



BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904

CONSOLIDATED INTERIM FINANCIAL REPORT

June 2022

January 1 – June 30, 2022

(6 months)

GEORG JENSEN A/S, SDR. FASANVEJ 7, DK-2000 FREDERIKSBERG

COMPANY REG.NO.: 26573645

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MANAGEMENT'S REVIEW

| FINANCIAL HIGHLIGHTS | Q2 | | | 6 MONTHS | | |
|-------------------------------------|--|-------|------|----------|-------|------|
| | DKK million, except for number of stores | 2022 | 2021 | Change | 2022 | 2021 |
| Revenue | 243.0 | 215.7 | 13% | 473.9 | 407.1 | 16% |
| EBITDA | 33.1 | 23.6 | 40% | 54.0 | 43.5 | 24% |
| EBIT | 3.8 | -7.8 | | -5.3 | -19.9 | |
| Profit before tax | 1.3 | -15.9 | | -16.1 | -35.6 | |
| Profit for the period | -1.3 | -16.5 | | 79.9 | -36.8 | |
| Cash flow from operating activities | -27.6 | 18.9 | | -38.5 | 11.4 | |
| Total cash flow | -61.1 | -22.3 | | -102.0 | -57.2 | |
| Number of stores* | 93 | 99 | | 93 | 99 | |

*Number of stores is from Q2 2022 and going forward calculated without pop-up stores.

MANAGEMENT'S COMMENTARY

- Q2 2022 was the 7th consecutive quarter of growth with revenue growth of 13% to last year. Growth was delivered across all channels and product segments.
- EBITDA-margin expansion to 13.6% in Q2 2022 from 11.0% in Q2 2021 driven by gross margin improvements, coming from strict price management, favorable channel mix, as well as operating leverage. EBITDA amounted to DKK 33 million for the quarter which is an improvement of DKK 9 million compared to Q2 2021.
- As part of continued growth we have additional investments into inventory to improve product availability towards second half of the year and to cater for the increasing lead time.

Georg Jensen remains on a growth track. We are starting to see normalized market conditions in key markets and Retail is gaining a higher share of sales as in-store traffic is building but impact from COVID-19 pandemic was still hampering certain APAC markets in Q2 2022. As anticipated, growth in Q2 2022 has been delivered from both core markets and strong continuing momentum in growth markets.

For B2C we are encouraged by the 15% growth compared to 2021 driven by Retail with online sales channels continuing to represent significant sales volumes. In addition, B2B is delivering sales growth of 8% based on a strong quarter from the North American market.

Revenue in the Jewellery category increased by 19% and Home increased by 3% in Q2 2022 compared to Q2 2021. Based on a 2019 comparison, Home grew by 42% and Jewellery by 16% compared to Q2 2019.

Gross margin improved to 61.9% in Q2 2022 from 61.5% in Q2 2021. The increase in gross margin is anchored in improvement in favorable product mix despite a strengthening of USD and raw material price increases in both Home and Jewellery.

Operating costs in Q2 2022 increased by 8% (DKK 8 million) compared to last year mainly due to variable rent expense for shop-in-shops, increased investments in marketing and higher staff costs. Impact from operating leverage continues as operating costs as a percentage of revenue decreased to 48% in Q2 2022 from 51% in Q2 2021.

EBITDA increased to DKK 33 million in Q2 2022 from DKK 24 million in Q2 2021, driven by increased revenue, gross margin expansion but partly offset by higher operating costs.

Net cash flow from operating activities was DKK -28 million for Q2 2022 mainly due to inventory build-up as per improvement in product availability and seasonality.

Net interest-bearing debt decreased to DKK 352 million in Q2 2022 from DKK 439 million in Q2 2021 mainly driven by a decrease in IFRS16 lease liabilities and increase in cash and cash equivalents.

New product launches in Q2

Jewellery:

In May we launched a new diamond pattern to our iconic Fusion rings which instantly showed successful adoption. In addition to the growth from the new diamond pattern, the Fusion ring also experienced a good uplift after this launch.

Home

In May we launched the Annual Christmas Collectable collection which in 2022 is centered around an Angel and a Christmas Bow.

OUTLOOK 2022

Management reiterates the outlook stated in the Annual Report 2021:

The current trading environment remains uncertain with pressure on freight rates, energy prices and ramping inflation, partly offset by COVID-19 impact starting to loosen up.

Despite the challenges we expect that overall revenues will continue to grow within B2C and B2B channels and, with a continued focus on margin improvement, cost containment and selective investment, we expect to improve profitability further in 2022.

MANAGEMENT STATEMENT

The Board of Directors and Executive Management have reviewed and approved the consolidated interim financial report of Georg Jensen A/S for the period January to June 2022. The consolidated interim financial report has not been audited or reviewed by the company's independent auditors.

The consolidated interim financial report for the period January to June 2022 has been prepared in accordance with IAS 34 'Interim Financial Reporting'. The accounting policies adopted in the preparation are consistent with those applied in the Annual Report 2021 of Georg Jensen A/S.

Furthermore, the consolidated interim financial report for January to June 2022 and Management's Review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

Copenhagen, 31st of August 2022

Executive Board

Mehul Tank
CEO

Board of Directors

Andrea Jayne Davis
Chairman

David Ching Chi Chu

Robert W. Bostock

Celine Infeld

Duncan Zheng

Karl Sebastian Inger

Annick E. M. Desmecht

Adnan Hadzihasanovic

Ida Heiberg Bøttiger

DISCLAIMER

This company announcement 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 from what is forecasted in this report due to a variety of factors.

CONSOLIDATED INCOME AND COMPREHENSIVE INCOME STATEMENT

| INCOME STATEMENT | Q2 | | June (YTD) | |
|--|--------------|--------------|-------------------|--------------|
| DKK million | 2022 | 2021 | 2022 | 2021 |
| Revenue | 243.0 | 215.7 | 473.9 | 407.1 |
| Cost of sales | -92.5 | -83.0 | -179.3 | -153.6 |
| Gross profit | 150.5 | 132.7 | 294.6 | 253.5 |
| Other external costs | -55.3 | -43.3 | -112.4 | -82.7 |
| Staff costs | -66.9 | -66.0 | -136.2 | -132.2 |
| Other operating income and costs | 4.8 | 0.3 | 8.0 | 4.9 |
| Operating profit before depreciation and amortization | 33.1 | 23.6 | 54.0 | 43.5 |
| Depreciation, amortization and impairment losses | -29.3 | -31.4 | -59.3 | -63.5 |
| Operating profit | 3.8 | -7.8 | -5.3 | -19.9 |
| Financial items, net | -2.5 | -8.1 | -10.8 | -15.7 |
| Profit before tax | 1.3 | -15.9 | -16.1 | -35.6 |
| Tax on profit for the year | -2.6 | -0.6 | 96.0 | -1.2 |
| Profit for the period | -1.3 | -16.5 | 79.9 | -36.8 |
| OTHER COMPREHENSIVE INCOME | | | | |
| | Q2 | | June (YTD) | |
| | 2022 | 2021 | 2022 | 2021 |
| Profit for the year | -1.3 | -16.5 | 79.9 | -36.8 |
| OTHER COMPREHENSIVE INCOME | | | | |
| <i>Items that will not be reclassified to profit or loss</i> | | | | |
| Remeasurements of defined benefit pension plans | 0.0 | 0.0 | 0.0 | 0.0 |
| <i>Items that will be reclassified to profit or loss</i> | | | | |
| Adjustment Cash flow hedges | 0.0 | 0.0 | 0.0 | 0.0 |
| Exchange differences on foreign operations | -7.4 | -4.8 | -7.4 | -9.8 |
| Other comprehensive income after tax | -7.4 | -4.8 | -7.4 | -9.8 |
| Total comprehensive income for the period | -8.7 | -21.3 | 72.5 | -46.6 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, ASSETS

| DKK million | 30/06 2022 | 30/06 2021 | 31/12 2021 |
|-----------------------------------|----------------|--------------|----------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Intangible assets | 46.8 | 41.8 | 49.5 |
| Tangible assets | 238.8 | 297.1 | 259.5 |
| Financial Assets | 43.0 | 43.0 | 46.5 |
| Deferred tax | 100.3 | 0.0 | 0.0 |
| Total non-current assets | 428.9 | 381.9 | 355.5 |
| CURRENT ASSETS | | | |
| Inventories | 406.5 | 326.0 | 285.1 |
| Trade receivables | 80.4 | 74.3 | 127.2 |
| Other receivables | 10.2 | 3.9 | 5.6 |
| Receivable from group enterprises | 16.0 | 15.8 | 16.4 |
| Prepayments | 13.5 | 2.1 | 12.9 |
| Cash and cash equivalents | 119.7 | 91.2 | 221.7 |
| Total current assets | 646.3 | 513.3 | 668.9 |
| TOTAL ASSETS | 1,075.2 | 895.2 | 1,024.4 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, LIABILITIES

| DKK million | 30/06 2022 | 30/06 2021 | 31/12 2021 |
|--------------------------------------|----------------|--------------|----------------|
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | 139.6 | 139.6 | 139.6 |
| Share premium | 488.3 | 488.3 | 488.3 |
| Hedging reserve | -2.0 | 1.2 | 0.2 |
| Translation reserve | -0.4 | -6.5 | 7.0 |
| Retained earnings | -314.0 | -497.7 | -393.9 |
| Total equity | 311.5 | 124.9 | 241.2 |
| LIABILITIES | | | |
| NON-CURRENT LIABILITIES | | | |
| Bond | 298.0 | 298.0 | 298.0 |
| Credit institutions | 0.0 | 0.0 | 0.0 |
| Lease liabilities | 122.1 | 168.9 | 139.9 |
| Provisions | 13.5 | 14.5 | 11.8 |
| Deferred tax | 0.0 | 2.3 | 0.7 |
| Retirement benefit obligation | 9.0 | 8.2 | 8.5 |
| Other Payables | 9.9 | 9.7 | 10.2 |
| Total non-current liabilities | 452.5 | 501.6 | 469.1 |
| CURRENT LIABILITIES | | | |
| Credit institutions | 0.1 | 2.7 | 2.8 |
| Trade Payables | 135.9 | 93.0 | 83.6 |
| Other Payables | 100.0 | 92.7 | 143.3 |
| Payable to group enterprises | 0.0 | 0.0 | 0.0 |
| Lease liabilities | 67.4 | 76.6 | 73.9 |
| Tax payables | 7.8 | 0.7 | 7.5 |
| Provisions | 0.0 | 3.0 | 3.0 |
| Total current liabilities | 311.2 | 268.7 | 314.1 |
| Total liabilities | 763.7 | 770.3 | 783.2 |
| TOTAL EQUITY AND LIABILITIES | 1,075.2 | 895.2 | 1,024.4 |

CONSOLIDATED CASH FLOW STATEMENT

| CASH FLOW STATEMENT | Q2 | | 6 MONTHS | |
|--|--------------|--------------|-----------------|--------------|
| DKK million | 2022 | 2021 | 2022 | 2021 |
| Net profit for the period | -1.3 | -16.5 | 79.9 | -36.8 |
| Non-cash items | 25.8 | 43.2 | -28.5 | 85.1 |
| Change in working capital | -44.9 | 0.0 | -75.4 | -20.8 |
| Cash flows from operating activities before financial income and expenses | -20.4 | 26.7 | -24.0 | 27.5 |
| Financial cost, paid | -7.2 | -7.8 | -14.5 | -16.1 |
| Cash flows from ordinary activities | -27.6 | 18.9 | -38.5 | 11.4 |
| Income taxes paid | 0.0 | 0.0 | 0.0 | 0.0 |
| Net cash flow from operating activities | -27.6 | 18.9 | -38.5 | 11.4 |
| Purchase of tangible and intangible assets | -7.6 | -11.4 | -14.2 | -15.2 |
| Change in other financial assets | 0.0 | 0.2 | 0.0 | -0.1 |
| Net cash flow from investing activities | -7.6 | -11.2 | -14.2 | -15.3 |
| Changes in credit institutions | -2.6 | -3.6 | -2.7 | -3.0 |
| Repayment of loans from credit institutions | 0.0 | 0.0 | 0.0 | 0.0 |
| Repayment of lease liabilities | -23.3 | -26.4 | -46.6 | -50.3 |
| Cash flow from financing activities | -25.9 | -30.0 | -49.3 | -53.3 |
| Net cash flow for the period | -61.1 | -22.3 | -102.0 | -57.2 |
| Cash and cash equivalents, beginning of the period | 180.8 | 113.5 | 221.7 | 148.4 |
| Cash and cash equivalents, end of the period | 119.7 | 91.2 | 119.7 | 91.2 |

STATEMENT OF CHANGES IN EQUITY

30 June 2022

| DKK million | Share capital | Share premium | Reserve for hedging transaction | Translation reserve | Retained earnings | Total Equity |
|--|---------------|---------------|---------------------------------|---------------------|-------------------|--------------|
| Balance at the beginning of the period | 139.6 | 488.3 | 0.2 | 7.0 | -393.9 | 241.2 |
| Profit for the period | 0.0 | 0.0 | 0.0 | 0.0 | 79.9 | 79.9 |
| <i>Other comprehensive income</i> | | | | | | |
| Remeasurement of defined Benefit pension plans | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Adjustment cash flow hedges | 0.0 | 0.0 | -2.2 | 0.0 | 0.0 | -2.2 |
| Exchange adjustment | 0.0 | 0.0 | 0.0 | -7.4 | 0.0 | -7.4 |
| Total other comprehensive income | 0.0 | 0.0 | -2.2 | -7.4 | 0.0 | -9.6 |
| Balance at the end of the period | 139.6 | 488.3 | -2.0 | -0.4 | -314.0 | 311.5 |

30 June 2021

| DKK million | Share capital | Share premium | Reserve for hedging transaction | Translation reserve | Retained earnings | Total Equity |
|--|---------------|---------------|---------------------------------|---------------------|-------------------|--------------|
| Balance at the beginning of the period | 139.6 | 488.3 | 1.2 | 3.3 | -460.9 | 171.5 |
| Profit for the period | 0.0 | 0.0 | 0.0 | 0.0 | -36.8 | -36.8 |
| <i>Other comprehensive income</i> | | | | | | |
| Remeasurement of defined Benefit pension plans | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Adjustment cash flow hedges | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Exchange adjustment | 0.0 | 0.0 | 0.0 | -9.8 | 0.0 | 0.0 |
| Total other comprehensive income | 0.0 | 0.0 | 0.0 | -9.8 | 0.0 | -9.8 |
| Balance at the end of the period | 139.6 | 488.3 | 1.2 | -6.5 | -497.7 | 124.9 |

NOTES

1 ACCOUNTING POLICIES

The unaudited consolidated interim financial statements for the period January to June 2022 have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The accounting policies and significant accounting estimates adopted in the preparation are consistent with those applied in the Annual Report 2021 of Georg Jensen A/S.

Furthermore, the consolidated interim financial report including the consolidated financial statements for the period January to June of 2022 and Management's review have been prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

2 SEGMENT INFORMATION

| Q2 2022 | | | | | |
|-------------------------------|-------------|-------------|---------------|-------------|--------------|
| DKK million | Europe | APAC | North America | Other | Total |
| Revenue | 119.2 | 105.9 | 17.6 | 0.3 | 243.0 |
| Gross Profit | 46.5 | 62.4 | 4.9 | 36.7 | 150.5 |
| OPEX | -21.9 | -46.1 | -5.0 | -44.4 | -117.4 |
| EBITDA | 24.6 | 16.3 | -0.1 | -7.7 | 33.1 |
| Amortizations & depreciations | | | | | -29.3 |
| EBIT | | | | | 3.8 |
| Financial items, net | | | | | -2.5 |
| Profit before tax | | | | | 1.3 |

| June 2022 (YTD) | | | | | |
|-------------------------------|-------------|--------------|---------------|--------------|--------------|
| DKK million | Europe | APAC | North America | Other | Total |
| Revenue | 237.2 | 207.0 | 30.9 | -1.2 | 473.9 |
| Gross Profit | 84.8 | 124.6 | 8.9 | 76.3 | 294.6 |
| OPEX | -41.3 | -89.8 | -8.3 | -101.2 | -240.6 |
| EBITDA | 43.5 | 34.8 | 0.6 | -24.9 | 54.0 |
| Amortizations & depreciations | | | | | -59.3 |
| EBIT | | | | | -5.3 |
| Financial items, net | | | | | -10.8 |
| Profit before tax | | | | | -16.1 |

Q2 2021

| DKK million | Europe | APAC | North America | Other | Total |
|-------------------------------|---------------|-------------|----------------------|--------------|--------------|
| Revenue | 110.2 | 91.5 | 12.9 | 1.1 | 215.7 |
| Gross Profit | 39.1 | 55.0 | 4.7 | 33.9 | 132.7 |
| OPEX | -17.3 | -39.3 | -3.6 | -48.9 | -109.1 |
| EBITDA | 21.8 | 15.7 | 1.1 | -15.0 | 23.6 |
| Amortizations & depreciations | | | | | -31.4 |
| EBIT | | | | | -7.8 |
| Financial items, net | | | | | -8.1 |
| Profit before tax | | | | | -15.9 |

June 2021 (YTD)

| DKK million | Europe | APAC | North America | Other | Total |
|-------------------------------|---------------|--------------|----------------------|--------------|--------------|
| Revenue | 202.7 | 179.7 | 23.9 | 0.8 | 407.1 |
| Gross Profit | 71.0 | 108.6 | 8.5 | 65.4 | 253.5 |
| OPEX | -29.3 | -78.6 | -6.7 | -95.4 | -210.0 |
| EBITDA | 41.7 | 30.0 | 1.8 | -30.0 | 43.5 |
| Amortizations & depreciations | | | | | -63.5 |
| EBIT | | | | | -19.9 |
| Financial items, net | | | | | -15.7 |
| Profit before tax | | | | | -35.6 |

3 REVENUE

| PRIMARY SALES CHANNELS | Q2 2022 | June 2022 (YTD) |
|-------------------------------|----------------|------------------------|
| B2B | 93.2 | 190.6 |
| B2C | 141.5 | 266.9 |
| Other | 8.3 | 16.4 |
| Total | 243.0 | 473.9 |

| PRIMARY SALES CHANNELS | Q2 2021 | June 2021 (YTD) |
|-------------------------------|----------------|------------------------|
| B2B | 86.2 | 162.0 |
| B2C | 123.5 | 234.7 |
| Other | 6.0 | 10.4 |
| Total | 215.7 | 407.1 |

| PRIMARY PRODUCT LINES | Q2 2022 | June 2022 (YTD) |
|-----------------------|--------------|-----------------|
| Jewellery | 129.9 | 248.5 |
| Home | 92.8 | 188.7 |
| Other | 20.3 | 36.7 |
| Total | 243.0 | 473.9 |

| PRIMARY PRODUCT LINES | Q2 2021 | June 2021 (YTD) |
|-----------------------|--------------|-----------------|
| Jewellery | 109.0 | 210.7 |
| Home | 90.1 | 167.2 |
| Other | 16.6 | 29.2 |
| Total | 215.7 | 407.1 |

4 OTHER OPERATING INCOME AND COSTS

Globally, Georg Jensen has received government support of DKK 0.8 million in Q2 2022 and DKK 4 million for the period January to June 2022. The government support relates to staff costs and other external costs.

5 NET INTEREST-BEARING DEBT

| DKK million | 30/06 2022 | 30/06 2021 | 31/12 2021 |
|---|---------------|---------------|---------------|
| Net interest-bearing debt comprises: | | | |
| Credit institutions (current) | 0.1 | 2.7 | 2.8 |
| Payable to group enterprises | 0.0 | 0.0 | 0.0 |
| Lease liabilities | 189.5 | 245.5 | 213.8 |
| Issued bond | 298.0 | 298.0 | 298.0 |
| Gross interest-bearing debt | 487.6 | 546.2 | 514.6 |
| Receivable from group enterprises | -16.0 | -15.8 | -16.4 |
| Cash and cash equivalents | -119.7 | -91.2 | -221.7 |
| Gross interest-bearing receivables | -135.7 | -107.0 | -238.1 |
| Net interest-bearing debt | 351.9 | 439.2 | 276.5 |

6 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the balance sheet date, no other events that could significantly affect the consolidated interim financial statements as of 30 June 2022 have occurred.