



BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904

CONSOLIDATED INTERIM FINANCIAL REPORT

March 2021

January 1 – March 31, 2021

(3 months)

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

COMPANY REG.NO.: 26573645

CONTENT

Page 3	Management's review and financial highlights
Page 5	Management's commentary
Page 7	Management statement
Page 8	Consolidated Income and Other comprehensive income statement
Page 9	Consolidated statement of financial position, Assets
Page 10	Consolidated statement of financial position, Liabilities
Page 11	Consolidated cash flow statement
Page 12	Statement of changes in equity
Page 13	Notes

MANAGEMENT'S REVIEW

FINANCIAL HIGHLIGHTS	Q1			3 MONTHS		
	DKK million, except for number of stores	2021	2020	Change	2021	2020
Net Sales	191.3	172.2	11%	191.3	172.2	11%
Closed stores	0.0	-5.5		0.0	-5.5	
Net sales continuing operations	191.3	166.7	15%	191.3	166.7	15%
EBITDA	19.9	-1.8		19.9	-1.8	
EBIT	-12.1	-38.5		-12.1	-38.5	
Profit before tax	-19.6	-32.5		-19.6	-32.5	
Profit for the period	-20.2	-32.6		-20.2	-32.6	
Cash flow from operating activities	-7.4	-25.3		-7.4	-25.3	
Total cash flow	-34.9	-33.0		-34.9	-33.0	
Number of stores	100	99		100	99	

MANAGEMENT'S COMMENTARY

- Encouraging financial performance in Q1 2021. Revenue grew by 11% compared to Q1 2020 and measured on a Like-for-Like basis revenue was slightly increasing vs. Q1 2019. EBITDA increased by DKK 21 million vs. Q1 2020 which and the highest level for Q1 in a decade
- Revenue increase for the quarter was driven by strong activity levels in APAC, and particularly strong performance in Australia, while Europe is growing moderately due to strong E-commerce activities and thus compensating for retail closures as a part of continued COVID-19 restrictions
- Improved liquidity situation in Q1 2021 vs. Q1 2020 and Net interest-bearing debt adjusted for IFRS16 impact improved DKK 61 million

Volatility from COVID-19 pandemic continues to impact Q1, but Georg Jensen delivered a satisfactory result given the market circumstances. APAC markets have been approaching normal trading in Q1, despite some temporary local restrictions mainly impacting Japan. European markets started to re-open at the end of Q1 with a positive impact in retail and B2B channels. We will continue to see channel shifts between Retail, Wholesale and E-commerce as restrictions are imposed or loosened.

Total revenue increased by 11% in Q1 2021 compared to Q1 2020 and was driven by the APAC region delivering an index 125 vs. same period last year. Within APAC, Australia delivered a solid Q1 2021 and driven by full opening of retail but also outperforming sales levels from 2019. Similarly, at group level Q1 2021 like-for-like growth was slightly positive vs. Q1 2019.

The Home category increased by 27% in Q1 2021 compared to Q1 2020 and Jewellery increased by 9% compared to same period last year. The Other category decreased by 30% to DKK 12.6 million mainly driven by a decline in watches.

Operating costs continued the downward trend and were significantly lower compared to Q1 2020. Other external cost was reduced by 19% compared to the same period last year.

EBITDA increased in Q1 from DKK -1.8 million in Q1 2020 to DKK 19.9 million in Q1 2021, mainly driven by increased revenue and decreased operating costs. Ongoing cost adjustment and efficiency measures continue to be implemented to improve and protect the results of the company.

Net cash flow from operating activities was DKK -7.4 for Q1 mainly due to stock build-up.

Net interest-bearing debt decreased from DKK 519.2 million in Q1 2020 to DKK 436.3 million in Q1 2021 mainly driven by a decrease in current debt to credit institutions and lease liabilities.

New product launches

In Q1 2021 the following products were launched:

Jewellery: In January Georg Jensen introduced 2 contemporary heart pendants as part of our 2021 Valentines activity consisting of one gold pendant and one silver pendant designed by Jacqueline Rabun. In February we launched a comprehensive line extension to the Moonlight Grapes universe, 11 designs in silver and 11 designs in gold. The pieces were launched in B2C in February and in Wholesale in March.

Home: In February Georg Jensen introduced a new extension to the Cobra collections of 10 functional pieces for the dining room in stainless steel designed by Constantin Wortmann. March saw a pre-launch of a new category called Dinnerware (porcelain and glasses). The 3 new collections covering our 3 Home design languages Organic, Modern and Deco were pre-launched in Australia and US. The global launch will be in April.

OUTLOOK

Outlook for 2021

Management reiterates the outlook stated in the Annual Report 2020:

Management expects that COVID-19 will continue to have an impact on the business and how consumers interact with and shop the brand. National and localized retail restrictions are expected to continue and create uncertainty into the third quarter of 2021. Store traffic in key urban stores is expected to remain below 2019 levels throughout the year but E-business growth is expected to continue. Despite these challenges, Georg Jensen expects to be able to recover revenue and deliver growth compared to 2020. Combined with a constant focus on margin improvement, cost containment and selective investment, Georg Jensen expects to make good progress to profitability in 2021.

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 March 2021. 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 March 2021 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 2020 of Georg Jensen A/S.

Furthermore, the consolidated interim financial report for January to March 2021 and Management's Review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

Copenhagen, 28th of May 2021

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

Inge Andersen

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	Q1		3 MONTHS	
DKK million	2021	2020	2021	2020
Revenue	191.3	172.2	191.3	172.2
Cost of sales	-70.5	-65.1	-70.5	-65.1
Gross profit	120.8	107.1	120.8	107.1
Other external costs	-39.4	-45.3	-39.4	-45.3
Staff costs	-66.3	-63.4	-66.3	-63.4
Other operating income and costs	4.7	-0.2	4.7	-0.2
Operating profit before depreciation and amortization	19.9	-1.8	19.9	-1.8
Depreciation, amortization and impairment losses	-32.0	-36.7	-32.0	-36.7
Operating profit	-12.1	-38.5	-12.1	-38.5
Financial items, net	-7.5	6.0	-7.5	6.0
Profit before tax	-19.6	-32.5	-19.6	-32.5
Tax on profit for the year	-0.6	-0.1	-0.6	-0.1
Profit for the year	-20.2	-32.6	-20.2	-32.6
OTHER COMPREHENSIVE INCOME				
	Q1		3 MONTHS	
	2021	2020	2021	2020
Profit for the year	-20.2	-32.6	-20.2	-32.6
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	-5.0	-19.5	-5.0	-19.5
Other comprehensive income after tax	-5.0	-19.5	-5.0	-19.5
Total comprehensive income for the year	-25.2	-52.1	-25.2	-52.1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, ASSETS

DKK million	31/03 2021	31/03 2020	31/12 2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	38.6	63.2	56.0
Tangible assets	319.3	361.4	321.4
Financial Assets	43.1	43.8	42.7
Total non-current assets	401.0	468.4	420.1
CURRENT ASSETS			
Inventories	307.0	301.8	268.8
Trade receivables	74.6	60.6	115.5
Other receivables	7.4	7.8	3.5
Receivable from group enterprises	15.5	21.0	15.4
Prepayments	8.0	22.0	19.0
Cash and cash equivalents	113.5	84.2	148.4
Total current assets	526.0	497.4	570.6
TOTAL ASSETS	927.0	965.8	990.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, LIABILITIES

DKK million	31/03 2021	31/03 2020	31/12 2020
EQUITY AND LIABILITIES			
EQUITY			
Share capital	139.6	139.6	139.6
Share premium	488.3	488.3	488.3
Hedging reserve	1.2	1.1	1.2
Translation reserve	-1.7	-1.0	3.3
Retained earnings	-481.1	-448.7	-460.9
Total equity	146.3	179.3	171.5
LIABILITIES			
NON-CURRENT LIABILITIES			
Bond	298.0	298.0	298.0
Credit institutions	0.0	1.4	0.0
Lease liabilities	186.9	202.2	201.1
Provisions	14.5	13.3	14.4
Deferred tax	2.5	1.9	3.3
Retirement benefit obligation	8.3	7.8	8.3
Other Payables	9.7	6.1	9.8
Total non-current liabilities	519.9	530.7	534.9
CURRENT LIABILITIES			
Credit institutions	6.3	37.7	5.7
Trade Payables	89.7	58.1	77.7
Other Payables	86.6	69.2	121.2
Payable to group enterprises	0.0	6.1	0.0
Lease liabilities	74.1	80.3	75.4
Tax payables	1.1	1.4	1.3
Provisions	3.0	3.0	3.0
Total current liabilities	260.8	255.8	284.3
Total liabilities	780.7	786.5	819.2
TOTAL EQUITY AND LIABILITIES	927.0	965.8	990.7

CONSOLIDATED CASH FLOW STATEMENT

CASH FLOW STATEMENT	Q1		3 MONTHS	
DKK million	2021	2020	2021	2020
Net profit for the period	-20.2	-32.6	-20.2	-32.6
Non-cash items	41.9	20.4	41.9	20.4
Change in working capital	-20.8	-7.7	-20.8	-7.7
Cash flows from operating activities before financial income and expenses	0.9	-19.9	0.9	-19.9
Financial cost, paid	-8.3	-5.4	-8.3	-5.4
Cash flows from ordinary activities	-7.4	-25.3	-7.4	-25.3
Income taxes paid	0.0	0.0	0.0	0.0
Net cash flow from operating activities	-7.4	-25.3	-7.4	-25.3
Purchase of tangible and intangible assets	-3.8	-9.3	-3.8	-9.3
Change in other financial assets	-0.4	-4.4	-0.4	-4.4
Net cash flow from investing activities	-4.2	-13.7	-4.2	-13.7
Changes in credit institutions	0.6	33.0	0.6	33.0
Repayment of loans from credit institutions	0.0	0.0	0.0	0.0
Repayment of lease liabilities	-23.9	-25.0	-23.9	-25.0
Upstream to Group companies	0.0	-2.0	0.0	-2.0
Cash flow from financing activities	-23.3	6.0	-23.3	6.0
Net cash flow for the period	-34.9	-33.0	-34.9	-33.0
Cash and cash equivalents, beginning of the period	148.4	117.2	148.4	117.2
Cash and cash equivalents, end of the period	113.5	84.2	113.5	84.2

STATEMENT OF CHANGES IN EQUITY

31 March 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	-20.2	-20.2
<i>Other comprehensive income</i>						
Adjustment cash flow hedges	0.0	0.0	0.0	0.0	0.0	0.0
Exchange adjustment	0.0	0.0	0.0	-5.0	0.0	-5.0
Total other comprehensive income	0.0	0.0	0.0	-5.0	0.0	-5.0
Balance at the end of the period	139.6	488.3	1.2	-1.7	-481.1	146.3

31 March 2020

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	1.1	18.5	-416.1	231.4
Profit for the period	0.0	0.0	0.0	0.0	-32.6	-32.6
<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	-19.5	0.0	-19.5
Total other comprehensive income	0.0	0.0	0.0	-19,5	0.0	-19.5
Balance at the end of the period	139.6	488.3	1.1	-1.0	-448.7	179.3

NOTES

1 ACCOUNTING POLICIES

The unaudited consolidated interim financial statements for the period January to March 2021 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 2020 of Georg Jensen A/S.

Furthermore, the consolidated interim financial report including the consolidated financial statements for the period January to March of 2021 and Management's review have been prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

2 SEGMENT INFORMATION

Q1 2021					
DKK million	Europe	APAC	North America	Other	Total
Revenue	91.3	88.1	11.0	0.9	191.3
Gross Profit	30.7	53.6	3.7	32.8	120.8
OPEX	-12.0	-39.3	-3.1	-46.5	-100.9
EBITDA	18.7	14.3	0.6	-13.7	19.9
Amortizations & depreciations					-32.0
EBIT					-12.1
Financial items, net					-7.5
Profit before tax					-19.6

Q1 2020					
DKK million	Europe	APAC	North America	Other	Total
Revenue	89.2	70.5	10.9	1.6	172.2
Gross Profit	27.8	40.4	4.4	34.5	107.1
OPEX	-23.6	-38.0	-5.1	-42.2	-108.9
EBITDA	4.2	2.4	-0.7	-7.7	-1.8
Amortizations & depreciations					-36.7
EBIT					-38.5
Financial items, net					6.0
Profit before tax					-32.5

3 REVENUE

PRIMARY SALES CHANNELS	Q1 2021	Q1 2020
B2B	75.8	67.9
B2C	111.1	101.5
Other	4.4	2.8
Total	191.3	172.2

PRIMARY PRODUCT LINES	Q1 2021	Q1 2020
Jewellery	101.6	93.4
Home	77.1	60.9
Other	12.6	17.9
Total	191.3	172.2

4 OTHER OPERATING INCOME AND COSTS

Globally, Georg Jensen has received government support of DKK 4.8 million in Q1 2021. The government support relates to staff costs and other external costs.

5 NET INTEREST-BEARING DEBT

DKK million	31/03 2021	31/03 2020	31/12 2020
Net interest-bearing debt comprises:			
Credit institutions (current)	6.3	37.8	5.7
Payable to group enterprises	0.0	6.1	0.0
Lease liabilities	261.0	282.5	276.5
Issued bond	298.0	298.0	298.0
Gross interest-bearing debt	565.3	624.4	580.2
Receivable from group enterprises	-15.5	-21.0	-15.4
Cash and cash equivalents	-113.5	-84.2	-148.4
Gross interest-bearing receivables	-129.0	-105.2	-163.8
Net interest-bearing debt	436.3	519.2	416.4

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 31 March 2021 have occurred.