



BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904

CONSOLIDATED INTERIM FINANCIAL REPORT

December 2021

January 1 – December 31, 2021

(12 months)

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

COMPANY REG.NO.: 26573645

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MANAGEMENT'S REVIEW

FINANCIAL HIGHLIGHTS	Q4			12 MONTHS		
	2021	2020	Change	2021	2020	Change
DKK million, except for number of stores						
Revenue	460.3	394.3	17%	1,110.1	932.4	19%
Revenue of closed stores	-0.2	-3.3		-7.2	-12.3	
Revenue from continuing operations	460.1	391.0	18%	1,102.9	920.1	20%
EBITDA	146.9	114.5	28%	231.0	152.2	52%
EBIT	116.9	77.7		108.8	0.7	
Profit before tax	104.2	59.7		77.4	-41.4	
Profit for the period	96.1	56.5		67.4	-45.1	
Cash flow from operating activities	198.6	141.4		212.5	140.9	
Total cash flow	165.6	115.9		73.3	31.2	
Number of stores*	93	100		93	100	

*Number of stores is from Q4 2021 and going forward calculated without pop-up stores.

MANAGEMENT'S COMMENTARY

- Revenue for Q4 2021 amounts to DKK 460 million and represents an increase of 17% to 2020. Business has delivered double digit growth in all channels and product lines
- Encouraging sales development in Denmark and Sweden and both markets are delivering growth in B2C and B2B channels in Q4 2021
- EBITDA is growing 28% for Q4 2021 and EBITDA-margin reached 32%, which is an expansion of 3 percentage points. vs. Q4 2020
- The company reached profitability in 2021, with highest sales since 2015, and profit for the year amounts to DKK 67 million (unaudited)
- In Q4 2021 our business generated net cashflow of DKK 166 million and thus exceeding Q4 2020 by 43% or equivalent to an incremental cashflow of DKK 50 million

The continued global spread of the corona virus in 2021 had an impact on our business, but it varied by channel and geography. In Q4 2021 several countries, in mainly the APAC region, imposed retail restrictions that ranged from reduced operating hours to regional closures. In line with 2020 this has dampened Retail performance but shifted consumer demand towards E-commerce.

All channels are growing in Q4 2021 at double digit growth rates with growth coming from growth markets and mature markets. Revenue in Home product line increased 18% in Q4 2021 compared to Q4 2020 and Jewellery increased by 17% compared to same period last year.

Gross margin expands 0.5 percentage point compared to Q4 2020 despite significant impact from higher freight costs and an adverse impact from higher share of revenue in B2B. Gross margin increase is driven by strict price management and favorable product mix.

Operating costs in Q4 increase 8% (DKK 11 million) compared to last year due to higher staff costs, increased investments in marketing and variable rent expense for shop-in-shops increasing due to higher revenue.

EBITDA amounts to DKK 146.9 million for Q4 2021, growing 28%, and representing an EBITDA-margin expansion of 2.9 percentage points to reach 32% in Q4 2021.

In 2021 (full year) EBITDA amounted to DKK 231 million, growing 52% with an EBITDA-margin expansion of 4.5 percentage point to reach 21% for the full year.

Despite significant investments in IT and inventory, cash position in Q4 2021 improved DKK 73.3 million compared to Q4 2020.

Net cashflow from operating activities was DKK 198.6 million for Q4 2021. Operating cash flow was favorably impacted in line with usual seasonality for Georg Jensen in for the high season in Q4.

New product launches in Q4

In November we introduced the 2022 Annual Heritage Jewellery collection (pendants and earrings) which is a local Hero collection in Asia. December 2021 saw the introduction of the Q50 collection, a small range celebrating the 50 years jubilee of the Danish Queen. The collection consists of 3 pieces in sterling silver with an 18-carat gold element.

OUTLOOK 2022

To be released with issuance of Annual Report on April 29 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 December 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 December 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 December 2021 and Management's Review are prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

Copenhagen, 28th of February 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

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	Q4		December (YTD)	
DKK million	2021	2020	2021	2020
Revenue	460.3	394.3	1,110.1	932.4
Cost of sales	-170.8	-148.2	-420.2	-363.2
Gross profit	289.5	246.1	689.9	569.2
Other external costs	-66.9	-65.2	-196.7	-195.0
Staff costs	-76.1	-66.6	-269.5	-243.8
Other operating income and costs	0.4	0.2	7.3	21.8
Operating profit before depreciation and amortization	146.9	114.5	231.0	152.2
Depreciation, amortization and impairment losses	-30.0	-36.8	-122.2	-151.5
Operating profit	116.9	77.7	108.8	0.7
Financial items, net	-12.7	-18.0	-31.4	-42.1
Profit before tax	104.2	59.7	77.4	-41.4
Tax on profit for the year	-8.1	-3.2	-10.0	-3.7
Profit for the year	96.1	56.5	67.4	-45.1

OTHER COMPREHENSIVE INCOME	Q4		December (YTD)	
	2021	2020	2021	2020
Profit for the year	96.1	56.5	67.4	-45.1
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	0.3
<i>Items that will be reclassified to profit or loss</i>				
Adjustment Cash flow hedges	0.0	0.0	0.0	0.1
Exchange differences on foreign operations	3.6	0.9	3.6	-15.2
Other comprehensive income after tax	3.6	0.9	3.6	-14.8
Total comprehensive income for the year	99.7	57.4	71.0	-59.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, ASSETS

DKK million	31/12 2021	31/12 2020
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	48.3	56.0
Tangible assets	263.4	321.4
Financial Assets	46.5	42.7
Total non-current assets	358.2	420.1
CURRENT ASSETS		
Inventories	285.1	268.8
Trade receivables	127.2	115.5
Other receivables	5.6	3.5
Receivable from group enterprises	16.3	15.4
Prepayments	12.9	19.0
Cash and cash equivalents	221.7	148.4
Total current assets	668.8	570.6
TOTAL ASSETS	1,027.0	990.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, LIABILITIES

DKK million	31/12 2021	31/12 2020
EQUITY AND LIABILITIES		
EQUITY		
Share capital	139.6	139.6
Share premium	488.3	488.3
Hedging reserve	0.0	1.2
Translation reserve	6.9	3.3
Retained earnings	-393.5	-460.9
Total equity	241.3	171.5
LIABILITIES		
NON-CURRENT LIABILITIES		
Bond	298.0	298.0
Credit institutions	0.0	0.0
Lease liabilities	139.9	201.1
Provisions	14.5	14.4
Deferred tax	0.7	3.3
Retirement benefit obligation	8.5	8.3
Other Payables	10.2	9.8
Total non-current liabilities	471.8	534.9
CURRENT LIABILITIES		
Credit institutions	2.8	5.7
Trade Payables	83.4	77.7
Other Payables	143.3	121.2
Payable to group enterprises	0.0	0.0
Lease liabilities	73.9	75.4
Tax payables	7.5	1.3
Provisions	3.0	3.0
Total current liabilities	313.9	284.3
Total liabilities	785.7	819.2
TOTAL EQUITY AND LIABILITIES	1,027.0	990.7

CONSOLIDATED CASH FLOW STATEMENT

CASH FLOW STATEMENT	Q4		12 MONTHS	
DKK million	2021	2020	2021	2020
Net profit for the period	96.1	56.5	67.4	-45.1
Non-cash items	55.6	49.0	172.0	173.7
Change in working capital	54.5	46.0	4.5	48.7
Cash flows from operating activities before financial income and expenses	206.2	151.5	243.9	177.3
Financial cost, paid	-7.6	-8.5	-31.4	-33.9
Cash flows from ordinary activities	198.6	143.0	212.5	143.4
Income taxes paid	0.0	-1.6	0.0	-2.5
Net cash flow from operating activities	198.6	141.4	212.5	140.9
Purchase of tangible and intangible assets	-12.8	-2.4	-43.1	-17.7
Change in other financial assets	0.0	0.1	-3.7	-4.3
Net cash flow from investing activities	-12.8	-2.3	-46.8	-22.0
Changes in credit institutions	0.1	-4.2	-2.9	-1.8
Repayment of loans from credit institutions	0.0	0.0	0.0	-0.7
Repayment of lease liabilities	-20.3	-19.0	-89.5	-83.2
Upstream to Group companies	0.0	0.0	0.0	-2.0
Cash flow from financing activities	-20.2	-23.2	-92.4	-87.7
Net cash flow for the period	165.6	115.9	73.3	31.2
Cash and cash equivalents, beginning of the period	56.1	32.5	148.4	117.2
Cash and cash equivalents, end of the period	221.7	148.4	221.7	148.4

STATEMENT OF CHANGES IN EQUITY

31 December 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	67.4	67.4
<i>Other comprehensive income</i>						
Adjustment cash flow hedges	0.0	0.0	-1.2	0.0	0.0	-1.2
Exchange adjustment	0.0	0.0	0.0	3.6	0.0	3.6
Total other comprehensive income	0.0	0.0	-1.2	3.6	0.0	2.4
Balance at the end of the period	139.6	488.3	0.0	6.9	-393.5	241.3

31 December 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	-45.1	-45.1
<i>Other comprehensive income</i>						
Remeasurement of defined Benefit pension plans	0.0	0.0	0.0	0.0	0.3	0.3
Adjustment cash flow hedges	0.0	0.0	0.1	0.0	0.0	0.1
Exchange adjustment	0.0	0.0	0.0	-15.2	0.0	-15.2
Total other comprehensive income	0.0	0.0	0.1	-15.2	0.3	-14.8
Balance at the end of the period	139.6	488.3	1.2	3.3	-460.9	171.5

NOTES

1 ACCOUNTING POLICIES

The unaudited consolidated interim financial statements for the period January to December 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 December 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

Q4 2021

DKK million	Europe	APAC	North America	Other	Total
Revenue	257.7	177.1	19.8	5.7	460.3
Gross Profit	87.6	107.7	6.3	87.9	289.5
OPEX	-18.7	-59.5	-6.2	-58.2	-142.6
EBITDA	68.9	48.2	0.1	29.7	146.9
Amortizations & depreciations					-30.0
EBIT					116.9
Financial items, net					-12.7
Profit before tax					104.2

December 2021 (YTD)

DKK million	Europe	APAC	North America	Other	Total
Revenue	600.3	442.7	61.4	5.7	1,110.1
Gross Profit	209.4	266.4	21.3	192.8	689.9
OPEX	-65.9	-174.6	-17.2	-201.2	-458.9
EBITDA	143.5	91.8	4.1	-8.4	231.0
Amortizations & depreciations					-122.2
EBIT					108.8
Financial items, net					-31.4
Profit before tax					77.4

Q4 2020					
DKK million	Europe	APAC	North America	Other	Total
Revenue	219.0	155.8	17.0	2.5	394.3
Gross Profit	65.7	95.4	6.5	78.5	246.1
OPEX	-19.6	-56.8	-8.0	-47.2	-131.6
EBITDA	46.1	38.6	-1.5	31.3	114.5
Amortizations & depreciations					-36.8
EBIT					77.7
Financial items, net					-18.0
Profit before tax					59.7

December 2020 (YTD)					
DKK million	Europe	APAC	North America	Other	Total
Revenue	507.2	371.4	46.1	7.7	932.4
Gross Profit	154.7	220.8	17.2	176.5	569.2
OPEX	-69.2	-150.8	-19.8	-177.3	-417.1
EBITDA	85.5	70.0	-2.6	-0.8	152.2
Amortizations & depreciations					-151.5
EBIT					0.7
Financial items, net					-42.1
Profit before tax					-41.4

3 REVENUE

PRIMARY SALES CHANNELS	Q4 2021	December 2021 (YTD)
B2B	206.2	489.9
B2C	239.6	588.6
Other	14.5	31.6
Total	460.3	1,110.1

PRIMARY SALES CHANNELS	Q4 2020	December 2020 (YTD)
B2B	171.2	395.5
B2C	213.9	516.0
Other	9.2	20.9
Total	394.3	932.4

PRIMARY PRODUCT LINES	Q4 2021	December 2021 (YTD)
Jewellery	204.6	538.2
Home	225.9	497.1
Other	29.8	74.8
Total	460.3	1,110.1

PRIMARY PRODUCT LINES	Q4 2020	December 2020 (YTD)
Jewellery	175.0	446.7
Home	191.1	403.7
Other	28.2	82.0
Total	394.3	932.4

4 OTHER OPERATING INCOME AND COSTS

Globally, Georg Jensen has not received government support in Q4 2021 and DKK 8.1 million for the period January to December 2021. The government support relates to staff costs and other external costs.

5 NET INTEREST-BEARING DEBT

DKK million	31/12 2021	31/12 2020
Net interest-bearing debt comprises:		
Credit institutions	2.8	5.7
Payable to group enterprises	0.0	0.0
Lease liabilities	213.8	276.5
Issued bond	298.0	298.0
Gross interest-bearing debt	514.6	580.2
Receivable from group enterprises	-16.3	-15.4
Cash and cash equivalents	-221.7	-148.4
Gross interest-bearing receivables	-238.0	-163.8
Net interest-bearing debt	276.6	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 December 2021 have occurred.