by ongoing macroeconomic challenges and an intense promotional environment, the performance remains unsatisfactory. Across both markets, Pandora will invest more into the brand driving cultural relevance and brand heat at a local level, including earned media.

Combined LFL growth across all European markets was 4% with other markets such as Spain, Portugal, Austria, Czech Republic, Switzerland and Netherlands driving double-digit LFL growth (disclosed in Rest of Pandora as usual).

#### AUSTRALIA AND CHINA

Australia delivered LFL growth of -4% in Q4 2024 with the low consumer sentiment and subdued purchasing power impacting overall performance. Pandora will continue to optimise execution to drive its full jewellery brand offering.

The performance in China continues to be challenged ending at -10% LFL in the quarter. Pandora remains committed to build the brand in China and is currently considering the next steps on the journey. During 2025, the store network will be optimised with an anticipated closure of at least 50 stores. The closures have minimal impact on the growth from network expansion in 2025.

#### REST OF PANDORA

Rest of Pandora reported another double-digit quarter, achieving 11% LFL. The strong growth remains broad-based with many markets such as Spain, Portugal, Austria, Czech Republic, Switzerland and the Netherlands reporting double

digit LFL growth. Network expansion continues across many markets in Rest of Pandora and organic growth reached 21% in Q4 2024.

#### QUARTERLY REVENUE DEVELOPMENT BY KEY MARKET

DKK million	Q4 2024	Q4 2023	Like-for-like	Organic growth	Share of revenue
US	3,713	3,190	9%	13%	31%
China	104	116	-10%	-12%	1%
UK	1,640	1,627	-3%	-3%	14%
Italy	879	921	-10%	-5%	7%
Australia	486	461	-4%	5%	4%
France	456	502	-14%	-9%	4%
Germany	839	662	28%	27%	7%
<b>Total key markets</b>	<b>8,117</b>	<b>7,479</b>	<b>3%</b>	<b>6%</b>	<b>68%</b>
<b>Rest of Pandora</b>	<b>3,856</b>	<b>3,341</b>	<b>11%</b>	<b>21%</b>	<b>32%</b>
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>	<b>6%</b>	<b>11%</b>	<b>100%</b>

#### YEAR-TO-DATE REVENUE DEVELOPMENT BY KEY MARKET

DKK million	FY 2024	FY 2023	Like-for-like	Organic growth	Share of revenue
US	9,709	8,306	8%	14%	31%
China	416	564	-21%	-25%	1%
UK	3,929	3,821	-2%	0%	12%
Italy	2,478	2,540	-7%	-3%	8%
Australia	1,094	1,120	-4%	-2%	3%
France	1,217	1,196	-5%	2%	4%
Germany	2,206	1,527	45%	44%	7%
<b>Total key markets</b>	<b>21,050</b>	<b>19,075</b>	<b>4%</b>	<b>9%</b>	<b>66%</b>
<b>Rest of Pandora</b>	<b>10,630</b>	<b>9,062</b>	<b>13%</b>	<b>23%</b>	<b>34%</b>
<b>Total revenue</b>	<b>31,680</b>	<b>28,136</b>	<b>7%</b>	<b>13%</b>	<b>100%</b>



## REVIEW OF NETWORK DEVELOPMENT

## EXPANSION OF PANDORA'S GLOBAL NETWORK CONTINUES AHEAD OF PLAN

During the fourth quarter of 2024, Pandora added a net of 54 concept stores and 62 Pandora owned shop-in-shops to the network. In total, Pandora has added net 137 concept stores and 99 Pandora owned shop-in-shops over the course of 2024. The concept store openings have been relatively broad-based geographically, whilst the shop-in-shop openings have been concentrated in Japan and Mexico. Network expansion has added 5 percentage points to organic growth in Q4 and for the full year, and on top of that, forward integration has added 1% to revenue growth.

Network expansion is low risk, while being accretive to margins and returns. As such, Pandora continues its plans to expand the network with 400-500 targeted net openings through 2024-2026. In FY 2025, Pandora targets net 50-75 concept store openings, and around 25 Pandora owned shop-in-shops net openings.

STORE NETWORK Number of points of sale <sup>1</sup>	Q4 2024	Q3 2024	Q4 2023	Growth Q4 2024 /Q3 2024	Growth Q4 2024 /Q4 2023
<b>Concept stores</b>	<b>2,788</b>	<b>2,734</b>	<b>2,651</b>	<b>54</b>	<b>137</b>
- of which Pandora owned <sup>2</sup>	2,088	2,033	1,869	55	219
- of which franchise owned	361	371	463	-10	-102
- of which third-party distribution	339	330	319	9	20
Other points of sale	3,997	3,924	4,035	73	-38
- of which Pandora owned <sup>2</sup>	<b>677</b>	<b>615</b>	<b>578</b>	<b>62</b>	<b>99</b>
- of which franchise owned	3,072	3,009	3,144	63	-72
- of which third-party distribution	248	300	313	-52	-65
<b>Total points of sale</b>	<b>6,785</b>	<b>6,658</b>	<b>6,686</b>	<b>127</b>	<b>99</b>

<sup>1</sup>Please refer to note 11 Store network, concept store development in the accounting notes section for more details.

<sup>2</sup>Pandora does not own any of the premises (land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

PROFITABILITY

**EBIT MARGIN IN LINE WITH GUIDANCE, SUPPORTED BY GROSS MARGIN**

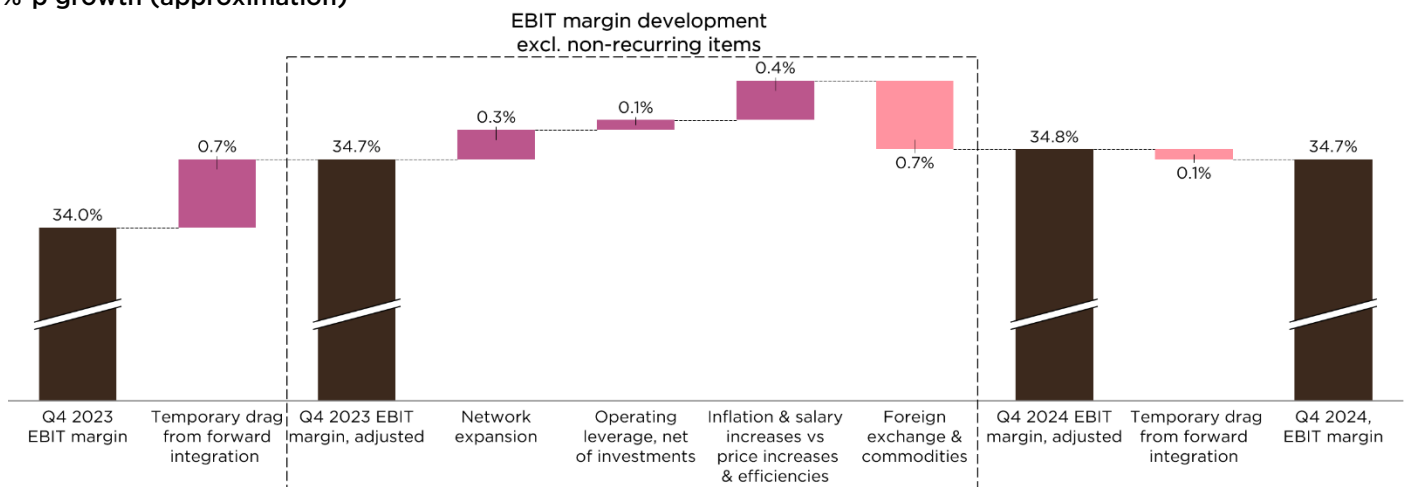
Pandora delivered a full year EBIT margin of 25.2% in line with the guidance of around 25%. As anticipated, the EBIT margin in Q4 2024 was strong, reaching 34.7%, supported by a strong gross margin. Supported also by the margin accretive network expansion, pricing and a lower temporary drag from forward integration compared to last year, the margin expanded by 70bp compared to last year. This was despite a combined headwind of 70bp from foreign exchange rates and commodity prices.

As was implied by the guidance, the cost increases arising from inflation and salary increases were more than offset by efficiencies and pricing in the quarter. Pandora continues to invest across the value chain to drive growth across the Phoenix growth pillars, which include, among others, the restaging of the brand, and accelerating other initiatives in digital and technology.

The temporary margin drag from buying back inventories in connection with forward integration represented a headwind of -10bp in the quarter, down 60bp from last year. Foreign exchange rates represented a tailwind of 20bp, which was more than offset by the -90bp headwind from commodities. The higher price of silver and gold is driving the negative impact on commodities, while the tailwind on currency comes from the strengthening of the US dollar and British pound, partly offset by a weakened Mexican Peso.

**Q4 2024 EBIT MARGIN VS. Q4 2023**

%-p growth (approximation)



**GROSS MARGIN**

The gross margin for the full year strengthened to 79.8%, +120bp Y/Y, and was a continuation of the trend over the past several years with pricing, efficiency gains and channel mix driving the improvement.

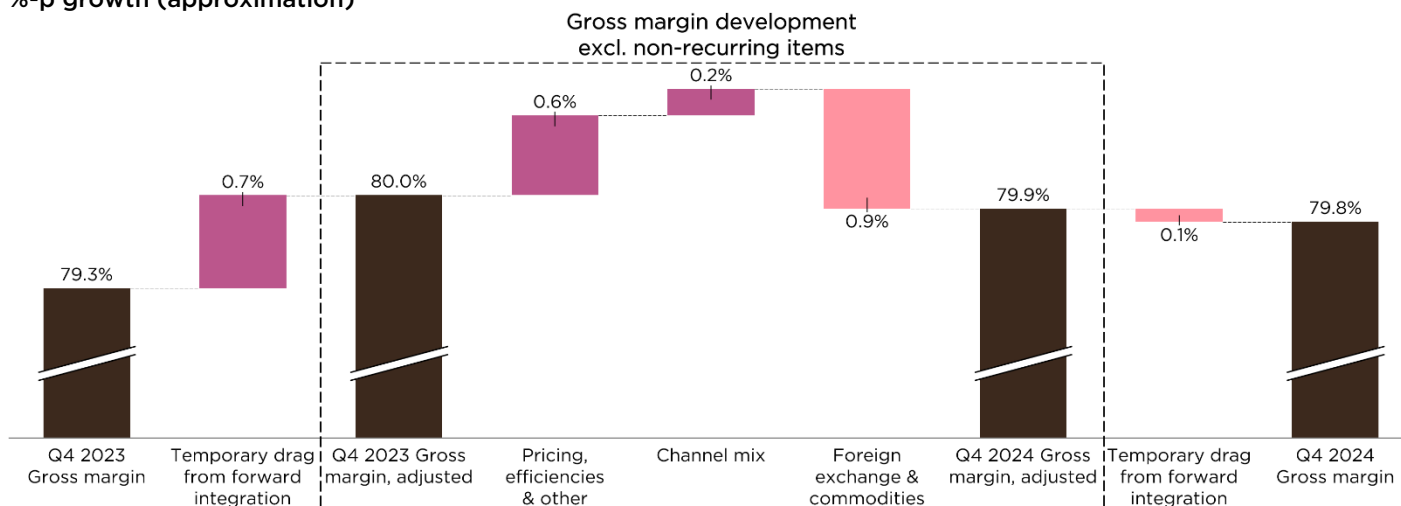
For Q4 2024, the gross margin also ended at 79.8%, +50bp above Q4 2023. The increase in the fourth quarter was mainly driven by price increases, partly offset by salary increases and inflation, as well as being impacted by a higher concentration of sales around Black Friday in 2024, where sales are typically more promotionally driven. Channel mix added a +20bp positive impact compared to Q4 2023, driven by a higher revenue share from Pandora-owned stores. This was partially offset by strong online performance, which carries a lower gross margin due to freight costs being included in the cost of goods sold.

The impact from foreign exchange rates was broadly flat, whilst commodities drove a -90bp headwind vs. Q4 2023, due to an increase in the price of silver and gold.

The gross margin is temporarily impacted by buying back inventory when doing forward integration. This represented a net tailwind of 60bp compared to Q4 2023. Adjusting for forward integration, the underlying gross margin would have been 79.9%. For FY 2024, Pandora’s gross margin reflects a temporary -50bp impact from inventory buybacks related to forward integration. This impact is expected to remain at the same level in 2025, resulting in no additional drag relative to 2024.

**Q4 2024 GROSS MARGIN VS. Q4 2023**

%-p growth (approximation)



GROSS MARGIN AND GROSS PROFIT DKK million	Growth in constant FX		Growth in constant FX	
	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	11,973	10,820	31,680	28,136
Cost of sales	-2,422	-2,241	-6,391	-6,012
<b>Gross profit</b>	<b>9,551</b>	<b>8,579</b>	<b>25,289</b>	<b>22,125</b>
<b>Gross margin %</b>	<b>79.8%</b>	<b>79.3%</b>	<b>79.8%</b>	<b>78.6%</b>

## OPERATING EXPENSES

In Q4 2024, operating expenses increased by 11% in constant exchange rates compared to Q4 2023, primarily driven by the profitable network expansion. As expected, the increase was less pronounced than in prior quarters and in Q4 2024 the OPEX ratio was in fact slightly below last year.

Sales and distribution expenses increased by 15% in constant exchange rates. This increase mainly reflects the expansion of the store network combined with forward integration. In total, Pandora added 318 owned and operated stores to the network compared to Q4 2023 which alone drove around DKK 300 million additional expenses, equivalent to a 120bp increase in sales and distribution expenses as a share of revenue vs. last year, partially offset by tailwinds from foreign exchange and operating leverage. The expansion of the network is accretive to the EBIT margin as the increase in sales and distribution expenses is offset by a higher gross margin and leverage on other OPEX lines (administrative and marketing expenses).

Marketing expenses increased by 5% in constant exchange rates vs Q4 2023, ending at 12.7% share of revenue. For the full year, marketing expenses landed at 13.9%, around the mid-point of the guided 13-15% annual spend, and broadly in line with last year but still representing an absolute increase of DKK 545 million. Pandora remains committed to fuelling brand desire and investing in marketing to accelerate the journey to transform the perception of Pandora into a full jewellery brand.

Administrative expenses increased 7% in constant exchange rates vs. Q4 last year, continuing to drive leverage on this cost line as seen throughout 2024. For the full year, administrative expenses increased by 4% in local currency.

<b>QUARTERLY OPERATING EXPENSES</b> <b>DKK million</b>	<b>Q4 2024</b>	<b>Q4 2023</b>	<b>Growth in constant FX</b>	<b>Share of revenue Q4 2024</b>	<b>Share of revenue Q4 2023</b>
Sales and distribution expenses	-3,139	-2,790	15%	26.2%	25.8%
Marketing expenses	-1,525	-1,446	5%	12.7%	13.4%
Administrative expenses	-738	-668	7%	6.2%	6.2%
<b>Total operating expenses</b>	<b>-5,402</b>	<b>-4,905</b>	<b>11%</b>	<b>45.1%</b>	<b>45.3%</b>

<b>YEAR-TO-DATE OPERATING EXPENSES</b> <b>DKK million</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Growth in constant FX</b>	<b>Share of revenue FY 2024</b>	<b>Share of revenue FY 2023</b>
Sales and distribution expenses	-10,450	-8,858	20%	33.0%	31.5%
Marketing expenses	-4,394	-3,849	15%	13.9%	13.7%
Administrative expenses	-2,471	-2,379	4%	7.8%	8.5%
<b>Total operating expenses</b>	<b>-17,315</b>	<b>-15,086</b>	<b>16%</b>	<b>54.7%</b>	<b>53.6%</b>



**FINANCIAL EXPENSES AND TAX**

Net financials came in at a cost of DKK 347 million in Q4 2024 (Q4 2023: DKK 330 million) bringing the total to DKK 1,048 million in 2024 (FY 2023: DKK 805 million), compared to the guidance of DKK 950-1,000 million. Non-cash foreign exchange rate adjustments on intercompany balances, combined with losses on foreign exchange rate hedging contracts amounted to DKK 196 million. These line items depend entirely on the development in foreign exchange rates and outside these technical factors, the underlying net financials in 2024 consisted of around DKK 850 million of interest on debt, IFRS 16 related interest on lease contracts and fees.

Based on the current foreign exchange rates, Pandora expects net financial expenses in 2025 to be DKK 1,000-1,050 million. The guidance consists of around DKK 1,000 million interest on debt, IFRS 16 related interest and fees, and around DKK 0-50 million loss on non-cash foreign exchange adjustments on intercompany balances and foreign exchange hedging contracts.

The effective tax rate in Q4 2024 came in at 24.5%, broadly in line with Q4 2023. The full year 2024 effective tax rate also ended at 24.5%, 50bp up from 2023. The increase compared to 2023 is, among others, driven by the Pillar Two tax rules, taking effect in 2024.

EPS ended at DKK 64.8 for 2024, an increase of 17% from DKK 55.5 in 2023.

**CASH FLOW & BALANCE SHEET****HIGH CASH GENERATION – ENDING 2024 WITH NEGATIVE NET WORKING CAPITAL**

Net working capital ended at only -1.7% of revenue in 2024 compared to +1.8% in 2023. The reduction was driven by broad based improvements across most elements of working capital. Inventory management continued to be particularly strong and despite a 13% increase in revenue for FY 2024, inventory ended up only 6% and therefore declined as a percentage of revenue. Some of the improvement in net working capital should be considered a one-off and by the end of 2025, Pandora expects net working capital to be between flat to a low single digit % of revenue.

Trade receivables continue to be at a healthy level and ended at 3.8% of revenue, down 100bp from Q4 2023 benefitting from the intensified cash management leading to lower days sales outstanding (DSO) in among others Mexico, which started to take effect in Q3 2024. The total DSO is 9 days for Q4 2024, down 2 days compared to Q4 2023. The wholesale DSO were 34 days, slightly up compared to Q4 2024 due to temporary overdue payments from a partner, which have since been resolved, as well as country mix. Retail DSO were down to 5 days, a reduction of 2 days compared to Q4 2023.

Efforts to improve net working capital is also visible in trade payables. Trade payables increased 90bp as a percent of revenue to 12.3% by the end of Q4 2024. This is driven by a.o. continued efforts to renegotiate payment terms.

Cash conversion was strong in Q4 at 124%; the 7pp increase compared to Q4 2023 was driven by the improvement in net working capital, as well as lower cash tax in Q4 2024 due to a different phasing of tax payments compared to prior year. The free cash flow was DKK 5.1 billion, an increase of DKK 0.8 billion compared to last year.

CAPEX was DKK 0.6 billion in the quarter, broadly in line with Q4 2023 and equivalent to 4.6% of revenue. The full-year CAPEX landed at DKK 1.9 billion, equivalent to 6.1% of revenue within the guided range of 6-7%, and up by DKK 0.3 billion compared to 2023. The increase for the full year is driven by investments to fuel the expansion and refurbishment of the store network, as well as Digital and Technology (not least the new ERP platform), and investments in the new crafting facility in Vietnam.

ROIC remains structurally high at 46%, broadly in line with last year. The high ROIC continues to be supported by the investments in expanding our store network, as new stores are ROIC accretive on a run-rate basis.

**NET WORKING CAPITAL**

Share of preceding 12 months' revenue	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Inventories	14.0%	16.0%	14.9%	15.2%	14.8%
Trade receivables	3.8%	2.5%	2.8%	3.8%	4.8%
Trade payables	-12.3%	-9.7%	-9.2%	-9.2%	-11.4%
Other net working capital elements	-7.3%	-2.9%	-2.4%	-2.9%	-6.4%
<b>Total</b>	<b>-1.7%</b>	<b>5.9%</b>	<b>6.0%</b>	<b>6.9%</b>	<b>1.8%</b>

**BALANCE SHEET**

Non-current assets increased by DKK 2.7 billion to DKK 18.5 billion at the end of 2024, driven by network expansion increasing the right-of-use-assets as well as CAPEX (property, plant and equipment) related to the store network. Current assets were DKK 9.2 billion, an increase of DKK 1.2 billion compared to 2023. The increase relates to excess cash on the balance sheet, largely due to a strategic shift in Pandora's funding mix towards greater reliance on bond issuances, reducing dependency on revolving credit facilities, alongside strong cash flow generation in the fourth quarter.

At the end of 2024, net interest-bearing debt amounted to DKK 11.0 billion, up from DKK 9.8 billion in 2023. This corresponds to a leverage of 1.1x by the end of 2024, in line with 2023, remaining around the midpoint of the capital structure policy range of 0.5x to 1.5x by year-end. At the end of 2024, Pandora had DKK 7.1 billion in undrawn committed credit facilities.

At the end of 2024, equity in Pandora amounted to DKK 5.5 billion broadly in line with last year (2023: DKK 5.4 billion). The increase is driven by net profit for the year, offset by pay out of ordinary dividend of DKK 1.5 billion and buy back of own shares for a total of DKK 4.0 billion.

**FINANCIAL GUIDANCE**  
**TARGETING ANOTHER YEAR OF PROFITABLE GROWTH**

The economic outlook for 2025 remains uncertain. Against this, Pandora made a strong start to the next chapter of its Phoenix strategy, covering the 2024-2026 period, and will continue to execute on the strategy, striving to attract more consumers to the brand.

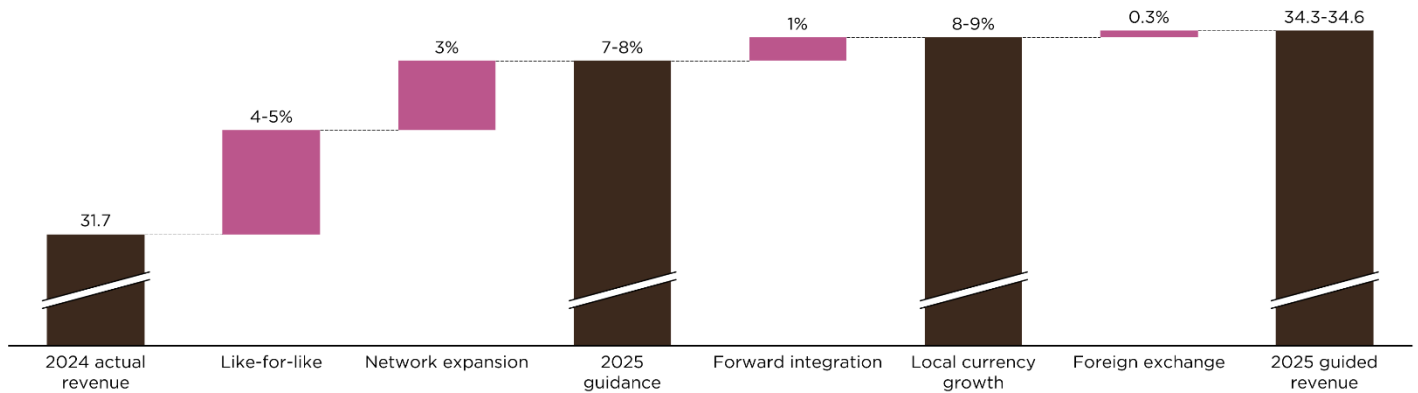
Pandora is currently targeting organic growth of 7-8% and an EBIT margin of around 24.5%.

**REVENUE GUIDANCE**

The organic growth guidance can be illustrated as follows:

**FY 2025 GROWTH COMPOSITION VS. FY 2024**

%-p growth (approximation), DKK billion



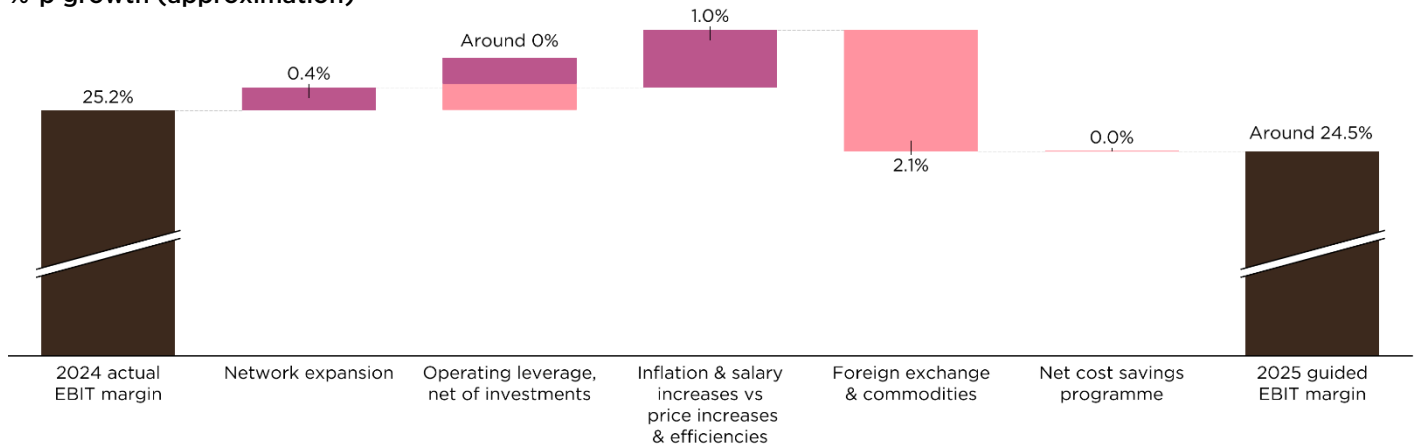
Pandora is currently expecting LFL growth of 4-5%. This falls within the range identified at the Capital Markets Day in 2023 of 4-6% CAGR, albeit slightly lower at the higher end, reflecting the weak economic outlook. Continued network expansion is expected to add 3%, taking the total organic growth to 7-8%. Finally, forward integration is expected to add around 1% revenue with revenue growth in local currency ending at 8-9%.

**PROFITABILITY GUIDANCE**

The EBIT margin guidance can be illustrated as follows:

**FY 2025 EBIT MARGIN VS. FY 2024**

%-p growth (approximation)





The EBIT margin guidance for 2025 reflects another year of compounding growth fuelled by investments across the Phoenix growth pillars. Pandora targets strong profitability in 2025 and guides for an EBIT margin of around 24.5%, broadly flattish vs 2024 despite the significant 210bp headwind from commodity prices and foreign exchange rates.

As Pandora continues the expansion of its profitable store network, a 40bp positive impact on the EBIT margin is expected in 2025. The operating leverage from LFL growth is set to be re-invested into initiatives supporting both future and current growth. These investments encompass various initiatives across the Phoenix growth pillars, such as the restaging of the brand, the continued rollout of the new store concept, personalised experiences, both online and offline, as well as efforts to establish Pandora as the go-to destination for lab-grown diamonds.

The combined impact of silver and gold prices as well as foreign exchange fluctuations is projected to be a drag of 210bp. Support from price adjustments and operational efficiencies which is expected to more than offset inflationary pressures, including salary increases, helps mitigate the impact from higher silver prices and adverse foreign exchange movements.

The headwinds from commodity prices and foreign exchange rates are expected to increase through the year. Tied to that, the guided slight decline in the EBIT margin from 2024 to 2025 is expected to be more visible as we progress through 2025. However, the exact quarterly development will depend on the timing of actions taken to mitigate these effects, including pricing adjustments and cost-saving measures.

Lastly, the Group wide cost programme is expected to be self-funded in 2025, thereby representing no impact to the 2025 EBIT margin but expected to represent structural upside from 2026 onwards.

#### **2025 GUIDANCE - OTHER PARAMETERS**

Pandora expects to open net 50-75 concept stores and around 25 Pandora owned shop-in-shops net.

CAPEX is expected to end at around 7% share of revenue, as Pandora continues to scale up investments into the store network with the roll-out of the new store concept and network expansion, digital initiatives and crafting facilities.

The effective tax rate is expected to be 24-25% in line with 2024. Pandora expects net financial expenses to be DKK 1,000-1,050 million in 2025. The guidance consists of around DKK 1,000 million interest on debt, IFRS 16-related interest and fees, and around DKK 0-50 million loss on non-cash foreign exchange adjustments on intercompany balances and foreign exchange hedging contracts. The latter depends entirely on the development in foreign exchange rates through the year and will be updated on a regular basis.

The guidance 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 forecasted in this report due to a variety of factors, refer to the disclaimer on page 41.

<b>FOREIGN EXCHANGE AND COMMODITY ASSUMPTIONS AND IMPLICATIONS - AS OF 27 JANUARY 2025</b>	Average 2024	Average 2025	2025 Y-Y Financial Impact
USD/DKK	6.89	7.09	
THB/DKK	0.20	0.21	
GBP/DKK	8.81	8.87	
AUD/DKK	4.55	4.47	
MXN/DKK	0.38	0.35	
CAD/DKK	5.03	4.94	
TRY/DKK	0.21	0.20	
CNY/DKK	0.96	0.98	
Silver/USD (per ounce)	23.77	28.55	
Gold/USD (per ounce)	1,982	2,491	
<b>Revenue (DKK million)</b>			<b>Approx. 100</b>
<b>EBIT (DKK million)</b>			<b>Approx. -700</b>
<b>EBIT margin (foreign exchange)</b>			<b>Approx. -0.7%</b>
<b>EBIT margin (commodities)</b>			<b>Approx. -1.4%</b>

### CAPITAL STRUCTURE POLICY AND CASH DISTRIBUTION

At the end of 2024, Pandora's leverage was 1.1x NIBD to EBITDA, in line with 2023 and remained around the midpoint of the capital structure policy range of 0.5x to 1.5x by year-end.

Pandora aims for a leverage ratio of approximately 1.3x NIBD to EBITDA by the end of 2025. In line with the usual seasonality of the business, leverage will increase through the year, peaking in Q3 2025, and then fall back by year-end.

Pandora has paid out DKK 5.5 billion to shareholders in 2024, of which DKK 1.5 billion came from an ordinary dividend of DKK 18 per share and DKK 4.0 billion was distributed via share buybacks. For 2025, Pandora proposes a total cash distribution to shareholders of DKK 5.6 billion. Out of this, Pandora proposes to pay a dividend of DKK 20 per share and a new share buyback amounting to DKK 4.0 billion which will commence on 6 February 2025 and be completed no later than 30 January 2026.

## STRONG SUSTAINABILITY PERFORMANCE IN 2024

Sustainability is a cornerstone of Pandora's growth strategy, Phoenix. The company is pursuing ambitious targets to lower its impact on the planet and create positive outcomes for people and communities touched by its business.

In Q4 2024, Pandora continued to execute against its three strategic priorities: low-carbon business, circular innovation, and inclusive, diverse and fair culture. Key results are reported in accordance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD).

**Low-carbon business:** Compared to the 2019 baseline, Pandora's total greenhouse gas emissions across Scopes 1, 2 and 3 have decreased by 17%. In the same period, Pandora has grown its revenue by 45% demonstrating progress toward decoupling growth from emissions.

In 2024, we saw an expected moderate increase from the year before (-21% since baseline) as construction of the new crafting facility in Vietnam, expansion of the store network, and store refurbishments temporarily outbalance the reductions in other areas. In 2024, we completed the company's transition to 100% renewable electricity across its own operations.

**Circular innovation:** As of August 2024, all Pandora jewellery has been crafted using 100% recycled silver and gold sourced from certified, responsible refiners, ahead of the company's 2025 target. The shift continues to contribute significantly to reductions in Scope 3 emissions, as the carbon footprint of recycled silver is around 1/3 of newly-mined silver.

**Inclusive, diverse and fair culture:** At the end of 2024, women held 35% of Pandora's senior leadership positions (VP+), up from 34% in 2023. This meets the company's interim 2025 target of 33% women in leadership. Pandora will continue its work with succession plans, new hire and promotion processes to reach full gender parity no later than 2030.

More information on Pandora's sustainability strategy and 2024 disclosure on material sustainability topics and performance against targets can be found in the Annual Report 2024.

## OTHER EVENTS

*Pandora ranked among 100 most sustainable companies in the world at Davos*

At the World Economic Forum in Davos, Switzerland, Pandora, the world's largest jewellery brand, has been named as one of the world's 100 most sustainable companies in the esteemed annual ranking by Corporate Knights. The ranking is based on an extensive analysis of 8,359 companies, each with more than USD 1 billion in revenue, on a range of metrics covering sustainable business practices and respect for people and societies.

## FINANCIAL CALENDAR 2025

The expected dates for upcoming financial announcements in 2025 for Pandora A/S are as follows:

<b>12 Mar 2025</b>	Annual General Meeting
<b>07 May 2025</b>	Interim Report Q1 2025
<b>15 Aug 2025</b>	Interim Report Q2 2025
<b>05 Nov 2025</b>	Interim Report Q3 2025



## 2024 DEVELOPMENT<sup>1</sup>

### Revenue

Total revenue increased by 14% in local currency to DKK 31,680 million in 2024. Organic growth was 13% reflecting the strong brand momentum in 2024, as Pandora successfully took the first steps in repositioning Pandora as a full jewellery brand.

Revenue from Pandora's Core segment grew by 9% in local currency to DKK 23,542 million in 2024 from DKK 21,951 million in 2023. The segment "Fuel with more" saw revenue growth of 33% in local currency, driven by the continued strong performance of the Timeless collection as well the addition of the PANDORA ESSENCE collection.

### Gross profit and costs

Gross profit was DKK 25,289 million in 2024 (DKK 22,125 million in 2023), resulting in a record high gross margin of 79.8% in 2024 vs. 78.6% in 2023. This improvement was supported by favourable pricing, cost efficiencies and channel mix, offsetting external pressures from commodity prices and foreign exchange rates. Within segments, the Core segment generated a gross margin of 78.4% (2023: 77.8%), while Fuel with more generated a gross margin of 83.8% (2023: 81.6%). While profitability in the Core segment is broadly in line with 2023, the increase in Fuel with more is driven by among other product mix.

Sales and distribution expenses increased to DKK 10,450 million in 2024 (DKK 8,858 million in 2023), corresponding to 33.0% of revenue in 2024 (31.5% in 2023). The increase is mainly the result of the profitable expansion of the Pandora owned physical network.

Marketing expenses increased by 15%, in line with our strategic focus on brand elevation, ending at DKK 4,394 million in 2024 (DKK 3,849 million in 2023) and represented 13.9% of revenue, at the mid-point of our targeted range of 13-15%.

Administrative expenses ended at DKK 2,471 million in 2024 compared with DKK 2,379 million in 2023, corresponding to 7.8% of revenue in 2024, down from 8.5% in 2023 as a result of operating leverage.

### EBIT

EBIT ended at DKK 7,974 million in 2024, resulting in an EBIT margin of 25.2%, broadly in line with 2023.

### Net financials

Net financials amounted to a cost of DKK 1,048 million in 2024 compared to a cost of DKK 805 million in 2023. The development was driven by, among other factors, increased interest on debt, IFRS 16-related interest, fees, as well as adjustments for foreign exchange rates and net realised losses on foreign exchange hedging contracts.

### Income tax expenses

Income tax expenses were DKK 1,699 million in 2024 compared with DKK 1,494 million in 2023. This implies an effective tax rate for the Group of 24.5% in 2024, up from 24.0% in 2023, mainly due to the introduction of the Pillar Two tax rules.

### Net profit

Net profit in 2024 stood at DKK 5,227 million compared to DKK 4,740 million in 2023, reflecting steady operational excellence amidst a challenging external environment. Earnings per share grew by 17% to a new high of DKK 65, underscoring Pandora's commitment to delivering shareholder value through sustainable and profitable growth.

<sup>1</sup> See Performance review chapter in the Annual Report 2024 for further information.

## CONTACT

### CONFERENCE CALL

A conference call for investors and financial analysts will be held today at 11.00 CET and can be joined online at [www.pandoragroup.com](http://www.pandoragroup.com). The presentation for the call will be available on the website before the call.

The following numbers can be used by investors and analysts:

DK: +45 78 76 84 90

SE: +46 406 820 620

UK: +44 203 769 6819

US: +1 646 787 0157

PIN: 837462

Link to webcast: <https://pandora-events.eventcdn.net/events/interim-financial-annual-report-2024>

### ABOUT PANDORA

Pandora is the world's largest jewellery brand, specialising in the design, crafting and marketing of accessible luxury jewellery made from high-quality materials. Each piece is created to inspire self-expression, allowing people to share their stories and passions through meaningful jewellery. Pandora jewellery is sold in more than 100 countries through 6,800 points of sale, including more than 2,700 concept stores.

Headquartered in Copenhagen, Denmark, Pandora employs 37,000 people worldwide and crafts its jewellery using only recycled silver and gold. Pandora is committed to leadership in sustainability and has set out to halve greenhouse gas emissions across its value chain by 2030. Pandora is listed on the Nasdaq Copenhagen stock exchange and generated revenue of DKK 31.7 billion (EUR 4.2 billion) in 2024.

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## FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

DKK million	Notes	Q4 2024	Q4 2023	FY 2024	FY 2023
Revenue	3	11,973	10,820	31,680	28,136
Cost of sales		-2,422	-2,241	-6,391	-6,012
<b>Gross profit</b>		<b>9,551</b>	<b>8,579</b>	<b>25,289</b>	<b>22,125</b>
Sales, distribution and marketing expenses		-4,664	-4,237	-14,844	-12,707
Administrative expenses		-738	-668	-2,471	-2,379
<b>Operating profit</b>		<b>4,149</b>	<b>3,674</b>	<b>7,974</b>	<b>7,039</b>
Finance income		43	42	248	251
Finance costs		-390	-372	-1,297	-1,056
<b>Profit before tax</b>		<b>3,802</b>	<b>3,345</b>	<b>6,926</b>	<b>6,234</b>
Income tax expense		-933	-815	-1,699	-1,494
<b>Net profit for the period</b>		<b>2,869</b>	<b>2,530</b>	<b>5,227</b>	<b>4,740</b>
Earnings per share, basic, DKK		35.6	29.6	64.8	55.5
Earnings per share, diluted, DKK		35.5	29.4	64.6	55.1

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK million	Q4 2024	Q4 2023	FY 2024	FY 2023
<b>Net profit for the period</b>	<b>2,869</b>	<b>2,530</b>	<b>5,227</b>	<b>4,740</b>
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified to profit/loss for the period</b>				
Exchange rate adjustments of investments in subsidiaries	300	-195	167	-149
Fair value adjustment of hedging instruments	-246	188	52	-197
Tax on other comprehensive income, hedging instruments, income/expense	53	-40	21	39
<b>Items that may be reclassified to profit/loss for the period, net of tax</b>	<b>108</b>	<b>-47</b>	<b>239</b>	<b>-308</b>
<b>Items not to be reclassified to profit/loss for the period</b>				
Actuarial gain/loss on defined benefit plans, net of tax	-6	12	-12	-9
<b>Items not to be reclassified to profit/loss for the period, net of tax</b>	<b>-6</b>	<b>12</b>	<b>-12</b>	<b>-9</b>
<b>Other comprehensive income, net of tax</b>	<b>102</b>	<b>-36</b>	<b>227</b>	<b>-317</b>
<b>Total comprehensive income for the period</b>	<b>2,970</b>	<b>2,494</b>	<b>5,454</b>	<b>4,423</b>

## CONSOLIDATED BALANCE SHEET

DKK million	Notes	2024 31 December	2023 31 December
<b>ASSETS</b>			
Goodwill	7	5,126	4,914
Brand		1,057	1,057
Distribution		1,034	1,039
Other intangible assets		1,015	790
<b>Total intangible assets</b>		<b>8,232</b>	<b>7,801</b>
Property, plant and equipment		3,475	2,746
Right-of-use assets	8	4,997	3,779
Deferred tax assets		1,530	1,260
Other financial assets		298	215
<b>Total non-current assets</b>		<b>18,532</b>	<b>15,800</b>
Inventories		4,426	4,166
Trade receivables	5	1,217	1,342
Contract assets		91	55
Derivative financial instruments	4,12	162	87
Income tax receivable		153	103
Other receivables		782	849
Cash		2,394	1,397
<b>Total current assets</b>		<b>9,226</b>	<b>7,998</b>
<b>Total assets</b>		<b>27,758</b>	<b>23,798</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		82	89
Treasury shares		-3,228	-4,353
Reserves		858	610
Proposed dividend		1,576	1,480
Retained earnings		6,219	7,530
<b>Total equity</b>		<b>5,508</b>	<b>5,355</b>
Provisions		494	408
Loans and borrowings	4,8	11,625	9,737
Deferred tax liabilities		102	164
Other payables		152	80
<b>Total non-current liabilities</b>		<b>12,374</b>	<b>10,389</b>
Provisions		49	23
Refund liabilities		840	721
Contract liabilities		237	185
Loans and borrowings	4,8	1,776	1,430
Derivative financial instruments	4,12	152	128
Trade payables	9	3,894	3,211
Income tax payable		871	583
Other payables		2,057	1,773
<b>Total current liabilities</b>		<b>9,877</b>	<b>8,053</b>
<b>Total liabilities</b>		<b>22,250</b>	<b>18,443</b>
<b>Total equity and liabilities</b>		<b>27,758</b>	<b>23,798</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK million	Share capital	Treasury shares	Translation reserve	Hedging reserve	Dividend proposed	Retained earnings	Total equity
<b>2024</b>							
Equity at 1 January	89	-4,353	642	-33	1,480	7,530	5,355
Net profit for the period	-	-	-	-	-	5,227	5,227
Other comprehensive income, net of tax	-	-	208	41	-	-22	227
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>208</b>	<b>41</b>	<b>-</b>	<b>5,205</b>	<b>5,454</b>
Share-based payments	-	209	-	-	-	-4	205
Purchase of treasury shares	-	-4,036	-	-	-	-	-4,036
Cancellation of treasury shares	-7	4,952	-	-	-	-4,945	-
Dividend proposed	-	-	-	-	1,568	-1,568	-
Dividend paid	-	-	-	-	-1,471	-	-1,471
<b>Equity at 31 December</b>	<b>82</b>	<b>-3,228</b>	<b>851</b>	<b>8</b>	<b>1,576</b>	<b>6,219</b>	<b>5,508</b>
<b>2023</b>							
Equity at 1 January	96	-3,320	797	121	1,430	8,044	7,167
Net profit for the period	-	-	-	-	-	4,740	4,740
Other comprehensive income, net of tax	-	-	-154	-154	-	-9	-317
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-154</b>	<b>-154</b>	<b>-</b>	<b>4,731</b>	<b>4,423</b>
Share-based payments	-	278	-	-	-	-103	175
Purchase of treasury shares	-	-4,998	-	-	-	-	-4,998
Cancellation of treasury shares	-7	3,687	-	-	-	-3,680	-
Dividend proposed	-	-	-	-	1,462	-1,462	-
Dividend paid	-	-	-	-	-1,412	-	-1,412
<b>Equity at 31 December</b>	<b>89</b>	<b>-4,353</b>	<b>642</b>	<b>-33</b>	<b>1,480</b>	<b>7,530</b>	<b>5,355</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

DKK million	Notes	Q4 2024	Q4 2023	FY 2024	FY 2023
Operating profit		4,149	3,674	7,974	7,039
Depreciation and amortisation		623	553	2,353	2,079
Share-based payments		49	21	166	105
Change in inventories		625	585	-126	210
Change in receivables		-450	-450	106	56
Change in payables and other liabilities <sup>1</sup>		1,947	1,844	932	454
Other non-cash adjustments <sup>1</sup>		-5	7	-44	-63
Finance income received		5	6	19	19
Finance costs paid		-226	-256	-922	-683
Income taxes paid		-992	-1,163	-1,738	-1,832
<b>Cash flows from operating activities, net</b>		<b>5,725</b>	<b>4,821</b>	<b>8,721</b>	<b>7,384</b>
Acquisitions of subsidiaries and activities, net of cash acquired	6	-23	-37	-194	-349
Purchase of intangible assets		-97	-83	-343	-359
Purchase of property, plant and equipment		-396	-391	-1,336	-1,129
Change in other assets		-17	13	-29	37
Proceeds from sale of property, plant and equipment		2	-	14	-
<b>Cash flows from investing activities, net</b>		<b>-531</b>	<b>-499</b>	<b>-1,889</b>	<b>-1,800</b>
Dividend paid		-	-	-1,471	-1,412
Purchase of treasury shares		-997	-769	-4,013	-5,022
Proceeds from loans and borrowings		-2,098	-2,456	3,674	5,927
Repayment of loans and borrowings		-54	-260	-2,729	-3,321
Repayment of lease commitments		-312	-333	-1,162	-1,107
<b>Cash flows from financing activities, net</b>		<b>-3,460</b>	<b>-3,818</b>	<b>-5,701</b>	<b>-4,935</b>
<b>Net increase/decrease in cash</b>		<b>1,734</b>	<b>505</b>	<b>1,131</b>	<b>649</b>
Cash and cash equivalents, beginning of period		559	713	1,183	595
Exchange gains/losses on cash and cash equivalents		11	-35	-11	-61
Net increase/decrease in cash		1,734	505	1,131	649
<b>Cash and cash equivalents, end of period</b>		<b>2,303</b>	<b>1,183</b>	<b>2,303</b>	<b>1,183</b>
Cash balances		2,394	1,397	2,394	1,397
Overdrafts		-90	-214	-90	-214
<b>Cash and cash equivalents, end of period</b>		<b>2,303</b>	<b>1,183</b>	<b>2,303</b>	<b>1,183</b>
Cash flows from operating activities, net		5,725	4,821	8,721	7,384
- Finance income received		-5	-6	-19	-19
- Finance costs paid		226	256	922	683
Cash flows from investing activities, net		-531	-499	-1,889	-1,800
- Acquisition of subsidiaries and activities, net of cash acquired		23	37	194	349
Repayment of lease commitments		-312	-333	-1,162	-1,107
<b>Free cash flows incl. lease payments</b>		<b>5,126</b>	<b>4,277</b>	<b>6,767</b>	<b>5,489</b>
<b>Unutilised committed credit facilities</b>	4	<b>7,087</b>	<b>4,472</b>	<b>7,087</b>	<b>4,472</b>

The above cannot be derived directly from the income statement and the balance sheet.

<sup>1</sup> In 2024, Pandora performed a reclassification of DKK 2 million (2023: DKK 8 million) between "Change in payables and other liabilities" and "Other non-cash adjustments" for presentation purposes. 2023 figures were restated accordingly. "Other non-cash adjustments" mainly comprise obligation to restore leased property.



## ACCOUNTING NOTES

### NOTE 1 - ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The accounting policies applied are consistent with the accounting policies set out in the Annual Report 2024.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals, and percentages may not precisely reflect the absolute figures. The interim financial report is presented in Danish kroner (DKK) and all amounts are in millions unless otherwise stated.

Pandora presents financial measures in the interim financial report that are not defined according to IFRS Accounting Standards. Pandora believes these non-GAAP measures provide valuable information to investors and Pandora's management when evaluating performance. Since other companies may calculate these differently from Pandora, they may not be comparable to the measures used by other companies. These financial measures should therefore not be considered to be a replacement for measures defined under IFRS Accounting Standards. For definitions of the performance measures used by Pandora, see note 5.6 Financial definitions to the consolidated financial statements in the Annual Report 2024.

#### **New standards, interpretations and amendments adopted by Pandora**

Pandora has adopted all new or amended IFRS Accounting Standards and interpretations (IFRS IC) as adopted by the EU and which are effective for the financial year beginning on 1 January 2024. The implementation of these new or amended standards and interpretations had no material impact on the consolidated financial statements for the year.

The new standards that are not yet effective are not expected to have any material impact on Pandora, except for IFRS 18 *Presentation and Disclosure in Financial Statements*, which was issued in April 2024 and will be effective from 2027, impacting presentation and disclosure of the financial statements. Pandora is currently evaluating the potential impact of this standard.

### NOTE 2 - MANAGEMENT JUDGEMENTS AND ESTIMATES UNDER IFRS ACCOUNTING STANDARDS

In preparing the condensed consolidated interim financial statements, management makes various judgements, accounting estimates and assumptions that form the basis of the presentation, recognition and measurement of Pandora's assets and liabilities.

All significant accounting estimates and judgements are consistent with the description in the Annual Report 2024 to which we refer.

### NOTE 3 - SEGMENT AND REVENUE INFORMATION

Pandora's activities are segmented into two reportable segments, each responsible for the end-to-end performance of collections. One includes our Core collections, while the other, Fuel with more, covers newer collections and innovations.

Core includes the charms and charm carriers which focus on collectability. Fuel with more includes the Modern Classics (Pandora Timeless and Pandora Signature accompanied by Pandora's newest collection, PANDORA ESSENCE) and

Pandora Lab-Grown Diamonds and targets both existing and new customers who may have a different aesthetic preference than the Core jewellery design.

The two operating segments include all channels relating to the distribution and sale of Pandora products.

Management monitors the profitability of the operating segments separately for the purpose of making decisions about resource allocation and performance management. Segment results are measured at gross profit as presented in the table below.

Non-unit-driven revenue, comprising mainly franchise fees, is allocated proportionately to the different revenue categories.

## SEGMENT INFORMATION

DKK million	Core	Fuel with more	Group
<b>Q4 2024</b>			
Revenue	8,784	3,189	11,973
Cost of sales	-1,907	-515	-2,422
<b>Gross profit</b>	<b>6,877</b>	<b>2,674</b>	<b>9,551</b>
<b>Gross margin, %</b>	<b>78.3%</b>	<b>83.8%</b>	<b>79.8%</b>
Operating expenses			-5,402
<b>Consolidated operating profit (EBIT)</b>			<b>4,149</b>
<b>Profit margin (EBIT margin), %</b>			<b>34.7%</b>
<b>Q4 2023</b>			
Revenue	8,180	2,640	10,820
Cost of sales	-1,783	-458	-2,241
<b>Gross profit</b>	<b>6,397</b>	<b>2,182</b>	<b>8,579</b>
<b>Gross margin, %</b>	<b>78.2%</b>	<b>82.7%</b>	<b>79.3%</b>
Operating expenses			-4,905
<b>Consolidated operating profit (EBIT)</b>			<b>3,674</b>
<b>Profit margin (EBIT margin), %</b>			<b>34.0%</b>
<b>FY 2024</b>			
Revenue	23,542	8,139	31,680
Cost of sales	-5,077	-1,315	-6,391
<b>Gross profit</b>	<b>18,465</b>	<b>6,824</b>	<b>25,289</b>
<b>Gross margin, %</b>	<b>78.4%</b>	<b>83.8%</b>	<b>79.8%</b>
Operating expenses			-17,315
<b>Consolidated operating profit (EBIT)</b>			<b>7,974</b>
<b>Profit margin (EBIT margin), %</b>			<b>25.2%</b>
<b>FY 2023</b>			
Revenue	21,951	6,186	28,136
Cost of sales	-4,875	-1,137	-6,012
<b>Gross profit</b>	<b>17,076</b>	<b>5,049</b>	<b>22,125</b>
<b>Gross margin, %</b>	<b>77.8%</b>	<b>81.6%</b>	<b>78.6%</b>
Operating expenses			-15,086
<b>Consolidated operating profit (EBIT)</b>			<b>7,039</b>
<b>Profit margin (EBIT margin), %</b>			<b>25.0%</b>

REVENUE BY SEGMENTS DKK million	Q4 2024	Q4 2023	Like- for-like	Local currency growth	Share of Revenue	FY 2024	FY 2023	Like- for-like	Local currency growth	Share of Revenue
<b>Core</b>	<b>8,784</b>	<b>8,180</b>	<b>2%</b>	<b>8%</b>	<b>73%</b>	<b>23,542</b>	<b>21,951</b>	<b>2%</b>	<b>9%</b>	<b>74%</b>
- Moments	7,462	6,880	3%	9%	62%	19,934	18,369	3%	10%	63%
- Collabs	964	965	-5%	0%	8%	2,564	2,681	-9%	-4%	8%
- ME	358	335	2%	7%	3%	1,044	900	13%	17%	3%
<b>Fuel with more</b>	<b>3,189</b>	<b>2,640</b>	<b>13%</b>	<b>21%</b>	<b>27%</b>	<b>8,139</b>	<b>6,186</b>	<b>22%</b>	<b>33%</b>	<b>26%</b>
- Timeless	2,527	2,117	11%	19%	21%	6,339	4,787	22%	33%	20%
- Signature	304	407	-27%	-23%	3%	910	1,129	-21%	-18%	3%
- PANDORA ESSENCE <sup>1</sup>	232	2	-	-	2%	574	5	-	-	2%
- Pandora Lab-Grown Diamonds	127	113	18%	10%	1%	315	265	43%	18%	1%
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>	<b>6%</b>	<b>11%</b>	<b>100%</b>	<b>31,680</b>	<b>28,136</b>	<b>7%</b>	<b>14%</b>	<b>100%</b>
Goods transferred at a point in time	11,953	10,796				31,622	28,070			
Services transferred over time	20	24				58	66			
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>				<b>31,680</b>	<b>28,136</b>			

<sup>1</sup>PANDORA ESSENCE was launched in 2024 following a pilot in the Netherlands in 2023.

REVENUE DEVELOPMENT IN KEY MARKETS DKK million	Q4 2024	Q4 2023	Like- for-like	Local currency growth	FY 2024	FY 2023	Like- for- like	Local currency growth
US	3,713	3,190	9%	14%	9,709	8,306	8%	16%
China	104	116	-10%	-12%	416	564	-21%	-25%
UK	1,640	1,627	-3%	-3%	3,929	3,821	-2%	0%
Italy	879	921	-10%	-5%	2,478	2,540	-7%	-3%
Australia	486	461	-4%	5%	1,094	1,120	-4%	-2%
France	456	502	-14%	-9%	1,217	1,196	-5%	2%
Germany	839	662	28%	27%	2,206	1,527	45%	44%
<b>Total key markets</b>	<b>8,117</b>	<b>7,479</b>	<b>3%</b>	<b>7%</b>	<b>21,050</b>	<b>19,075</b>	<b>4%</b>	<b>9%</b>
<b>Rest of Pandora</b>	<b>3,856</b>	<b>3,341</b>	<b>11%</b>	<b>22%</b>	<b>10,630</b>	<b>9,062</b>	<b>13%</b>	<b>23%</b>
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>	<b>6%</b>	<b>11%</b>	<b>31,680</b>	<b>28,136</b>	<b>7%</b>	<b>14%</b>

REVENUE DEVELOPMENT BY CHANNEL DKK million	Q4 2024	Q4 2023	Organic growth	Share of Revenue	FY 2024	FY 2023	Organic growth	Share of Revenue
<b>Pandora owned<sup>1</sup> retail</b>	<b>10,079</b>	<b>8,772</b>	<b>14%</b>	<b>84%</b>	<b>26,135</b>	<b>22,034</b>	<b>18%</b>	<b>82%</b>
- of which concept stores	6,076	5,376	11%	51%	17,045	14,415	16%	54%
- of which online stores	3,288	2,729	20%	27%	7,120	5,892	21%	22%
- of which other points of sale	714	668	15%	6%	1,970	1,727	20%	6%
<b>Wholesale</b>	<b>1,648</b>	<b>1,829</b>	<b>-5%</b>	<b>14%</b>	<b>4,684</b>	<b>5,369</b>	<b>-6%</b>	<b>15%</b>
- of which concept stores	668	854	-12%	6%	1,933	2,672	-15%	6%
- of which other points of sale	981	976	0%	8%	2,751	2,697	4%	9%
<b>Third-party distribution</b>	<b>246</b>	<b>218</b>	<b>11%</b>	<b>2%</b>	<b>861</b>	<b>734</b>	<b>15%</b>	<b>3%</b>
<b>Total revenue</b>	<b>11,973</b>	<b>10,820</b>	<b>11%</b>	<b>100%</b>	<b>31,680</b>	<b>28,136</b>	<b>13%</b>	<b>100%</b>

<sup>1</sup>Pandora does not own any of the premises (Land and buildings) where stores are operated. Pandora exclusively operates stores from leased premises.

The use of sales channels for the distribution of Pandora jewellery depends on the underlying market maturity and varies within markets but is consistent when viewed between segments.

Due to the seasonal nature of the jewellery business, higher revenue and profits are historically realised in the fourth quarter.

**NOTE 4 - FINANCIAL RISKS**

Pandora's overall risk exposure and financial risks, including risks related to commodity prices, foreign currency, credit, liquidity and interest rates, are described in the disclosures in note 4.4 Financial risks in the consolidated financial statements in the Annual Report 2024.

Net interest-bearing debt (NIBD), incl. capitalised leases amounted to DKK 11.0 billion at the end of Q4 2024 (Q4 2023: DKK 9.8 billion) corresponding to a financial leverage of 1.1x (Q4 2023: 1.1x).

**Liquidity risk**

Pandora maintains an adequate level of cash and unutilised credit facilities to meet financial obligations when due.

DKK million	2024 31 December	2023 31 December
Loans and borrowings, non-current <sup>1</sup>	7,831	6,973
Lease liabilities, non-current	3,794	2,765
Loans and borrowings, current	397	313
Lease liabilities, current	1,379	1,116
Cash	-2,394	-1,397
<b>Net interest-bearing debt</b>	<b>11,008</b>	<b>9,770</b>
<b>Unutilised committed credit facilities</b>	<b>7,087</b>	<b>4,472</b>

<sup>1</sup> Includes the EUR 500 million bond issued in May 2024 and the EUR 500 million bond issued in March 2023.

By year-end 2024, Pandora held DKK 2.4 billion in cash and short-term money market deposits, driven by the strategic shift in Pandora's funding mix towards greater reliance on bond issuances, reducing dependency on revolving credit facilities. The year closed with DKK 8.0 billion in drawn debt, leaving DKK 7.1 billion available in undrawn, committed credit facilities.

**NOTE 5 - TRADE RECEIVABLES**

DKK million	2024 31 December	2023 31 December
Receivables related to third-party distribution and wholesale	711	705
Receivables related to retail revenue	506	637
<b>Total trade receivables</b>	<b>1,217</b>	<b>1,342</b>

**NOTE 6 - BUSINESS COMBINATIONS**

In 2024, Pandora took over 36 concept stores (12 concept stores in the US, 4 concept stores in Italy, 15 concept stores in Canada and 5 concept stores in Brazil) in 10 business combinations. Net assets acquired mainly consisted of store properties, inventories and related liabilities. The total purchase price for the acquisitions was DKK 183 million. Based on the purchase price allocations, goodwill was DKK 98 million. Goodwill from the acquisitions was mainly related to the synergies from converting the stores from wholesale and distribution to Pandora-owned retail. Among the goodwill acquired, DKK 93 million was deductible for income tax purposes.

Cost relating to the acquisitions was immaterial and has been recognised as operating expenses in the income statement.

Excluding the temporary drag on gross margin from inventory buybacks, incremental contribution to Group revenue and net profit from acquisitions for the period 1 January - 31 December 2024 was DKK 124 million and DKK 28 million, respectively. On a pro forma basis, if the acquisitions had been effective from 1 January 2024, the incremental

contribution to Group revenue and net profit for the period 1 January - 31 December 2024 would have been approximately DKK 146 million and DKK 31 million, respectively<sup>1</sup>.

**ACQUISITIONS**

DKK million	FY 2024	FY 2023
Property, plant and equipment and right-of-use assets	85	144
Other non-current assets	1	-
Inventories	85	194
Other current assets	1	3
<b>Assets acquired</b>	<b>172</b>	<b>341</b>
Non-current liabilities	41	75
Payables	4	4
Other current liabilities	43	49
<b>Liabilities assumed</b>	<b>88</b>	<b>128</b>
<b>Total identifiable net assets acquired</b>	<b>84</b>	<b>213</b>
Goodwill arising on the acquisitions	98	143
<b>Purchase consideration</b>	<b>183</b>	<b>356</b>
Cash movements on acquisitions:		
Consideration transferred regarding previous years <sup>2</sup>	19	14
Deferred payment <sup>3</sup>	-8	-21
<b>Net cash flows on acquisitions</b>	<b>194</b>	<b>349</b>

<sup>1</sup>The incremental contribution to Group revenue and net profit is determined as the net of acquired retail revenue less the reduction in wholesale revenue. Excluding the temporary drag on the margin from inventory buybacks, the contribution to the Group revenue and net profit from acquisitions for the period 1 January - 31 December 2024 calculated according to IFRS 3 was DKK 309 million and DKK 125 million, respectively. On a proforma basis, if the acquisitions had been effective from 1 January 2024, the IFRS 3 contribution to Group revenue and net profit for the period 1 January - 31 December 2024, excluding the temporary drag on the margin from inventory buybacks, would have been approximately DKK 331 million and DKK 127 million, respectively.

<sup>2</sup>The consideration of DKK 19 million transferred during 2024 relates mainly to the acquisition in Colombia in 2023. The consideration of DKK 14 million transferred during 2023 relates to the acquisitions in Portugal and Italy in 2022.

<sup>3</sup>The deferred payment of DKK 8 million in 2024 relates mainly to the acquisitions in the US and Italy. In 2023, the deferred payment of DKK 21 million relates mainly to the acquisition in Colombia.

**Business combinations after the reporting period**

No business combinations to an extent of significance to Pandora took place after the reporting period.

**NOTE 7 - GOODWILL**

DKK million	2024 31 December	2023 31 December
Cost at 1 January	4,914	4,822
Acquisition of subsidiaries and activities in the period	98	143
Exchange rate adjustments	114	-50
<b>Cost at the end of the period</b>	<b>5,126</b>	<b>4,914</b>

No impairment indication was identified based on the information regarding the market and the forecast. The latest impairment test was carried out 31 December 2024 and the test confirmed a substantial headroom between the carrying amount and the value in use. All the assumptions used are as described in the Annual Report 2024.

**NOTE 8 - ASSETS AND LIABILITIES RELATED TO LEASES**

Pandora leases stores, offices, office equipment and cars.

**Amounts recognised in the balance sheet:****RIGHT-OF-USE ASSETS**

DKK million	2024 31 December	2023 31 December
Property	4,974	3,765
Other	23	14
<b>Total right-of-use assets</b>	<b>4,997</b>	<b>3,779</b>

Out of the total increase of DKK 1.2 billion in right-of-use-assets in the period 1 January to 31 December 2024, DKK 2.5 billion relates to renewals of lease contracts and new leases driven by network expansion, forward integration and a new European Distribution Centre in Germany, partially offset by a decrease of DKK 1.3 billion as a result of depreciation and currency exchange movement. The development in right-of-use-assets is further affected by the timing of renewals of lease contracts and new leases.

**LEASE LIABILITIES**

DKK million	2024 31 December	2023 31 December
Non-current	3,794	2,765
Current	1,379	1,116
<b>Total lease liabilities</b>	<b>5,173</b>	<b>3,880</b>

Lease liabilities are recognised in loans and borrowings.

**Amounts recognised in the income statement:****RECOGNISED DEPRECIATION ON RIGHT-OF-USE ASSETS CHARGED TO THE INCOME STATEMENT FOR THE PERIOD**

DKK million	1 January - 31 December 2024	1 January - 31 December 2023
Property	1,329	1,149
Other	14	14
<b>Total depreciation on right-of-use assets for the period</b>	<b>1,343</b>	<b>1,163</b>

Depreciation mainly relates to leased stores and is presented in the sales, distribution and marketing expenses.

**OTHER ITEMS RELATING TO LEASES**

DKK million	1 January - 31 December 2024	1 January - 31 December 2023
Interest expense	381	270
<b>Total interest for the period</b>	<b>381</b>	<b>270</b>

Costs recognised in the period for short-term and low-value leases were DKK 88 million (2023: DKK 67 million). Expenses are recognised on a straight-line basis.

**TOTAL CASH FLOWS RELATING TO LEASES**

DKK million	1 January - 31 December 2024	1 January - 31 December 2023
Fixed lease payments	1,162	1,107
Interest payments	381	270
Variable leases	588	521
Short-term and low-value leases	88	67
<b>Total cash flows relating to leases</b>	<b>2,219</b>	<b>1,965</b>

Payments related to variable leases and short-term and low-value leases are not included in the lease liabilities.

**NOTE 9 - TRADE PAYABLES**

The Group generally accepts that vendors sell off their receivables arising from the sale of goods and services to the Group to a third party. Pandora has established a supply chain financing programme where vendors can sell off their receivables from Pandora on attractive terms, based on invoices approved by Pandora, but at the bank's sole discretion. The programme does not extend payment terms beyond the original terms agreed. The payment terms for trade payables within the supply chain financing programme range from 90-110 days, while the payment terms for trade payables outside the programme average around 60 days. This is expected, as the programme is generally more attractive to suppliers with longer payment terms.

Pandora is not directly or indirectly a party to these agreements. The amounts payable to suppliers included in the supply chain financing programme are classified as trade payables in the balance sheet as well as in the statement of cash flows (working capital within cash flows from operations) and amounted to DKK 362 million at 31 December 2024 (2023: DKK 82 million). Suppliers have received payment from the bank for all the liabilities under the supplier finance arrangement.

**NOTE 10 - CONTINGENT ASSETS AND LIABILITIES**

Reference is made to note 5.1 Contingent assets and liabilities to the consolidated financial statements in the Annual Report 2024.

**NOTE 11 - STORE NETWORK, CONCEPT STORE DEVELOPMENT<sup>1</sup>**

	Total concept stores					O&O concept stores		
	Number of concept stores Q4 2024	Number of concept stores Q3 2024	Number of concept stores Q4 2023	Growth Q4 2024 / Q3 2024	Growth Q4 2024 / Q4 2023	Number of concept stores O&O Q4 2024	Growth O&O stores Q4 2024 / Q3 2024	Growth O&O stores Q4 2024 / Q4 2023
US	484	479	447	5	37	399	9	54
China	198	204	219	-6	-21	188	-5	-20
UK	222	219	221	3	1	221	3	6
Italy	186	184	175	2	11	160	2	20
Australia	134	128	127	6	7	76	5	25
France	127	123	126	4	1	118	8	20
Germany	138	137	135	1	3	138	2	5
<b>Total key markets</b>	<b>1,489</b>	<b>1,474</b>	<b>1,450</b>	<b>15</b>	<b>39</b>	<b>1,300</b>	<b>24</b>	<b>110</b>
Rest of Pandora	1,299	1,260	1,201	39	98	788	31	109
<b>All markets</b>	<b>2,788</b>	<b>2,734</b>	<b>2,651</b>	<b>54</b>	<b>137</b>	<b>2,088</b>	<b>55</b>	<b>219</b>

<sup>1</sup>All markets with 10 or more concept stores can be found in the Excel appendix uploaded on [www.pandoragroup.com](http://www.pandoragroup.com).



**NOTE 12 – COMMODITY HEDGING AND DERIVATIVES**

During the first half of 2024 the silver price increased by more than 40%. In response, a strategic decision was made to temporarily pause further hedging efforts to assess whether the price surge was temporary or likely to persist. The hedging has been resumed in Q4 2024. As of the end of 2024, Pandora had hedged 70% of commodity exposures for the next 12 months of production.

The table below illustrates the timing of the hedges related to the purchase of silver and gold for production, excluding the time-lag effect from inventory to cost of sales (when the product is sold). The time-lag from use in production to impact on cost of sales in the P&L is usually 2-7 months.

**HEDGED AND REALISED PURCHASE PRICES  
(AT USE OF THE SILVER AND GOLD FOR PRODUCTION)**

USD / OZ	Realised in Q4 2024	Hedged Q1 2025	Hedged Q2 2025	Hedged Q3 2025	Hedged Q4 2025
Silver price	26.96	28.01	31.30	31.03	31.24
Gold price	2,403	2,462	2,636	2,708	2,733
<b>Commodity hedge ratio (target), %</b>	<b>Realised</b>	<b>70-100%</b>	<b>70-90%</b>	<b>50-70%</b>	<b>30-50%</b>

Derivative financial instruments are measured at fair value and in accordance with level 2 in the fair value hierarchy (IFRS 13). See note 4.5 Derivative financial instruments to the consolidated financial statements in the Annual Report 2024.

**NOTE 13 – SUBSEQUENT EVENTS**

As described in section Other events in the Management review and in Note 6 Business Combinations, Pandora is not aware of events after 31 December 2024, which are expected to materially impact the Group's financial position.

## QUARTERLY OVERVIEW

DKK million	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
<b>Financial highlights</b>					
Revenue	11,973	6,103	6,771	6,834	10,820
<b>Organic growth, %</b>	<b>11%</b>	<b>11%</b>	<b>15%</b>	<b>18%</b>	<b>12%</b>
Like-for-like, %	6%	7%	8%	11%	9%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	4,772	1,571	1,916	2,067	4,227
Operating profit (EBIT)	4,149	980	1,338	1,507	3,674
<b>EBIT margin, %</b>	<b>34.7%</b>	<b>16.1%</b>	<b>19.8%</b>	<b>22.0%</b>	<b>34.0%</b>
Net financials	-347	-193	-280	-229	-330
Net profit for the period	2,869	595	799	965	2,530
<b>FINANCIAL RATIOS</b>					
Revenue growth, DKK, %	11%	10%	15%	17%	10%
Revenue growth, local currency, %	11%	12%	16%	19%	13%
Gross margin, %	79.8%	80.1%	80.2%	79.4%	79.3%
EBITDA margin, %	39.9%	25.7%	28.3%	30.3%	39.1%
EBIT margin, %	34.7%	16.1%	19.8%	22.0%	34.0%
Effective tax rate, %	24.5%	24.5%	24.5%	24.5%	24.4%
Equity ratio, %	20%	14%	16%	17%	23%
NIBD to EBITDA, x	1.1	1.5	1.4	1.3	1.1
Return on invested capital (ROIC), % <sup>1</sup>	46%	44%	45%	45%	45%
Cash conversion incl. lease payments, %	124%	58%	94%	-12%	116%
Net working capital, % of last 12 months' revenue	-1.7%	5.9%	6.0%	6.9%	1.8%
Capital expenditure, % of revenue	4.6%	7.9%	7.0%	6.0%	5.4%
<b>STOCK RATIOS</b>					
Total payout ratio (incl. share buyback), %	35%	193%	110%	255%	30%
<b>CONSOLIDATED BALANCE SHEET</b>					
Total assets	27,758	25,529	24,797	23,993	23,798
Invested capital	16,515	18,013	17,478	16,605	15,126
Net working capital	-549	1,812	1,812	2,017	510
Net interest-bearing debt (NIBD)	11,008	14,498	13,402	12,643	9,770
Equity	5,508	3,515	4,076	3,961	5,355
<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>					
Cash flows from operating activities	5,725	1,181	1,626	188	4,821
Capital expenditure, total	553	481	476	409	582
Capital expenditure, property, plant and equipment	439	398	331	252	394
Free cash flows incl. lease payments	5,126	572	1,255	-187	4,277

<sup>1</sup> Last 12 months' EBIT in % of last 12 months' average invested capital. The "Return on invested capital (ROIC), %" was updated in Q1 2024 from "Last 12 months' EBIT in % of invested capital" to "Last 12 months' EBIT in % of last 12 months' average invested capital" to present a more useful and less volatile KPI by switching to a moving annual average. All comparative periods have been restated.

For definitions of the performance measures used by Pandora, see note 5.6 Financial definitions to the consolidated financial statements in the Annual Report 2024.

## MANAGEMENT STATEMENT

The Board of Directors and the Executive Management have discussed and approved the interim financial report of Pandora A/S for the period 1 January to 31 December 2024. The condensed consolidated interim financial statement, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the EU, and additional requirements in the Danish Financial Statements Act.

It is our opinion that the condensed consolidated interim financial statement gives a true and fair view of the financial position for the Pandora Group at 31 December 2024 and of the results of the Pandora Group's operations and cash flows for the period 1 January to 31 December 2024.

Further, in our opinion, the Management's review gives a fair view of the development in the Group's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group faces. Aside from the disclosure in the Interim Financial Report, the Group's material risks and uncertainties are disclosed in the Annual Report of 2024.

Copenhagen, 05 February 2025

## EXECUTIVE MANAGEMENT

Alexander Lacik  
*Chief Executive Officer*

Anders Boyer  
*Chief Financial Officer*

## BOARD OF DIRECTORS

Peter A. Ruzicka  
*Chair*

Christian Frigast  
*Deputy Chair*

Lilian Fossum Biner

Birgitta Stymne Göransson

Marianne Kirkegaard

Catherine Spindler

Jan Zijderveld

## DISCLAIMER

This Company announcement contains forward-looking statements, including, but not limited to, guidance, expectations, strategies, objectives and statements regarding future events or prospects with respect to the Company's future financial and operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as "expect", "estimate", "intend", "will be", "will continue", "will result", "could", "may", "might" or any variations of such words or other words with similar meanings. Forward-looking statements are subject to risks and uncertainties that could cause the Company's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management's then current expectations or forecasts. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Company assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements. Some important risk factors that could cause the Company's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and geopolitical uncertainty (including interest rates and exchange rates), financial and regulatory developments, general changes in market trends and end-consumer preferences, demand for the Company's products, competition, the availability and pricing of materials used by the Company, production and distribution-related issues, IT failures, litigation, pandemics and other unforeseen factors. The nature of the Company's business means that risk factors and uncertainties may arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Company's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.