

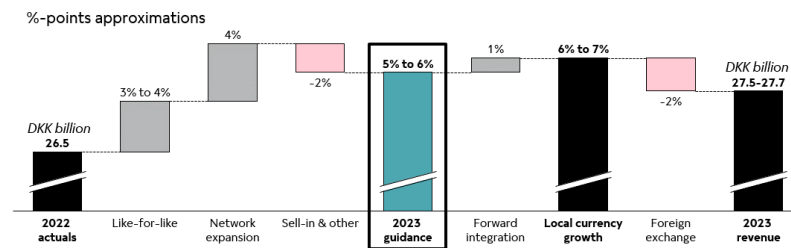
Q4 2023 – AIDE MEMOIRE

Pandora Investor Relations

Guidance

Revenue

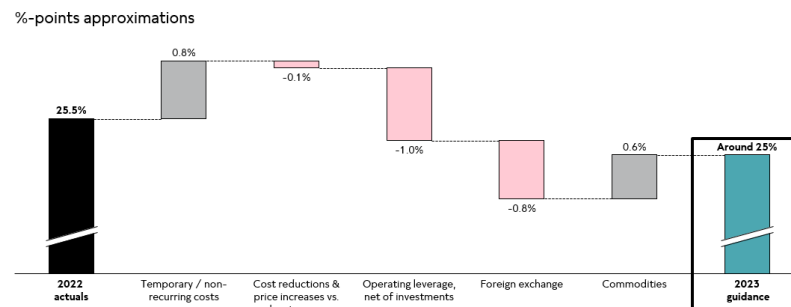
Full-year guidance: Pandora updated its growth guidance for 2023 on 8 November 2023, and targets an organic growth of +5 to +6% for full year 2023 (previously +2% to +5%). The key assumptions behind the organic growth guidance can be illustrated as below:



- Like-for-like (LFL) is expected to drive +3% to +4% of the organic growth. The implied Q4 LFL is in the range of +2% to +5%
- Network expansion is expected to drive +4% organic growth
- Sell-in to partners/other is expected to be a drag of -2% driven by among others underperformance in wholesale other points of sales, which are not part of LFL, as well as lower replenishments among some partners

EBIT margin

Full-year guidance: Pandora confirmed the EBIT margin guidance for 2023 of “Around 25%” on 8 November 2023:



- As previously communicated, the EBIT margin phasing through the year will be skewed towards Q4. This implies that the Q4 2023 margin will be up Y/Y which mainly reflects:
 - A positive impact from the phasing of costs
 - A positive impact from the combined impact from commodities and FX which are expected to be a 60bps tailwind in Q4 compared to last year
- Guidance is based on foreign exchange rates as of 31 October 2023 and a silver/USD (per ounce) of 22.7:

FOREIGN EXCHANGE AND COMMODITY ASSUMPTIONS AND IMPLICATIONS – As of 31 October 2023

	Average 2022	Average 2023	2023 Y-Y Financial Impact
USD/DKK	7.07	6.92	
THB/DKK	0.20	0.20	
GBP/DKK	8.73	8.55	
CNY/DKK	1.05	0.97	
AUD/DKK	4.91	4.57	
Silver/USD (per ounce)	24.9	22.7	
REVENUE (DKK million)			Approx. -600
EBIT (DKK million)			Approx. -200
EBIT margin (foreign exchange)			Approx. -0.8%
EBIT margin (commodities)			Approx. +0.6%

Please refer to page 82 in Pandora's 2022 annual report for the sensitivity to movements in foreign exchange rates and commodity prices:

<https://pandoragroup.com/staticcontent?url=http://pandoragroup.gcs-web.com/static-files/874fca0b-69d5-4368-a00f-4a98e8f0bde0&format=pdf&title=Annual%20Report%202022>

Current trading commentary from Q3 2023 report

- Current trading in Q4 2023 is healthy with underlying LFL growth at high-single digit levels. Pandora continues to remain mindful of the macroeconomic climate
- Quote from Pandora's CFO, Anders Boyer, on the Q3 2023 conference call:
 - *"Now, some of you may already have done the math to see what the new guidance implies on LFL specifically for Q4. Let me put a few words on that as some of you may wonder why we guide for 2-5% LFL in Q4 when Q3 is at 9% and current trading in Q4 also sits at a HSD level. There are four things we want to point out. First of all, as you know, the holiday season is typically more competitive across the board. Secondly, our social media activations were particularly strong over Q3 and this is not a linear progression. Some quarters we will create more buzz than others. It's clearly our strategy to continue to drive this, but you should not think of this as a repeatable aspect every single quarter. And thirdly, I also want to add that Rest of Pandora saw very strong like-for-like growth at +22% in the third quarter and comparatives there does get tougher as we move forward. And lastly, we remain*

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conscious of the macroeconomic situation and the macroeconomic backdrop does remain uncertain, and at the low end of the guidance, we assume macro to weaken.”

Other guidance parameters

- Pandora expects CAPEX to be around 6% of revenue in 2023. This is primarily driven by investments into the store network, digital initiatives and crafting facilities
- Pandora expects to open a net of 125-225 stores during 2023. Of these, 75-125 will be concept stores opening across Pandora's own network and the partner network, while the remaining 50-100 will be Pandora owned shop-in-shops
- The effective tax rate is expected to be 23-24%, unchanged from last year
- NIBD/EBITDA is expected to land at around 1.2x by year end

2023 Capital Markets Day

- On 5 October 2023 Pandora hosted its Capital Markets Day unfolding the second chapter of the Phoenix strategy and provided new financial targets towards 2026 of:
 - An organic growth CAGR of +7 to +9% from 2023-2026
 - An EBIT margin target of 26% to 27% in 2026
 - For detailed financial appendix please refer to:
<https://pandoragroup.com/investor/news-and-reports/company-announcements/newsdetail?id=26071>

Notes

- Pandora will enter a silent period on 11 January 2024
- Pandora will release its Annual Report for 2023 on 7 February 2024
- Pandora's Interim Financial Report for Q4 2023 will be released 7 February 2024
- Pandora will release its Sustainability Report for 2023 on 7 February 2024
- Pandora will host its Annual General Meeting 14 March 2024
- Collection of Pandora's pre-Q4 consensus will begin middle of January