BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

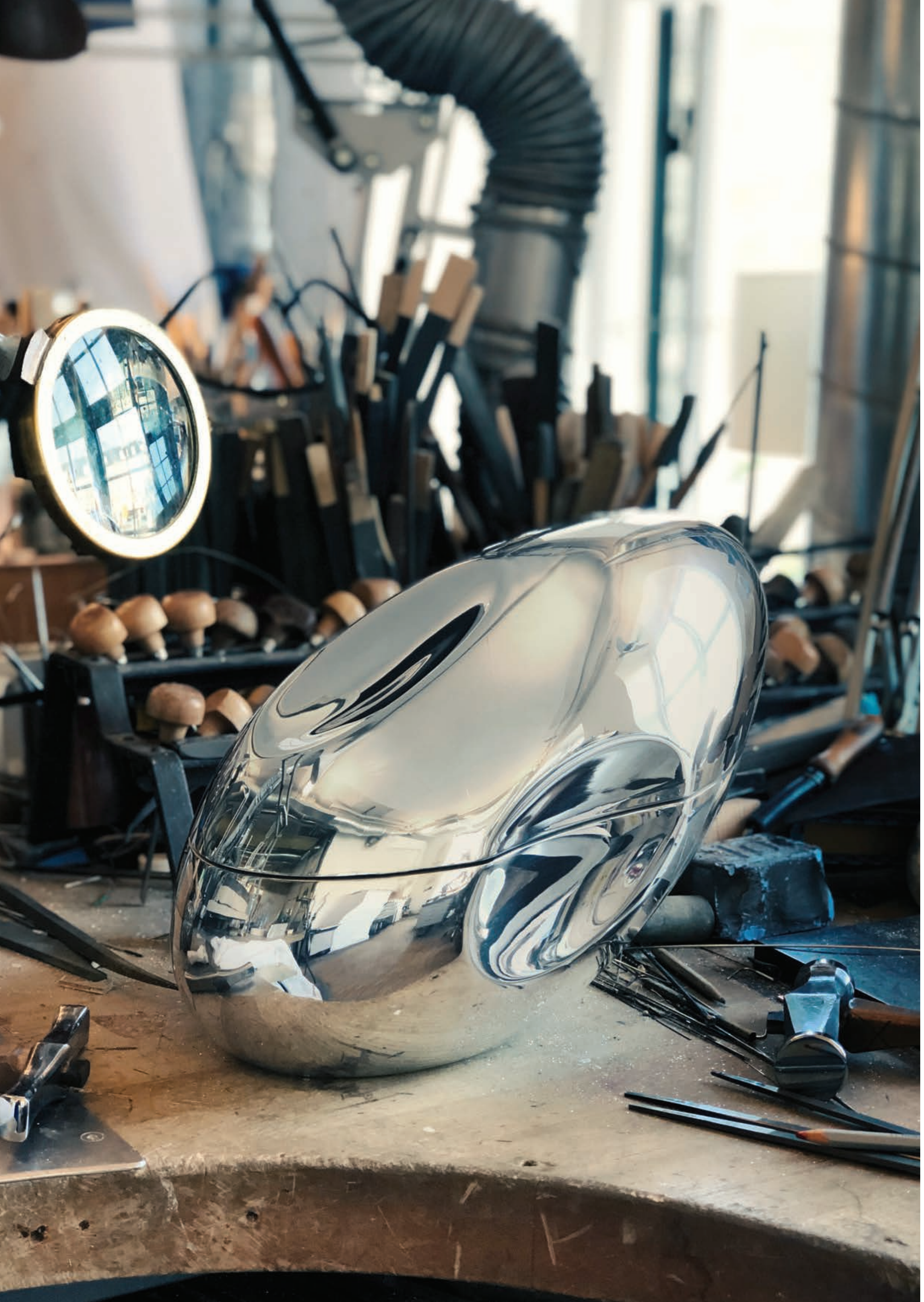
GEORG JENSEN

ESTABLISHED 1904

2019

GEORG JENSEN A/S ANNUAL REPORT 2019
CVR NO. 26 57 36 45

SØNDRE FASANVEJ 7 | DK-2000 FREDERIKSBERG



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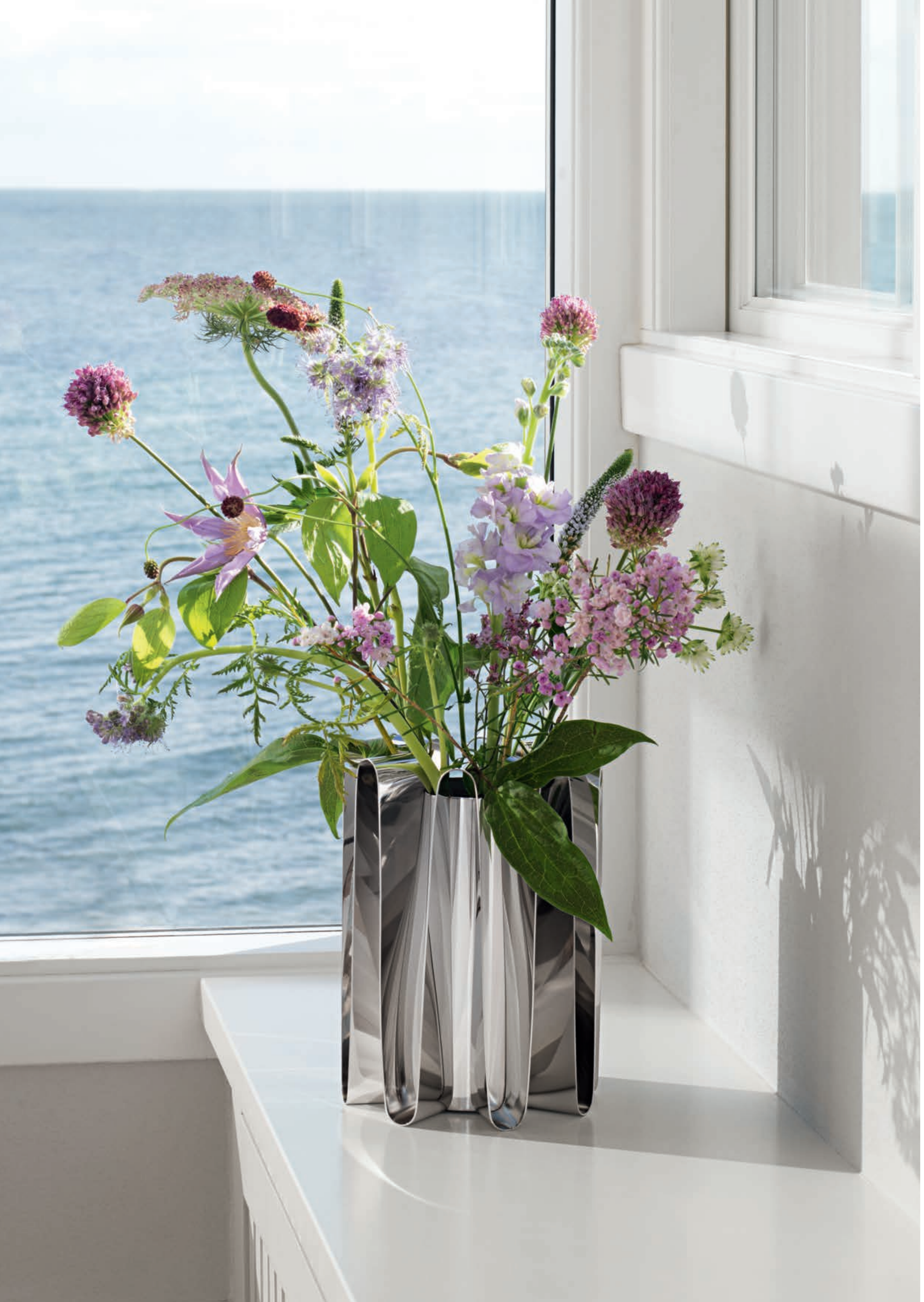

BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904

ANNUAL REPORT 2019

THE ANNUAL REPORT WAS APPROVED AT THE COMPANY'S
ORDINARY GENERAL MEETING HELD ON 30 APRIL 2020
CHAIRMAN OF THE MEETING:

JACOB MELANDER

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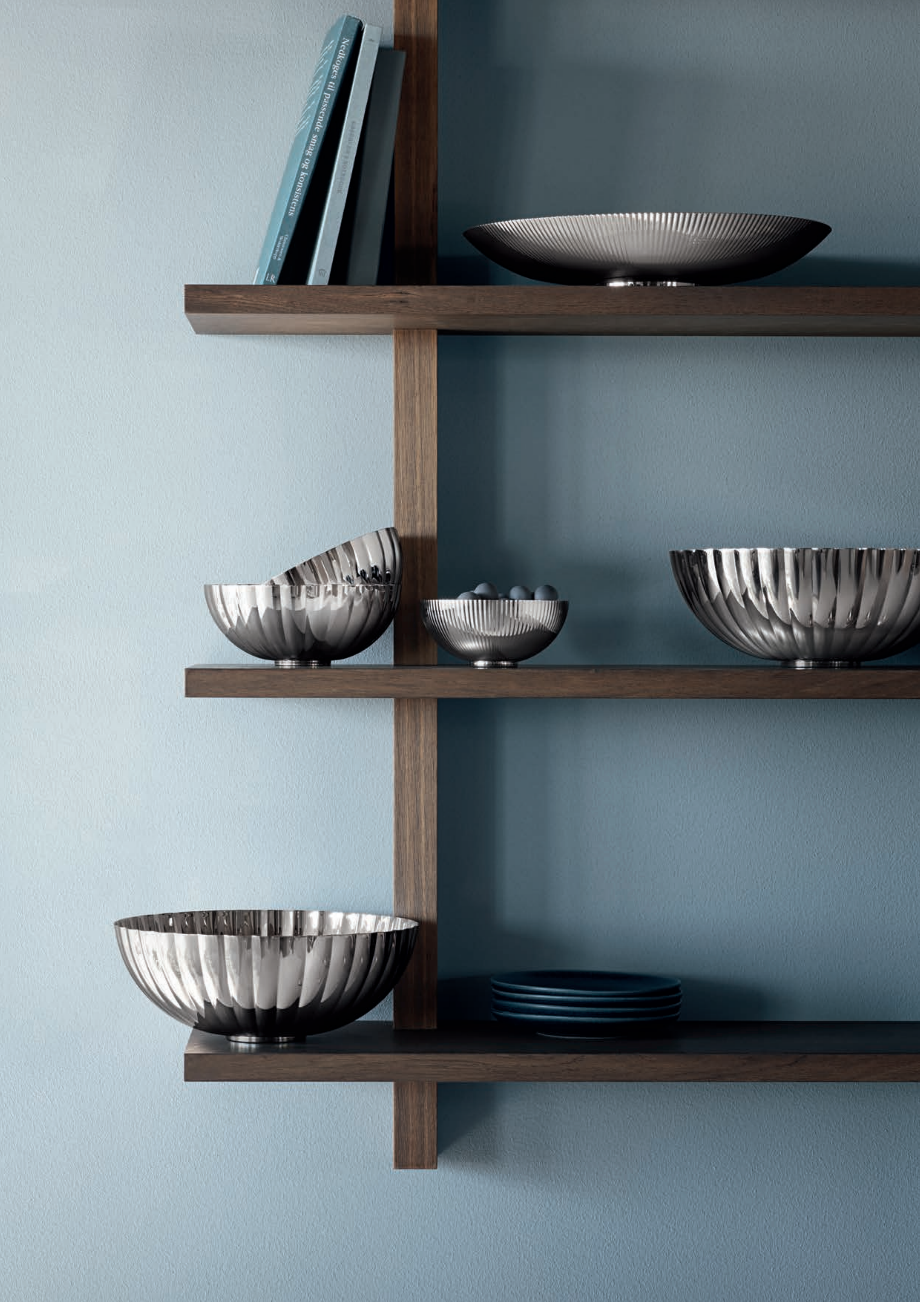


COMPANY INFORMATION

Company	Georg Jensen A/S Søndre Fasanvej 7 DK-2000 Frederiksberg Phone: +45 38 14 98 98 Fax: +45 38 14 99 13 Web site: www.georgjensen.com CVR No.: 26 57 36 45 Financial year: 1 January – 31 December Municipality of residence: Frederiksberg
Board of Directors:	Hazem Ben-Gacem, Chairman David Ching Chi Chu Andrea Jayne Davis Karl Sebastian Inger Francesco Pesci Annick Desmecht Shi Zheng Ida Heiberg Bøttiger, elected by employees Inge Andersen, elected by employees
Executive Board:	Francesco Pesci, CEO
Auditor	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab (a Danish limited liability company)

The general meeting will be held on 30 April 2020 at the Company's address.

KEY FIGURES AND FINANCIAL RATIOS

DKK million	2019 IFRS	2018 IFRS	2017 IFRS	2016 ÅRL*	2015 ÅRL*
INCOME STATEMENT					
Revenue	1.014	1.041	1.089	1.091	1.144
Gross profit	622	652	676	649	708
EBITDA	150	145	147	55	17
EBIT	-11	-2	-21	-93	44
Net financials	-34	-33	-47	-17	-9
Profit for the year	-48	-149	-50	-107	11
STATEMENT OF FINANCIAL POSITION					
Total assets	951	1.019	1.229	968	1.038
Invested capital	447	492	662	653	761
Net working capital	221	275	291	284	422
Total equity	231	257	402	458	571
Net interest-bearing debt	387	450	537	195	191
STATEMENT OF CASH FLOWS					
Cash flow from operating activities	179	138	92	53	-141
Investment in tangible assets	14	19	22	28	69
Cash flow from financing activities	-102	-97	-65	-4	183
Net cash flow for the year	41	2	-2	-2	37

DKK million	2018 IFRS	2018 IFRS	2017 ÅRL	2016 ÅRL*	2015 ÅRL*
KEY RATIOS					
Revenue development	-3%	-4%	0%	-5%	13%
Gross margin	61%	63%	62%	60%	62%
EBITDA margin	15%	14%	13%	5%	4%
EBIT margin	-1%	0%	-2%	-9%	4%
Return on equity	-20%	-45%	-12%	-21%	6%
Equity ratio	24%	25%	33%	47%	55%
Return on invested capital	-2%	0%	-3%	-13%	6%
Revenue/invested capital	1,8	2,1	1,6	1,7	1,5
Financial gearing	167%	175%	133%	43%	33%
EMPLOYEES					
Average number of employees	1.142	1.230	1.287	1.352	1.440
NUMBER OF STORES					
Retail stores	97	97	106	120	118

*ÅRL = Danish GAAP

The company has implemented IFRS as per January 2017. The comparative figures for 2015-2016 are stated under Danish GAAP. Figures for cash flow in 2018-2019 include cash from overdraft facilities.

Definition of Key Ratios is on page 41.

HIGHLIGHTS OF 2019

Revenue

In 2019 Denmark, the largest market, grew by 2 % and Japan continued to grow and showed growth of 11 %. The E-commerce channel grew by 14 % and Silver Hollowware was up 26 %.

Stores

A number of partner operated mono-brand stores were opened in Singapore, Bangkok, Manila and Athens. Georg Jensen was represented across 16 countries by the end of 2019 – including our partner stores.

Cost is under control and operating profit and cash flow improved

In 2019, other external cost declined by DKK 21,0 million from DKK 219,9 million to DKK 198,9 million.

Staff cost was reduced by DKK 16,7 million in 2019, from DKK 288,3 million to DKK 271,6 million.

Operating profit increased by DKK 4,2 million compared to 2018.

Cash flow from operations improved by DKK 54,9 million compared to last year, primarily driven by a reduction in inventory.

Net interest bearing debt decreased by DKK 63 million.

CEO LETTER

ANOTHER STEP IN THE RIGHT DIRECTION

2019 was in many ways a step in the right direction for Georg Jensen. There were satisfactory results in many aspects of the business and especially Q4 showed promising signs. Uncertainty in the UK, macro-economic challenges in Australia and the changed Chinese travel patterns led to a minor decline in revenue.

The E-commerce channel grew by 14 % this year and continued the good development for the Groups omnichannel retail business. Georg Jensen will continue to invest in digital platforms to ensure that the entire B2C-channel shows growth. The growth in the E-commerce channel was mainly based on Jewellery that here was up by 29 %.

B2B had a stable year. This especially was the case in the Home category and is among other things a result of more selective sales in the international market.

Denmark, the largest market, grew by 2% driven by an increase in B2B and a stable B2C, where E-commerce makes up for a small reduction in retail. Furthermore, Japan continued to grow and showed growth of 11 % in 2019. This will be followed up by increasing our presense in the Japanese market by opening a flagship store in Ginza in spring 2020. All other markets, except Norway, had slowdown in 2019, but with growth in the second half of the year except for Taiwan, Hong Kong and Sweden.

Georg Jensen in 2019 expanded its network of stores by using partner operated retail stores and

a strong presence in digital sales. This strategy has in 2019 lead to the opening of mono-brand stores in Singapore, Bangkok, Manila and Athens. Furthermore, the ongoing optimization of Georg Jensen's own store network let to closure of 7 locations and opening of 7 other locations.

The Jewellery category had a stable 2019 which is encouraging as we in 2018 took the strategic decision to stop disounting Jewellery with the purpose of safeguarding the brand and profitability. Futhermore, Silver Hollowware was up 26%. This category was supported by two strong silver launches. One being the silver masterpiece The Bed that was first shown at the Wallpaper* Handmade exhibition during The Milan Design Week. The second silver launch was the revival of the lost Georg Jensen design 270 from 1918 that was remade in the Copenhagen smithy demonstrating the heritage of our craftmanship that has been handmade in the silver smithy in Copenhagen for the last century.

Both masterpieces went on a world tour visiting various Georg Jensen stores yielding additional sales.

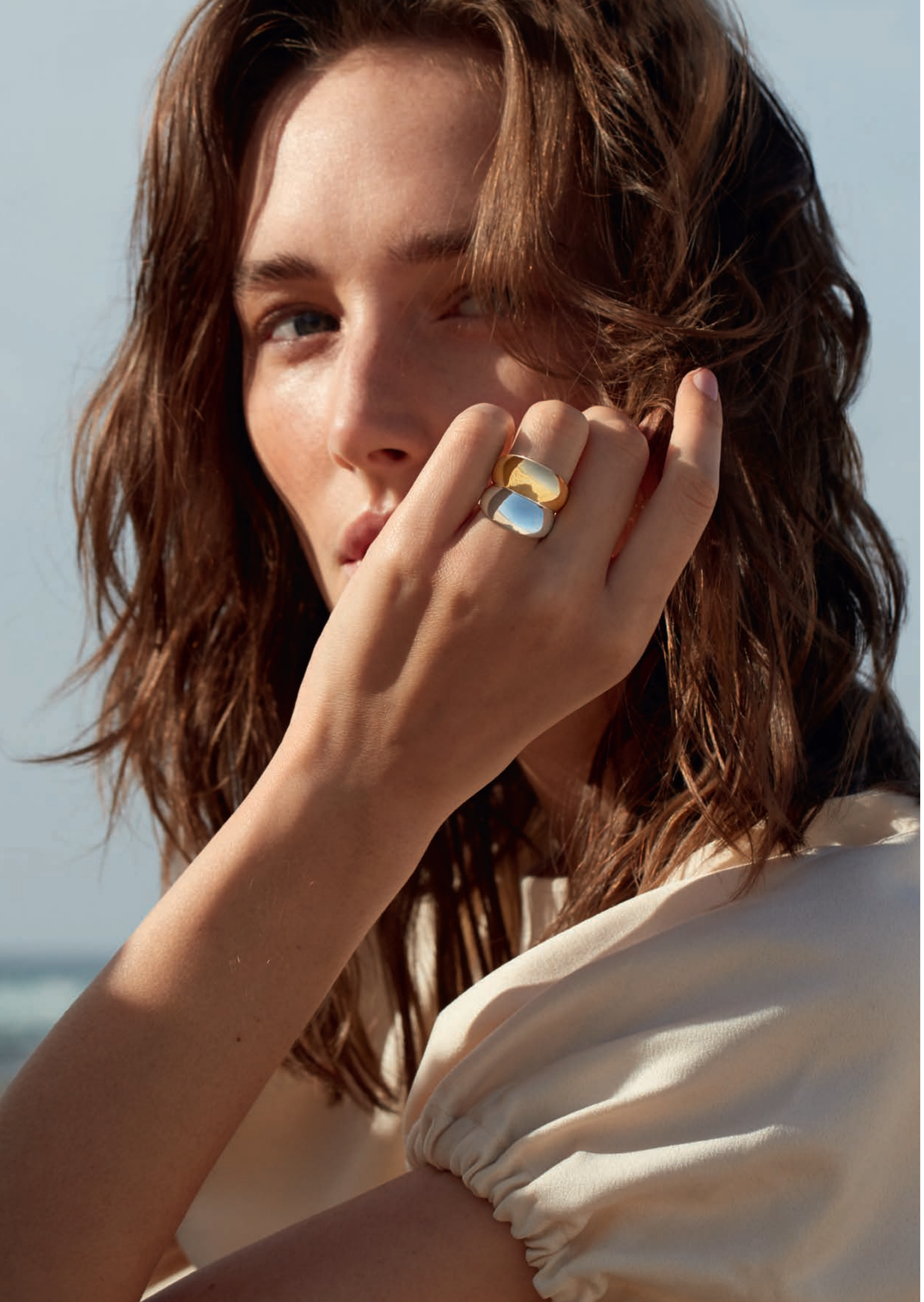
Besides the silver masterpieces we continued to introduce new products that are the results of our artistic boldness, superior craftsmanship and visionary collaborations with leading artists and designers.

In 2020 we have unfortunately seen the arrival of the corona virus and the terrible effect it has had on the world. First and foremost, Georg Jensen has complied and will continue to comply swiftly with all health precautions and recommendations issued by the Government in the countries we operate in and by international health authorities. We obviously have to do so in order to contribute to the collective efforts that the national communities are taking in order to contain the spread of the virus, but also to protect the health of all our customers, employees and other contacts.

No doubt the virus will have a negative effect on the results of our business, but we are working very hard to execute a large number of safeguarding actions. We will be ready to seize opportunities to grow business again when consumer demand will recover, but will also rapidly shift resources and support to channels and geographies where business it not disrupted.

The results of 2019 and the actions to be taken in 2020 are not possible without the strong commitment, dedication and contribution from our suppliers, customers and employees, and I hereby want to express my deepest thanks to them for their cooperation and effort.

Francesco Pesci
CEO, Georg Jensen



PRODUCT HIGHLIGHTS

In 2019, product launches were among the most aspirational in the history of Georg Jensen.

In March, Georg Jensen launched the Frequency collection by California-based designer Kelly Wearstler; a striking six-piece home collection inspired by the dramatic beauty of the West Coast's water, wind and light. An undulating, wave-like steel ribbon effect connects the collection, which is intended for both indoor and outdoor use and includes: a statement vase, small and large hurricanes, small and large display bowls and a show-stopping centerpiece.

In April and May, the Jewellery & Silver Hollowware Category was supported by two strong silver launches. One being the silver masterpiece The Bed: Georg Jensen teamed up with acclaimed Berlin based artist duo Elmgreen & Dragset for a thought-provoking installation crafted in sterling silver and first shown at the Wallpaper* Handmade exhibition during The Milan Design Week. The second silver launch was the revival of the lost Georg Jensen design 270 from 1918 that was remade in the Copenhagen smithy demonstrating the heritage of our craftmanship that still flourishes today. Both masterpieces went on a world tour visiting various Georg Jensen stores.

In September, new Fusion jewellery designs were introduced. In its most personal expression yet, Georg Jensen opens the next chapter for its iconic collection - Fusion - with a lighter and more refined expression. The Danish designer Nina Koppel brought a meticulous craft and independent spirit to Georg Jensen when her 'Fusion' design was first presented in 2000. Its flowing wave motif is also the secret behind the interlocking trio of gold bands that makes a complete ring. That original stacking system – where a choice of one to three gold rings could be combined to create as delicate or as bold a look as preferred – proved ahead of its time. The new Fusion pieces, in a host of collectable options, also promise to captivate future generations.

In mid-October, Georg Jensen launched the Helix collection; a five-piece, stainless steel coffee and tea set designed by acclaimed Swedish duo Bernadotte & Kylberg. Featuring elegant silhouettes that clearly prioritize both function and form, the Helix collection represents a sleek continuation of Georg Jensen's longstanding mission to craft minimalist, Scandinavian design of the highest caliber.

Furthermore, the company has introduced the new Curve jewellery collection in the first quarter of 2020 designed by Danish Regitze Overgaard, who has been working closely with Georg Jensen since 1986. The collection consists of 15 pieces with a truly bold and sculptural expression crafted in either silver, gold or a mix of both materials; a meticulous example of Georg Jensen's superior design language that speaks to women across generations.

FINANCIAL REVIEW

Net Revenue
Net revenue excluding the impact from closed stores amounted to DKK 1.009 million (DKK 1.019 million) a decrease of 1%. Reported net revenue in 2019 amounted to DKK 1.014 million (DKK 1.041 million).

Europe delivered net revenue excluding closed stores of DKK 544 million (54% of total net revenue), a decline of 2,0%. The APAC region delivered net revenue excluding closed stores of DKK 407 million (40% of total net revenue), which is unchanged compared to 2018. North America grew 2,5% when excluding the impact of closed stores.

Gross Profit
The gross margin percentage decreased from 62,7% to 61,3%. Overall gross profit decreased by DKK 30 million to DKK 622 million (DKK 652 million) due to lower net sales. The gross margin was also negatively affected by the development in Thai Baht. Part of the THB exposure was hedged and the gain from this is recognized in the financial items.

Other external cost
In 2019, other external cost declined by DKK 21,0 million from DKK 219,9 million to DKK 198,9 million. The savings compared to last year is a result of continuing efforts to bring down operating costs through various cost optimization efforts and tight control of spending, including closing loss making stores.

Staff cost
In 2019 cost was reduced by DKK 16,7 million, from DKK 288,3 million to DKK 271,6 million.

Operating profit before depreciation and amortization
In 2019 the operating profit before depreciation and amortization amounted to DKK 149,5 million compared to DKK 145,3 million in 2018.

Operating Profit
Operating profit declined by DKK 8,8 million in the year, to DKK -10,8 million compared to a loss of DKK 2,0 million last year.

Net Financial Items
Net financial items amounted to DKK -33,6 million compared to DKK -33,2 million in 2018.

Profit before taxes
Profit before tax was negative by DKK 44,4 million in 2019 compared to a negative amount of DKK 35,2 million in 2018.

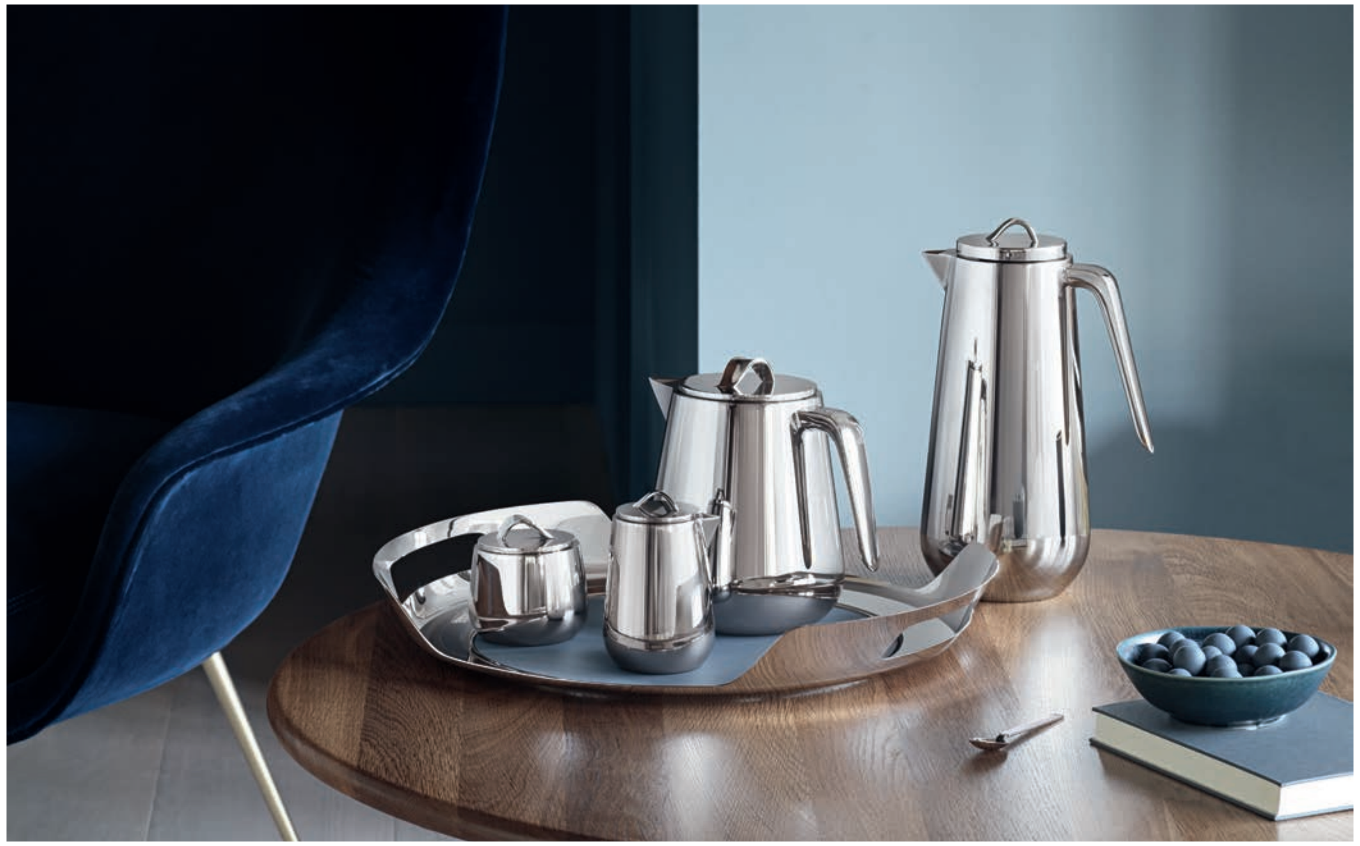
Net Profit
Net profit was DKK -48,4 million vs. DKK -148,6 million in 2018. Last year management decided to write off tax asset of DKK 105,3 million. See note 9.4 for deferred tax impact

Assets and cash and cash equivalents
Total assets amounted to DKK 951 million as of 31 December 2019 compared to DKK 1.019 million in 2018. The decrease of DKK 68 million primarily concerns fixed assets, and inventories but is off-set by an increase in cash and cash equivalents. In 2019 we have seen a continued decrease in inventory of DKK 72,5 million. The decrease in inventory is a result of a continuous focus on reducing our Net working capital items.

Equity
Equity decreased by DKK 26 million to DKK 231 million (DKK 257 million)

Cash flow and net interest bearing debt
Cash flow from Operations ended at DKK 178,8 million compared to DKK 123,9 million in 2018, an increase of DKK 54,9 million. The main contributor to this is the operating result and the development in the net working capital.

In 2019 the Net interest bearing debt decreased by DKK 63 million from DKK 450 million to DKK 387 million.



OUTLOOK

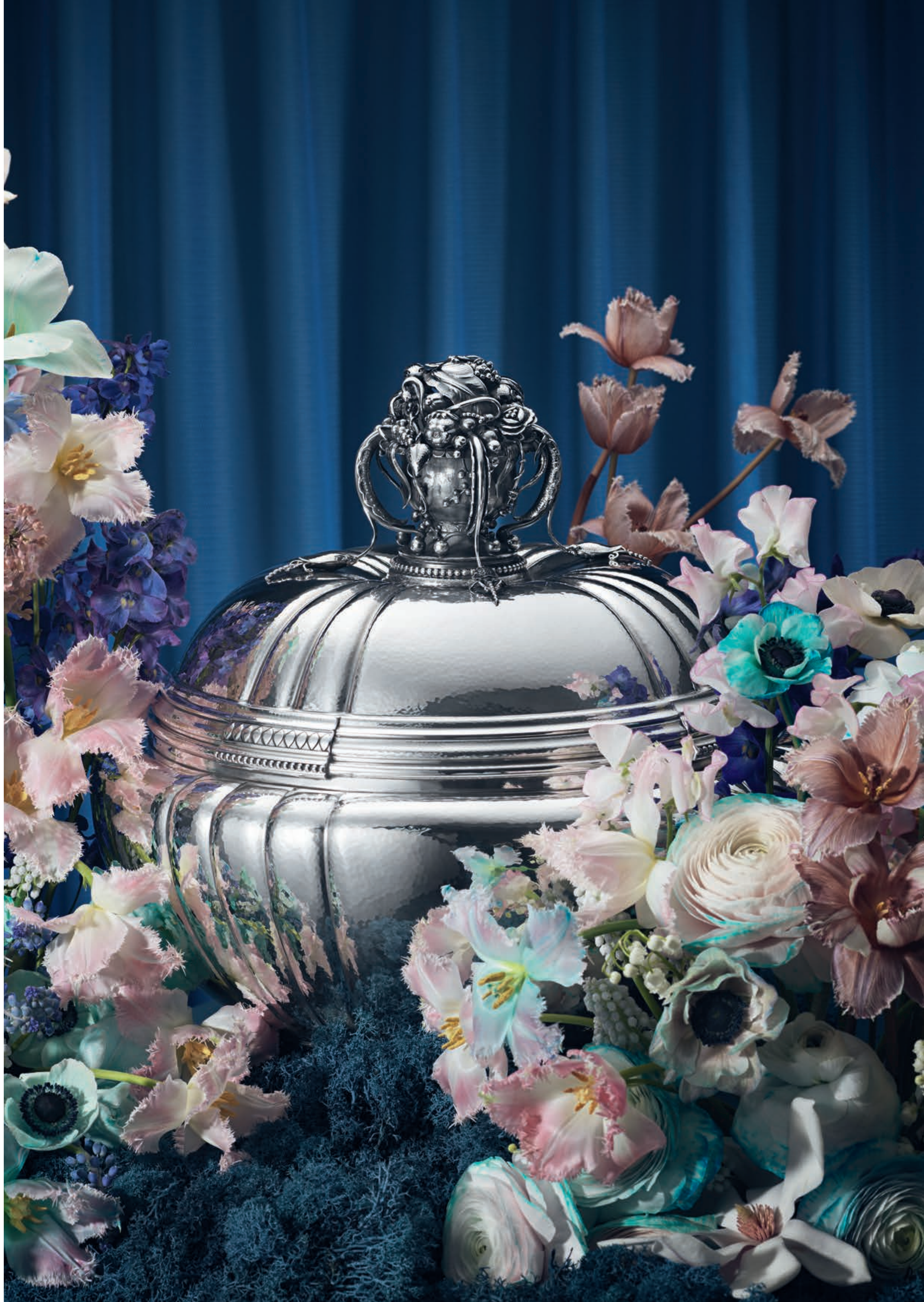
Comments on the outlook expressed for 2019

Georg Jensen expected moderate growth in revenue in the range of 2-3 percent.
When adjusted for closed stores, the decrease in revenue of 1%, is below expectations.

Earnings in operating profit were expected to improve with a growth exceeding the growth in revenue ending between DKK 30-40 million, yielding a positive result before taxes. This growth did not materialise and the result was below expectations.

Outlook for 2020

The Groups outlook for the future will be negatively affected by the COVID-19 outbreak and the measures taken by governments in most of the world and Management to mitigate the impacts of the outbreak. See also disclosures in Capital Resources and Going Concern Assumption in note 1.1 and Subsequent Events in note 18.1.
Due to the special situation it is difficult to reliably give disclosure on the outlook for the future. However, it is Management's expectations that revenue in 2020 will be above 85 % of the actual revenue in 2019 and that the result for 2020 will result in a larger loss compared to 2019.



RISK MANAGEMENT

The Board of Directors regularly assesses the Company's overall risks and the individual risk factors associated with its activities. The Board of Directors adopts guidelines for key risk areas, monitors progress and prepares action plans for reducing and managing individual risk factors, including financial and business risks, insurance and environmental conditions and compliance with competition law.

Business risk
Commercial risk: As an international brand, Georg Jensen is subject to the international economic development, in particular the consumption of luxury goods. The relatively high gross margins for the retail sector, as well as the high fixed costs for lease charges and salaries, mean that the Company's results are sensitive to sales fluctuations. We seek to eliminate the dependency on cyclical economic trends via wider geographical diversification of sales, as well as the use of different sales channels spanning from retail, external retail and to e-commerce and B2B. On the product side, cohesive concepts are being developed, which maintain the brand's position as a leading Scandinavian design company.

Logistics risk: If the right products are not available in the stores at the right time, the amount of returned and surplus products rises, which increases the risk of obsolete products. Late delivery or non-delivery thus poses a risk. Sales, Operations and Planning (S&OP) processes is subject to ongoing review and strengthening in order to ensure alignment between the demand and supply, including delivery time, in order to adjust and manage stock levels.

Production facilities: Georg Jensen depends on three production facilities for Silver/Hollowware (Copenhagen, Denmark), Jewellery (Chiang Mai, Thailand) and Seasonal (Hjoerring, Denmark) whereas the production of Home Decór products is outsourced to 3rd party suppliers primarily in China. Watches is also primarily outsourced to 3rd party suppliers. Contingency plans and training is used and communicated in execution for different scenarios which can trigger interruption of operations, and we work with miscellaneous preventative actions to prevent interruption. Existing inventory levels are a preventive factor for a short period of time; insurance against interruptions in operations partly mitigates negative financial impacts.

IT breakdown: Risk control measures such as firewalls, access control, contingency plans etc. are assessed on a regular basis in order to identify and minimize these risks.

Employees: Georg Jensen strives to offer unique career opportunities and talent development. The HR department is responsible for the development and updating of guidelines and training tools to support managers at all levels. Part of the performance culture ensures that all employees have clear goals and act as accountable, trustworthy ambassadors for our brand and company.

Brand and image: The brand and its reputation are managed through company values and integrated into corporate and social responsibility standards for Georg Jensen. Risks related to brand and reputation are addressed by way of prevention in a communication strategy prepared annually and proactively by way of consistent and transparent

public relations and communication efforts, both externally and internally and through relevant channels.

Intellectual property rights: Georg Jensen aims to use and safeguard our intangible assets by securing key trademarks in key markets, selectively defending our trademarks and designs when necessary and appropriate.

Environment: Georg Jensen controls the value chain in our own factories where we continuously work on reducing the use of hazardous materials, noise and pollution and other elements that can cause a risk to employees or the environment. We also continuously work to improve our internal quality system in order to reduce deficiencies.

Financial risk and financial instrument
The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risk and the day-to-day operations are handled by the Treasury department. The Board of Directors reviews and agrees on policies for managing each of these risks.

External risks
Macroeconomic factors: A substantial part of the Company's sourcing and sales takes place in markets which from time to time experience political and economic turmoil. This can affect Georg Jensen's business and thus poses a risk. Reliable and accurate sales forecasting allows flexible planning and reaction time to reduce the impact of macroeconomic factors. We furthermore seek to eliminate the dependency on cyclical economic trends via wider geographical diversification of sales, as well as the use of other sales channels, such as online, B2B and franchise agreements.

Corporate governance
Georg Jensen's internal control and risk management: The purpose of Georg Jensen's internal control and risk management systems in relation to the financial reporting process, is to provide financial statements with a true and fair value in accordance with the International Financial Reporting Standards (IFRS) with supplement of local Danish requirements in accordance with the Danish Financial Statements Act.

The Board of Directors is responsible for the overall governance and have established an Audit Committee which assist the Board in supervising the reporting process. The Audit Committee reviews significant risks and seeks to ensure risks are handled timely, efficient and proactively.

Georg Jensen's internal control and risk management is under continuous development in order to adapt to the changes in the surroundings.

Management duties

Other managerial positions of the members of the Board of Directors are:

Hazem Ben-Gacem:

- Director of Investcorp Financial Services BSC (and Parent Companies)
- Dainese SpA
- POC Sweden AB
- Aberdeen Standard Investcorp Infrastructure GP Ltd
- Concessions Infrastructure Investments Manager Ltd
- KGB Limited
- Orca Bidco Ltd
- Bonas Snacks Ltd
- Lyoum Sas
- Lyoum SARL

Andrea Jayne Davis:

- Georg Jensen A/S (and parent companies)
- Abax AS (and parent companies)
- Clinic Holdings (UK) Ltd
- Crops Holdings (UK) Ltd
- Safety Topco Ltd
- Securelink Bidco BV (and parent companies)
- Print Holdings BV (and parent companies)
- Corneliani SRL (and parent companies)
- Dainese SpA
- POC Sweden AB (and parent companies)
- Virtus UK Holdings Ltd
- Innovation Holdco Ltd
- Investcorp International Ltd
- Investcorp Securities Ltd
- Investcorp Europe Holdings Ltd

Karl Sebastian Inger:

- Abax AS (and parent companies)
- Cambio AS (and parent companies)

Annick Desmecht:

- Brands, Clicks and Mortar Limited
- Number 39CG (Freehold) Limited

CSR

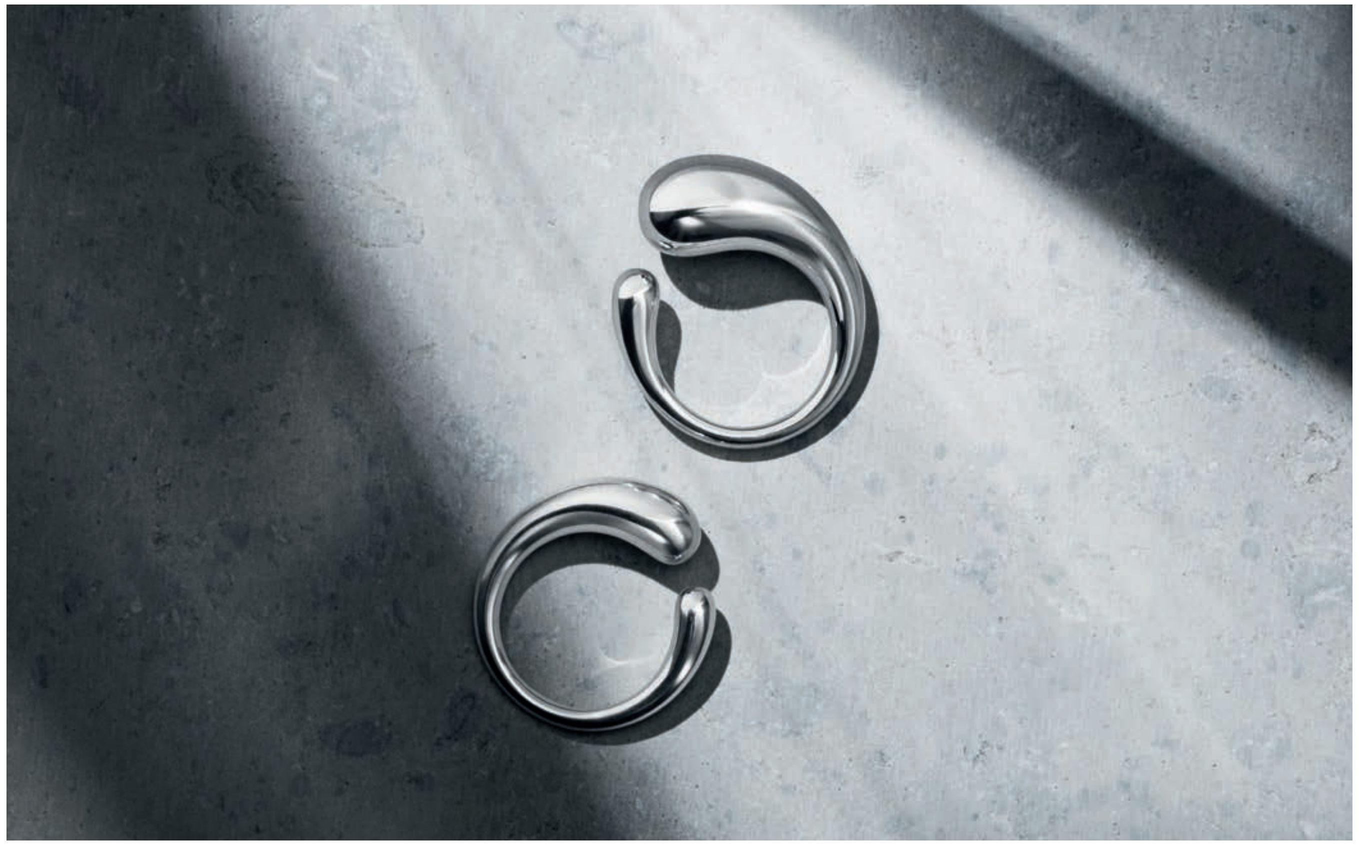
General

Georg Jensen acknowledges our impact on and our responsibility for the countries and communities where we operate. We work proactively to ensure environmentally, socially and economically responsible business processes.

Since 2009, we have been a UN Global Compact signatory. The Ten Principles of the UN Global Compact guide our work and the way we address material sustainability issues throughout our value chain, from design through production to our retail stores. Through our UN Global Compact commitment, all areas of the value chain are integrated into our business procedures and strategy.

The UN Global Compact requires participants to report on their progress and to embed the Ten Principles into their strategies and operations. Since 2009, Georg Jensen has submitted an annual COP (Communication on Progress) report. The most recent progress and results are available in the Georg Jensen 2019 COP report*, cf. Section 99A (7) of the Danish Financial Statement Act. Furthermore the disclosures on gender diversity cf. Section 99B of the Danish Financial Statement Act, is included in the report.

* https://www.georgjensen.com/en-gb/csr



MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Georg Jensen A/S for the financial year 1 January to 31 December 2019.

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2019 of the Group and the Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 January to 31 December 2019.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Companyas well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 28 April 2020

Executive Board

Francesco Pesci
CEO

Board of Directors

Hazem Ben-Gacem Chairman	David Ching Chi Chu	Andrea Jayne Davis
Francesco Pesci	Karl Sebastian Inger	Annick Desmecht
Shi Zheng	Ida Heiberg Bøttiger	Inge Andersen

INDEPENDENT AUDITORS' REPORTS

To the Shareholders of Georg Jensen A/S

Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 31 December 2019 and of the results of the Group's operations and cash flows for the financial year 1 January to 31 December 2019 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 31 December 2019 and of the results of the Parent Company's operations for the financial year 1 January to 31 December 2019 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our Auditor's Long-form Report to the Audit Committee and the Board of Directors.

What we have audited

The Consolidated Financial Statements of Georg Jensen A/S for the financial year 1 January to 31 December 2019 comprise the consolidated income statement and statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes, including summary of significant accounting policies.

The Parent Company Financial Statements of Georg Jensen A/S for the financial year 1 January to 31 December 2019 comprise the income statement, the balance sheet, the statement of changes in equity and the notes, including summary of significant accounting policies.

Collectively referred to as the "Financial Statements".

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

To the best of our knowledge and belief, prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Appointment

Prior to the admission of the bond of Georg Jensen A/S for listing on Nasdaq Stockholm, we were appointed as auditors of Georg Jensen A/S on 24 April 2019 for the financial year 2019.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.1 in the Financial Statements stating that the earnings and liquidity of the Group and the Company after the end of the financial year to a large extent is adversely affected by the Covid-19 outbreak. As stated in Note 1.1, the situation indicated that a material uncertainty exists that may cast significant doubt on the Groups and the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for 2019. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER **Valuation of inventory**	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
The Group has recognized inventory of DKK 288,2 million as at 31 December 2019. The valuation of inventory across the Group is dependent on establishing appropriate valuation methods, including write down models and assumptions made by Management in relation to indirect productions costs and internal profit elimination. Furthermore, key judgement made by management in relations to write down of inventory relates to applying a write down model based on inventory days for each item number at inventory and in relation to internal profit elimination. We focused on the valuation of inventory because the measurement is complex and requires significant estimates made by Management. Write down of obsolete inventory is described in note 10.1.	We checked the mathematical accuracy of management's model for write downs for excess and obsolete inventory and agreed to relevant sales data. We evaluated management's assessment of write down indicators for inventory and discontinued items. We reconciled the data in the internal profit model and indirect productions cost model, and we evaluated and challenged the significant assumption made by Management in applying the Group's accounting policy in relation to indirect productions costs and internal profit eliminations.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

• Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

• Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hellerup, 28 April 2020

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 3377 1231

Jacob F Christiansen
State Authorised Public Accountant
mne18628

Kaare von Cappeln
State Authorised Public Accountant
mne11629

CONSOLIDATED INCOME STATEMENT

DKK million	Note	2019	2018
Revenue	4.1, 4.2	1.013,8	1.040,6
Cost of sales	5.1	-391,9	-388,3
Gross profit		**621,9**	**652,3**
Other external costs		-198,9	-219,9
Staff costs	6.1	-271,6	-288,3
Other operating income and costs	7,1	-1,9	1,2
Operating profit before depreciation and amortization		**149,5**	**145,3**
Depreciation, amortization and impairment losses	9.1,9.2	-160,3	-147,3
Operating profit		**-10,8**	**-2,0**
Financial income	8.1	10,6	6,5
Financial costs	8.1	-44,2	-39,7
Profit before tax		**-44,4**	**-35,2**
Tax on profit for the year	8.2	-4,0	-113,4
Profit for the year		**-48,4**	**-148,6**

OTHER COMPREHENSIVE INCOME

DKK million	Note	2019	2018
Profit for the year		**-48,4**	**-148,6**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension plans	15.1	-1,0	-0,7
Items that will be reclassified to profit or loss			
Adjustment Cash flow hedges		0,4	0,0
Exchange differences on foreign operations		23,4	1,5
Other comprehensive income after tax		**22,8**	**0,8**
Total comprehensive income for the year		**-25,6**	**-147,8**

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS, ASSETS

DKK million	Note	2019	2018
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9.1	77,7	94,3
Tangible assets	9.2,9.3	283,7	316,9
Financial assets		39,2	28,9
Deferred tax	9.4	0,0	0,0
Total non-current assets		**400,6**	**440,1**
CURRENT ASSETS			
Inventories	10.1	288,2	360,7
Trade receivables	10.2	103,8	101,1
Other receivables		2,5	5,9
Receivable from group enterprises		19,2	14,9
Prepayments		19,5	19,6
Cash and cash equivalents	12.4	117,2	76,4
Total current assets		**550,4**	**578,7**
TOTAL ASSETS		**951,0**	**1.018,8**

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONS, LIABILITIES

DKK million	Note	2019	2018
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11.1	139,6	139,6
Share premium		488,3	488,3
Hedging reserve		1,1	0,7
Translation reserve		18,5	-4,9
Retained earnings		-416,1	-366,7
Total equity		**231,4**	**257,0**
LIABILITIES			
NON-CURRENT LIABILITIES			
Bond	12.1	298,0	298,0
Credit institutions	12.1	1,4	2,8
Lease liabilities	9.3	126,1	151,5
Provisions	15.2	12,8	12,9
Deferred tax	9.4	2,0	2,6
Retirement benefit obligation	15.1	8,1	6,6
Other payables		3,8	0,0
Total non-current liabilities		**452,2**	**474,4**
CURRENT LIABILITIES			
Credit institutions	12.4	6,1	7,6
Trade payables		64,3	89,8
Other payables		100,9	99,8
Payable to group enterprises		6,0	7,4
Lease liabilities	9.3	85,3	77,2
Tax payables	9.4	1,8	2,6
Provisions	15.2	3,0	3,0
Total current liabilities		**267,4**	**287,4**
Total liabilities		**719,6**	**761,8**
TOTAL EQUITY AND LIABILITIES		**951,0**	**1.018,8**

STATEMENT OF CHANGES IN EQUITY

ACCOUNTING POLICIES APPLIED

Share premium
The share premium comprises the amount received, attributable to shareholders' equity, in excess of the nominal amount of the shares issued. The share premium reserve can be distributed.

Reserve for hedging transactions
Reserve for hedging transactions comprises the accumulated net change of the fair value of hedging transactions which qualify for recognition as cash flow hedges, and where the hedged transaction has not yet been realized, less tax.

Translation reserve
The translation reserve comprises foreign exchange differences arising in connection with the translation of foreing subsidiaries' financial statements.

2019 DKK million	Share capital	Share premium	Reserve for hedging transaction	Translation reserve	Retained earnings	Total Equity
Equity at 1 January 2019	**139,6**	**488,3**	**0,7**	**-4,9**	**-366,7**	**257,0**
Profit for the year	0,0	0,0	0,0	0,0	-48,4	-48,4
Other comprehensive income						
Remeasurements of defined benefit pension plans	0,0	0,0	0,0	0,0	-1,0	-1,0
Adjustment Cash flow hedges	0,0	0,0	0,4	0,0	0,0	0,4
Exchange adjustment	0,0	0,0	0,0	23,4	0,0	23,4
Total comprehensive income	**0,0**	**0,0**	**0,4**	**23,4**	**-1,0**	**22,8**
Equity at 31 December 2019	**139,6**	**488,3**	**1,1**	**18,5**	**-416,1**	**231,4**

2018 DKK million	Share capital	Share premium	Reserve for hedging transaction	Translation reserve	Retained earnings	Total Equity
Equity at 1 January 2018	**139,6**	**488,3**	**0,7**	**-6,4**	**-219,9**	**402,3**
Profit for the year	0,0	0,0	0,0	0,0	-148,6	-148,6
Other adjustments	0,0	0,0	0,0	0,0	2,4	2,4
Other comprehensive income						
Remeasurements of defined benefit pension plans	0,0	0,0	0,0	0,0	-0,7	-0,7
Adjustment Cash flow hedges	0,0	0,0	0,0	0,0	0,0	0,0
Exchange adjustment	0,0	0,0	0,0	1,5	0,0	1,5
Total comprehensive income	**0,0**	**0,0**	**0,0**	**1,5**	**-0,7**	**0,8**
Equity at 31 December 2018	**139,6**	**488,3**	**0,7**	**-4,9**	**-366,7**	**257,0**

CASH FLOW STATEMENT

DKK million	Note	2019	2018
Net profit for the year		-48,4	-148,6
Non-cash items	17.2	197,9	293,9
Change in working capital	17.1	64,1	16,6
Cash flows from operating activities before financial income and expenses		**213,6**	**161,9**
Financial cost, paid		-31,9	-32,9
Cash flows from ordinary activities		**181,7**	**129,0**
Income taxes paid		-2,9	-5,1
Net cash flow from operating activities		**178,8**	**123,9**
Purchase of intangible assets	9.1	-12,8	-19,9
Purchase of property, plant and equipment	9.2	-14,0	-18,7
Change in other financial assets		-9,3	-0,5
Net cash flow from investing activities		**-36,1**	**-39,1**
Issued bond		0,0	298,0
Changes in credit institutions (overdraft facilities)		-1,4	-94,5
Repayment of loans from credit institutions		-1,4	-157,7
Repayment of lease liabilities		-96,6	-84,0
Loan to Group companies		-2,5	-2,2
Cash flow from financing activities		**-101,9**	**-40,4**
Net cash flow for the year		40,8	44,4
Cash and cash equivalents, beginning of the year		76,4	30,3
Currency adjustment of cash and cash equivalents		0,0	1,7
Cash and cash equivalents, end of the year		**117,2**	**76,4**
Cash and cash equivalents in the statements of cash flows comprise:			
Cash and cash equivalents		117,2	76,4
Cash and cash equivalents		**117,2**	**76,4**

ACCOUNTING POLICIES APPLIED

The statement of cash flows shows the cash flows from operating, investing and financing activities for the year, and the net cash flows for the year as well as cash and cash equivalents at the beginning and at the end of the financial year.
The statement of cash flows presents cash flow from operating activities indirectly based on the net profit for the year.
Cash flow from operating activities is calculated as operating profit adjusted for non-cash operating items, provisions, financials paid, change in working capital as well as taxes paid. In 2019, certain accounts have been reclassified to be included in cash and cash equivalents instead of being included in credit institutions. The comparable for 2018 have been changed accordingly.

NOTES

NOTES

1.1 GOING CONCERN

CAPITAL RESOURCES AND GOING CONCERN ASSUMPTION

The groups revenue, earnings, cash flow and liquidity are expected to be significantly affected by the implications of COVID-19, where many governments across the world have decided to temporally "close down their countries" including retail stores and shopping malls. Further, the group has, in the past years, experienced losses.

The extend of the COVID-19 impact on the group's liquidity will depend on how long time the countries will be closed and how the markets will react and recover. Management is therefore monitoring the COVID-19 situation closely.

Management has prepared different scenarios of how revenue groups revenue, earnings, cash flow and liquidity are affected. In these scenarios Management has made several material assumptions including expected reductions in revenue, support from aid packages, cost reductions, rent reductions, a sales margin increase compared to 2019 as a result of change in products and sales channels, reduction of capex compared to previous years, net working capital improvements etc. Management expectation is a recovery of the markets in Q3 and Q4 2020 to sales levels below 2019 – and that the recovery will continue - and that sales will increase in 2021 compared to 2019 as a result of the reopening of countries and other measures taken by the group.

Management expect that the group revenue for 2020 will be above index 85 % of the actual revenue in 2019, depending on the COVID-19 effect on the retail market recovery, consumer behavior, online sales and contribution margins etc. If management assumptions and expectations to the revenue are fulfilled and other forecast expectations are met the group will comply with the covenants and have sufficient cash in 2020.

If the revenue in 2020 are below index 85 % of the actual revenue in 2019 the group will need to make material cost reductions which could have an impact on the group going forward.
If the revenue in 2020 are below index 75 % of the actual revenue in 2019 the group could be in breach of the covenants in the credit facility agreement and therefore require a waiver letter. Such negotiations have not started at this time as management do not expect this scenario.

If the revenue in 2020 are below index 67 % of the actual revenue in 2019 the group is expected to run short for cash. This will require a waiver letter and new credit facilities for the group. Such negotiations have not started at this time as management do not expect this scenario.
The expected figures are very sensitive to even small changes in market development, Net Working Capital expectations and the continuous impact of COVID-19.

The financial situation and future expectations imply that the Group's liquidity and going concern assumption can come under significant pressure. It is Management's expectation that the measures taken and to be taken will ensure that the Group and the Company have sufficient liquidity and capital resources to continue their operations. Management therefore submits and approve the annual report for 2019 on the assumption of going concern. However, the above and the COVID-19 situation indicate that a material uncertainty exists that may cast significant doubt on the Group's and Company's ability to continue as a going concern.

2.1 ACCOUNTING POLICIES

The Annual Report for the period 1 January - 31 December 2019 comprise the financial statements of Georg Jensen A/S.

The financial statements for the year ended 31 December 2019 has been prepared in accordance with IFRS and the accounting policies are unchanged from last year.

Implementation of new standards, amendments and interpretations

Georg Jensen A/S has assessed the effect of the new standards, amendments and interpretations effective for the financial years beginning on or after 1 January 2019. Georg Jensen A/S has concluded that all standards, amendments and interpretations are either not relevant to Georg Jensen A/S or have no significant effect on the Financial Statements of Georg Jensen A/S.

New standards, amendments and interpretations adopted but not yet effective

Georg Jensen A/S has assessed the effect of the new standards, amendments and interpretations effective for the financial years beginning on or after 1 January 2020. Georg Jensen A/S has concluded that all standards, amendments and interpretations are either not relevant to Georg Jensen A/S or have no significant effect on the Financial Statements of Georg Jensen A/S.

BASIS OF CONSOLIDATION

The consolidated financial statements consist of the financial statements of Georg Jensen Group A/S and its subsidiaries in which the Company's voting rights directly or indirectly exceed 50%, or in which the Company is able to exercise a controlling interest in any other way.

The consolidated financial statements are prepared on the basis of the parent company financial statements and the individual subsidiaries by consolidating items of a uniform nature. Equity interests, intercompany transactions, intercompany balances, unrealized intercompany gains on inventories and dividends are eliminated.

The items of the financial statements of subsidiaries are fully consolidated in the consolidated financial statements. Please refer to note 12 in the parent company.

The significant accounting policies deemed by Management to be material for the understanding of the consolidated financial statements are listed in the statement of changes in equity, statement of cash flows as well as below where they are described in more detail in the relevant notes:

1.1	**Going concern**
2.1	**Accounting policies**
3.1	**Significant accounting estimates**
4.1	**Segment information**
4.2	**Revenue**
5.1	**Cost of sales**
6.1	**Staff costs**
7.1	**Other operationg income and costs**
8.1	**Financial items**
8.2	**Tax on profit for the year**
9.1	**Intangible assets**
9.2	**Tangible assets**
9.3	**Leases**
9.4	**Deferred tax**

10.1 Inventories
10.2 Trade receivables
11.1 Equity
12.1 Financial instruments by category
12.2 Fair value measurement
12.3 Financial risk
12.4 Net interest-bearing debt
12.5 Contingent liabilities
12.1 Remuneration to Key management and board of directors
14.1 Related Parties
15.1 Retirement benefit obligation
15.2 Provisions
16.1 Fee to auditors elected at the annual general meeting
17.1 Working capital
17.2 Cash flow statement, Other adjustments
18.1 Events after the reporting period

FOREIGN CURRENCY

Functional currency
On initial recognition, transactions denominated in foreign currencies are translated into the functional currency of each entity in the Group. The functional currency is the currency in the primary economic environment in which the individual reporting entity operates. Transactions in currencies other than the functional currency are transactions denominated in foreign currencies.

The consolidated financial statements and the parent company financial statements are reported in Danish Kroner (DKK). DKK is considered the primary currency of the Group's operations and the functional currency of the Parent Company.

Foreign currency translation
On initial recognition, transactions denominated in foreign currencies are translated into the functional currency at the exchange rate ruling at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognized in the income statement under financial income or costs, respectively.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the end of the reporting period.

The difference between the exchange rate ruling at the end of the reporting period and the exchange rate at the date when the receivable or payable arose or was recorded in the most recent financial statements is recognized in the income statement under financial income or costs.

Property, plant and equipment and intangible assets, inventories and other non-monetary assets acquired in foreign currencies and measured based on historical cost are translated at the exchange rates ruling at the transaction date.

Translation in the consolidated financial statements
The statements of financial position of foreign subsidiaries are translated into DKK at the exchange rate ruling at the end of the reporting period, while income statements are translated into DKK at monthly average exchange rates during the year.

Foreign exchange differences arising on the translation of foreign subsidiaries' opening equity using the exchange rates ruling at the end of the reporting period as well as on the translation of the income statements using average exchange rates at the end of the reporting period are recognized under other comprehensive income.

KEY FIGURES

The key figures and financial ratios presented in highlights have been prepared for the Company. The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

Invested capital
Assets less cash and cash equivalents and non-interest-bearing debt

Net interest-bearing debt
Interest-bearing debt less cash and cash equivalents

Development in revenue (%)
Development in revenue as a ratio of last years revenue

Gross margin (%)
Gross profit as a ratio of revenue

EBITDA margin (%)
Operating profit before depreciation and amortization(EBITDA) as a ratio of revenue

EBIT margin (%)
Operating profit (EBIT) as a ratio of revenue

Return on equity (%)
Net profit/(loss) as a percentage of average equity

Equity ratio
Total equity as ratio of total assets

Return on invested capital
Operating profit (EBIT) as a ratio of average invested capital

Revenue/invested capital
Revenue divided by average invested capital

Financial gearing
Interest bearing debt as percentage of total equity

3.1 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant accounting estimates and judgements by management

The preparation of the Annual Report requires that the Management makes estimates and assumptions, which by definition will seldom equal the actual results, that affect the recognized assets and liabilities, including the disclosures made regarding contingent assets and liabilities, when applying the Groups accounting policies.

Management bases its estimates on historical experience and other assumptions considered relevant at the time. These estimates and assumptions form the basis for the recognized carrying amounts of assets and liabilities and the derived effects on the income statement and other comprehensive income. The actual result may deviate over time.
The estimates made and the underlying assumptions are reconsidered on an ongoing basis.

Management considers the following estimates and judgements and the relevant accounting policies essential for preparing the consolidated financial statement. In the opinion of Management, the result of these estimates and uncertainties are reflected in the Annual Report based on the information available and assumptions made.

Inventory valuation

Inventory provision relating to finished items and raw material is assessed on a quarterly basis. The inventory provision is based on the approved policy.

A provision is recognized if the expected net realizable value is lower than the cost of the products. Net realizable value is the estimated selling price less the estimated costs of reworking, completion and sale of the inventory.

See note number 10.1 for details in the valuation of the inventory.

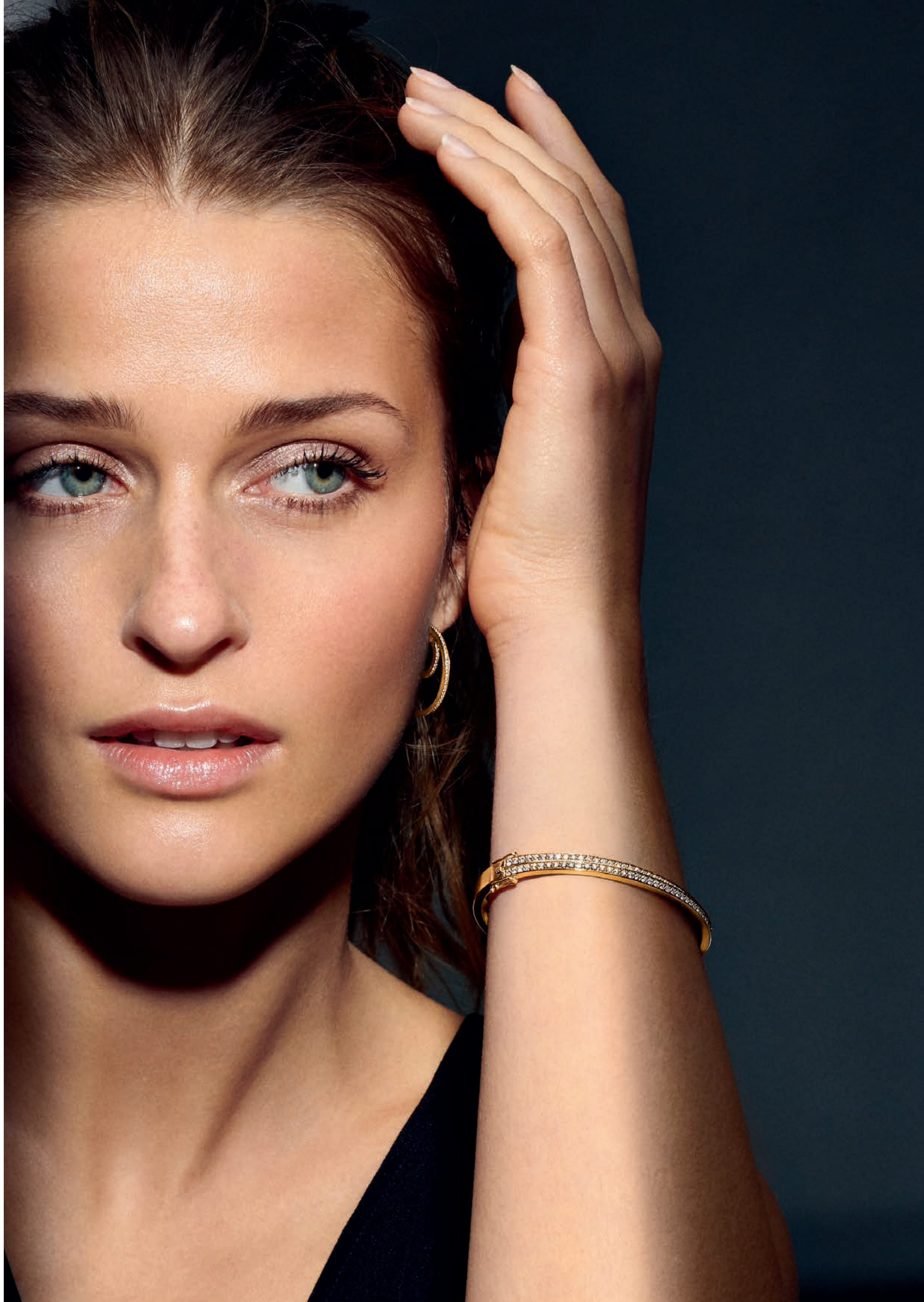
Deferred tax liabilities and assets

Deferred tax assets are recognized if it is likely that there will be taxable income in the future against which timing differences or tax loss carry forwards may be used. The significant estimate regarding deferred tax consists of the expectations to future recognition of the asset.

See note 9.4 for deferred tax.

Leases

See note 9.3 for significant judgements in determining the lease term.



4.1 SEGMENT INFORMATION

The group segments are based on a regional split. All regions are operated as independent business units, each with their own well-defined strategy plan, and they are responsible for their financial performance. The financial performance of the individual segment is presented in note 4.1 and 4.2.

ACCOUNTING POLICIES APPLIED

Segment information has been prepared in accordance with the Group's applied accounting policies and is consistent with the Group's internal reporting to the Executive Board, who are considered the Chief operating decision maker (CODM).

The Executive Board evaluates operating profits of business segments separately in order to make decisions in relation to resource allocation and performance measurement. The segment results are evaluated in the basis of operating results, which are calculated by the same methods as in the consolidated financial statements. Depreciation, financial income, costs and corporate taxes are calculated at Group level and are not allocated to the business segments. Other segments comprise group mark-up and cost related to group functions including supply chain.

Segment income and costs comprise income and costs that are directly attributable to the individual segment and the items that can be allocated to the individual segment on a reliable basis. Revenue which is reported to Management, is measured by the same methods as in the income statement. Cost allocation between business segments is made on an individual basis.

No information has been provided as to the segments' share of the items concerning financial position or cash flows as the Executive Board does not use this segmentation in the internal reporting.

Profit/loss elements of the segmentation are recognized according to the countries' individual position included in the continental segment. I.e. revenue is recognized according to the country providing the sale and not the position of the customer.

DKK million	Europe	APAC	North America	Other segments	Total 2019
Total revenue	529,4	411,3	58,5	14,6	1.013,8
Gross Profit	**191,9**	**239,8**	**25,0**	**165,2**	**621,9**
OPEX	94,4	174,0	21,0	183,0	472,4
EBITDA	**97,5**	**65,8**	**4,0**	**-17,8**	**149,5**
Amortisations & depreciations					160,3
EBIT					**-10,8**
Financial income					10,6
Financial expenses					-44,2
Profit before tax					**-44,4**

DKK million	Europe	APAC	North America	Other segments	Total 2018
Total revenue	556,1	422,5	57,1	4,9	1.040,6
Gross Profit	**192,7**	**238,9**	**25,1**	**195,5**	**652,3**
OPEX	70,2	183,7	10,3	242,8	507,0
EBITDA	**122,5**	**55,2**	**14,8**	**-47,3**	**145,3**
Amortisations & depreciations					147,3
EBIT					**-2,0**
Financial income					6,5
Financial expenses					-39,7
Profit before tax					**-35,2**

		2019		2018
Geographical split	**Net Revenue**	**Non-current assets**	**Net Revenue**	**Non-current assets**
Denmark	287,1	205,7	283,2	256,8
Australia	193,0	66,8	205,8	48,6
Taiwan	107,1	11,0	114,4	15,8
Other	426,6	117,1	437,2	118,9
Total	**1.013,8**	**400,6**	**1.040,6**	**440,1**

4.2 REVENUE

The group derives revenue from the transfer of goods at a point in time in the following major, sales channels and product lines:

PRIMARY SALES CHANNELS	2019	2018
B2B	401,9	426,0
B2C	589,8	600,5
Other	22,1	14,1
Total	**1.013,8**	**1.040,6**
PRIMARY PRODUCT LINES		
Jewellery	510,2	504,2
Home	398,2	421,3
Other	105,4	115,1
Total	**1.013,8**	**1.040,6**

ACCOUNTING POLICIES APPLIED

Sale of goods wholesale

Sales are recognized when control of the products has transferred. The group has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied.

The products are often sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

A contract liability is recognized for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of maximum 30 days, which is consistent with market practice. The group's obligation to provide a refund for faulty products under the standard warranty terms is recognized as a provision.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Sale of goods retail

The group operates a chain of retail stores selling own branded products. Revenue from the sale of goods is recognized when a group entity sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the item. It is the group's policy to sell its products to the end customer with a right of return within 30 days. Therefore, a contract liability and a right to the returned goods are recognized for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognized will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

5.1 COST OF SALES

ACCOUNTING POLICIES APPLIED

Cost of goods sold includes direct costs incurred when generating the revenue for the year. The group recognizes costs of goods sold as revenue is earned.

DIRECT SALES COSTS

Direct sales costs includes direct costs incurred to assure the revenue, ex. costs related to outbound fairs, royalties etc. Direct sales costs are recognized as the costs occurs.

DKK million	2019	2018
COST OF SALES		
Cost of goods sold	332,1	338,9
Direct sales cost	59,8	49,4
Total	**391,9**	**388,3**

6.1 STAFF COSTS

DKK million	2019	2018
TOTAL SALARIES, REMUNERATION ETC MAY BE SPECIFIED AS FOLLOWS:		
Wages and salaries	244,1	261,0
Pensions, defined contribution plans	15,3	16,5
Other staff costs	12,2	10,8
Total staff costs	**271,6**	**288,3**

Average number of Group employees	**1.142**	**1.230**

Remuneration to Key Management and Board of Directors (note 13,1)

ACCOUNTING POLICIES APPLIED

Staff costs include salaries, remuneration, retirement benefit schemes and other staff costs to the Group's employees, including to the members of the management and Board of Directors.

Staff costs are recognized in the financial year in which the employee performs his/her work. Costs related to long-term employee contribution plans, are allocated and recognized in the period to which they relate.

See note 13.1 for further information on remuneration to the Key management and Board of Directors and note 15.1 for further information on the Groups' retirement benefit obligation.

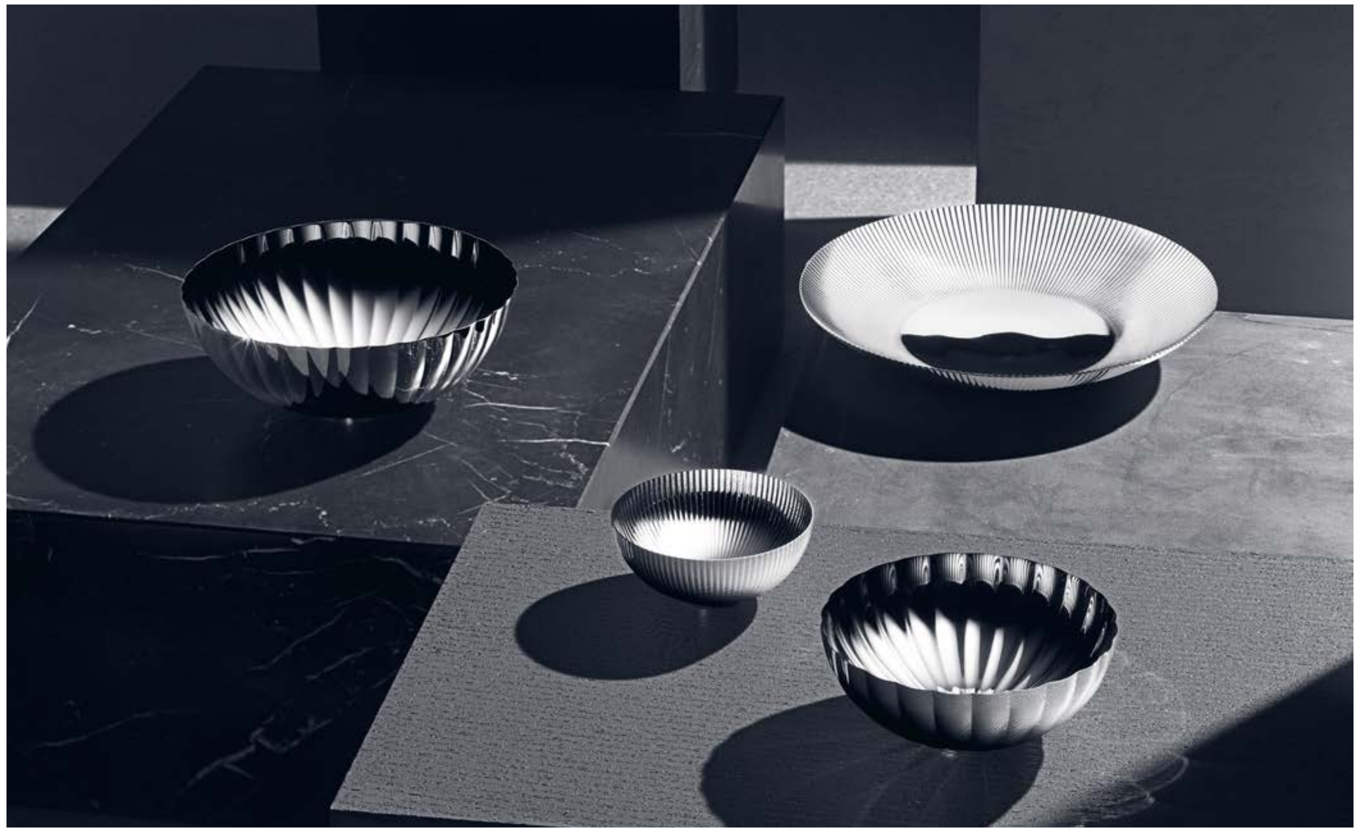
7.1 OTHER OPERATING INCOME AND COSTS

DKK million	2019	2018
TOTAL OTHER OPERATING INCOME AND COSTS MAY BE SPECIFIED AS FOLLOWS:		
Other income	0,7	2,8
Other expenses	-2,6	-1,6
Interest income from financial assets measured at amortized costs	**-1,9**	**1,2**

ACCOUNTING POLICIES APPLIED

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment

Other operationg income and costs are recognized in the financial year they refer to.



8.1 FINANCIAL INCOME AND COSTS

DKK million	2019	2018
Financial income:		
Other interest income	0,8	0,5
Interest income from financial assets measured at amortized costs	**0,8**	**0,5**
Net gain on derivative financial instruments	9,8	6,0
Total financial income	**10,6**	**6,5**
Financial costs:		
Interest on liabilities to credit institutions	-5,3	-5,3
Interest on bond	-13,5	-11,4
Interest on leases	-10,7	-14,2
Other interest costs	-0,2	-0,7
Interest cost from financial liabilities measured at amortized costs	**-29,7**	**-31,6**
Other financial costs	-5,2	-6,8
Net loss on foreign currency translation	-9,3	-1,3
Other financial costs	**-14,5**	**-8,1**
Total financial cost	**-44,2**	**-39,7**
Net financials	**-33,6**	**-33,2**

ACCOUNTING POLICIES APPLIED

Financial income and costs include interest, realized and unrealized foreign currency translation adjustments, fair value adjustments of derivative financial instruments which do not qualify for hedge accounting and supplements, deductions and allowances relating to the payment of tax.

Interest income and costs are accrued based on the principal and the effective rate of interest. The effective rate of interest is the discount rate to be used in discounting expected future payments in relation to the financial asset or the financial liability so that their present value corresponds to the carrying amount of the asset or liability, respectively.

8.2 TAX FOR THE YEAR

ACCOUNTING POLICIES APPLIED

Tax for the year consists of current tax for the year and adjustments in deferred tax. Tax for the year relating to the profit/loss for the year is recognized in the income statement, and tax for the year relating to items recognized under other comprehensive income or directly in equity is recognized under other comprehensive income or directly in equity, respectively.
Foreign currency translation adjustments of deferred tax are recognized as part of the adjustment of deferred tax for the year.

Deferred tax is measured using the tax rates and tax rules that, based on legislation in force or in reality in force at the end of the reporting period, are expected to apply in the respective countries when the deferred tax is expected to crystallize as current tax.

Changes in deferred tax as a result of changed tax rates or tax rules are recognized in the income statement unless the deferred tax is attributable to transactions which have been recognized previously under other comprehensive income or directly in equity.

The Parent Company is taxed jointly with all consolidated wholly owned Danish subsidiaries. The current tax expense is allocated among the companies of the Danish tax pool in proportion to their taxable income (full absorption with refunds for tax losses). The jointly taxed companies pay tax under the Danish on-account tax scheme.

DKK million	2019	2018
Current tax		
Current tax on profits for the year	6,9	4,7
Prior-year adjustment, current tax	-2,8	-0,5
Total current tax	**4,1**	**4,2**
Deferred tax		
Write-down of deferred tax asset	-0,1	109,2
Total deferred tax	**-0,1**	**109,2**
Total income tax	**4,0**	**113,4**
Recognized as follows		
Tax on profit for the year	**4,1**	**4,2**
Deferred tax adjustment	-0,1	109,2
Tax on other comprehensive income	0,0	0,0
Tax for the year	**4,0**	**113,4**

BREAKDOWN ON TAX ON PROFIT FOR THE YEAR

DKK million	2019	2018
Calculated tax on profit before tax, 22%	9,7	7,7
Non recognized tax loss carry forward for the year	-12,8	-16,1
Impact of utilization of tax loss carry forward not recognized	0,0	-1,3
Writedown of deferred tax asset	0,0	-105,3
Impact of deviations in tax rates	-1,5	0,0
Impact of non-taxable income & non-deductible cost	-0,1	0,6
Withholding taxes	0,5	-0,2
Prior-year adjustment	0,2	1,2
Total tax on profit for the year	**-4,0**	**-113,4**
Effective tax rate for the year (%)	**9%**	**316%**

9.1 INTANGIBLE ASSETS

ACCOUNTING POLICIES APPLIED

Intangible assets are measured at cost price, comprising directly and indirectly related expenses, less accumulated impairment losses and amortization.

Software and IT development are amortized over the useful life of 3-7 years. Cost includes the acquisition price as well as costs arising directly in connection with the acquisition and until the point of time when the asset is ready for use. Amortization is provided on a straight-line basis over the expected useful life.

Rights acquired is measured at cost less accumulated amortisation. The depreciation period reflects the expected economic lifecycle of the activity relating to the rights.

Expenses relating to the development of products, where the intention is to manufacture and market the product, are recognized in the balance sheet when the applicable criteria are fulfilled. In other cases the expenses are carried to the income statement when they are defrayed.

Development expenses are stated in the balance sheet at cost price, comprising the direct and indirect costs attributable to the development activities, less accumulated depreciation and impairment.

Development projects concern either cost for developing of new products within the group's current selections as well as cost for developing of software. Cost concerning software relate to either the ERP-upgrade as well as cost for developing a new online sales platform.

Development of new products is only initiated when a business plan documenting the expected cost and the expected future cash flow is prepared and approved. All products developed are up for sale on all markets.

Status on development projects is assessed on a quarterly basis and impairment tested on an annual basis.

Amortization takes place on a straight line basis as shown below:

Software	3-7 years
Rights	5-10 years
Completed development projects	Max. 5 years

2019

DKK million	Soft-ware*	Rights	Completed development projects	Development projects in progress	Total
Cost at 1 January	**75,5**	**74,1**	**30,7**	**6,9**	**187,2**
Additions for the year	0,0	0,0	0,0	12,8	12,8
Exchange adjustments	0,9	1,1	0,0	0,0	2,0
Disposals	-4,4	0,0	0,0	0,0	-4,4
Transferred to other items	8,7	0,2	2,0	-10,9	0,0
Cost at 31 December	**80,7**	**75,4**	**32,7**	**8,8**	**197,6**
Impairment losses and amortisation at 1 January	26,1	45,4	21,4	0,0	92,9
Amortization for the year	15,4	10,9	3,8	0,0	30,1
Disposals	-4,4	0,0	0,0	0,0	-4,4
Exchange adjustments	0,6	0,7	0,0	0,0	1,3
Impairment losses and amortisation at 31 December	**37,7**	**57,0**	**25,2**	**0,0**	**119,8**
Carrying amount at 31 December	**43,0**	**18,4**	**7,5**	**8,8**	**77,7**

*Software relating to the business development of ERP systems is significant as an individual asset and has a carrying amount of DKK 28,3 million, and a remaining lifetime of 5 years.

No identification of impairment for intangible assets per 31 december 2019.

2018

DKK million	Soft-ware*	Rights	Completed development projects	Development projects in progress	Total
Cost at 1 January	**40,4**	**74,2**	**28,0**	**5,9**	**169,5**
Additions for the year	0,0	0,0	0,0	19,9	19,9
Exchange adjustments	-0,4	-0,3	0,0	0,0	0,2
Disposals	0,0	0,0	-2,4	0,0	-2,4
Transferred to other items	13,6	0,2	5,1	-18,9	0,0
Cost at 31 December	**75,5**	**74,1**	**30,7**	**6,9**	**187,2**
Impairment losses and amortisation at 1 January	15,7	36,2	17,7	0,0	69,6
Amortization for the year	10,2	8,7	6,1	0,0	25,0
Disposals	0,0	0,0	-2,4	0,0	-2,4
Exchange adjustments	0,2	0,5	0,0	0,0	0,7
Impairment losses and amortisation at 31 December	**26,1**	**45,4**	**21,4**	**0,0**	**92,9**
Carrying amount at 31 December	**49,4**	**28,7**	**9,3**	**6,9**	**94,3**

*Software relating to the business development of ERP systems are significant as an individual asset and has a carrying amount of DKK 35,9 million, and a remaining lifetime of 5 years.

9.2 TANGIBLE ASSETS

ACCOUNTING POLICIES APPLIED

Property, plant and equipment primarily consist of leasehold improvements and equipment, which are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price and costs directly related to the acquisition until the time when the asset is ready for use.

The net present value of estimated costs in respect of demounting and disposal of the asset and of restoring the place where the asset was used is added to cost.

The difference between cost and the expected scrap value is depreciated on a straight-line basis over the expected economic lives of the assets.

Gains and losses on disposal of property, plant and equipment are computed as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement under other operating income or costs.

Property, plant and equipment are written down to the recoverable amount if this is lower than the carrying amount.

Depreciations

The depreciation period is determined on the basis of Management's experience in the Group's business area, and Management believes the following estimates to be the best estimate of the economic lives of the assets:

Buildings	25-30 years
Lease assets	Lease period
Plant and machinery	5-15 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5-10 years

If the depreciation period or the scrap values are changed, the effect on depreciation going forward is recognized as a change in accounting estimates.

2019 DKK million	Land and buildings*	Plant and machinery	Other fixtures and fittings, tools and equipment*	Leasehold improvements	Property, plant and equipment in progress	Total
Cost at 1 January	**447,7**	**36,0**	**234,1**	**228,4**	**0,0**	**946,2**
Additions for the year	75,0	0,3	7,0	7,0	1,5	90,8
Disposals for the year	0,0	-0,6	-17,6	-5,7	0,0	-23,9
Exchange adjustments	5,7	3,1	4,9	3,2	0,0	16,9
Transferred to other items	0,0	0,0	0,0	0,1	-0,1	0,0
Cost at 31 December	**528,4**	**38,8**	**228,4**	**233,0**	**1,4**	**1.030,0**
Impairment losses and depreciation at 1 January	**204,6**	**33,5**	**197,7**	**193,5**	**0,0**	**629,3**
Depreciation for the year	100,5	1,4	13,2	15,1	0,0	130,2
Impairment and depreciation of sold assets for the year	0,0	-0,6	-17,6	-5,6	0,0	-23,8
Exchange adjustments	0,9	2,9	4,3	2,5	0,0	10,6
Impairment losses and amortisation at 31 December	**306,0**	**37,2**	**197,6**	**205,5**	**0,0**	**746,3**
Carrying amount at 31 December	**222,4**	**1,6**	**30,8**	**27,5**	**1,4**	**283,7**
***Right-of-use asset**	**196,4**	**0,0**	**0,9**	**0,0**	**0,0**	**197,3**

No identification of impairment for tangible assets per 31 december 2019.

2018 DKK million	Land and buildings*	Plant and machinery	Other fixtures and fittings, tools and equipment*	Leasehold improvements	Property, plant and equipment in progress	Total
Cost at 1 January	**446,5**	**34,3**	**219,8**	**226,8**	**0,0**	**927,5**
Additions for the year	0,0	0,7	0,0	3,7	14,3	18,7
Disposals for the year	0,0	-0,2	0,0	-3,8	0,0	-4,0
Exchange adjustments	1,2	1,2	2,9	-1,2	0,0	4,0
Transferred to other items	0,0	0,0	11,4	2,9	-14,3	0,0
Cost at 31 December	**447,7**	**36,0**	**234,1**	**228,4**	**0,0**	**946,2**
Impairment losses and depreciation at 1 January	**113,1**	**31,0**	**180,5**	**184,4**	**0,0**	**509,0**
Depreciation for the year	91,2	1,4	14,7	8,8	0,0	116,2
Impairment and depreciation of sold assets for the year	0,0	0,0	0,0	1,8	0,0	1,8
Exchange adjustments	0,3	1,1	2,5	-1,5	0,0	2,4
Impairment losses and amortisation at 31 December	**204,6**	**33,5**	**197,7**	**193,5**	**0,0**	**629,4**
Carrying amount at 31 December	**243,1**	**2,5**	**36,4**	**34,9**	**0,0**	**316,9**
***Right-of-use asset**	**218,0**	**0,0**	**0,3**	**0,0**	**0,0**	**218,3**

9.3 LEASES

ACCOUNTING POLICIES APPLIED

The Group leases various properties, equipment and cars. Rental contracts are typically made for fixed periods of 2 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate

The lease payments are discounted using the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities
- any lease payments made at or before the commencement date
- any initial direct costs, and
- restoration costs.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts.

Critical judgements in determining the lease term

In determining the lease term, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

Right-of-use assets	Land and buildings	Other fixtures and fittings, tools and equipment	Total
At 1 January 2019	218,0	0,3	218,3
Additions	75,0	1,8	76,8
Depreciation	-99,1	-1,2	-100,3
Exchange adjustments	2,5	0,0	2,5
At 31 December 2019	**196,4**	**0,9**	**197,3**

Right-of-use assets	Land and buildings	Other fixtures and fittings, tools and equipment	Total
At 1 January 2018	307,9	1,3	309,2
Depreciation	-89,7	-1,0	-90,7
Exchange adjustments	-0,2	0,0	-0,3
At 31 December 2018	**218,0**	**0,3**	**218,3**

Lease liabilities	Land and buildings	Other fixtures and fittings, tools and equipment	Total
At 1 January 2019	228,4	0,3	228,7
Additions	75,7	1,2	76,9
Lease payments	-106,1	-1,3	-107,4
Interest	10,7	0,1	10,8
Exchange adjustments	2,4	0,0	2,4
At 31 December 2019	**211,1**	**0,3**	**211,4**

Variable leases(turnover based leases) not included in lease liabilities of DKK 49,8 million in 2019. The total cash out flow for the year from all leases is DKK 150,8 million. For 2020 variable lease payments are expected to amount to DKK 45,0 - 60,0 million. The group have committed contracts per 31 December 2019, with future cash flow of DKK 41,9m until March 2025.

Lease liabilities	Land and buildings	Other fixtures and fittings, tools and equipment	Total
At 1 January 2018	311,8	1,3	313,0
Lease payments	-97,2	-1,0	-98,2
Interest	14,1	0,0	14,2
Exchange adjustments	-0,3	0,0	-0,3
At 31 December 2018	**228,4**	**0,3**	**228,7**

Variable leases(turnover based leases) not included in lease liabilities of DKK 54,3 million in 2018. Furthermore subleases are included with a value of DKK 13,0 million. The total cash out flow for the year from all leases is DKK 152,5 million. For 2019 variable lease payments are expected to amount to DKK 65,0 - 70,0 million.

9.4 DEFERRED TAX

ACCOUNTING POLICIES APPLIED

Deferred tax assets, including the tax base of deferrable tax losses, are recognized at the expected value of their utilization of future taxable income and are set off against deferred tax liabilities within the same legal entity and jurisdiction.

If deferred tax is an asset, it is included in non-current assets based on an assessment of the potential for future realization. Tax are recognized when it is likely that these will be utilized in the foreseeable future. Deferred tax is calculated based on the planned use of each asset and settlement of each liability, respectively.

Risks relating to transfer pricing, disagreement(s) with local tax authorities, etc. arise as a result of global activity. Based on an assessment and review of the outcome of pending matters, Management considers that the provisions made for uncertain tax positions recognized in payable and deferred tax are adequate.

DKK million	2019	2018
Net tax liability at 1 January	**2,6**	**1,8**
Tax payable on profit for the year	4,1	4,2
Tax paid during the year	-4,9	-3,5
Foreign currency translation adjustment etc.	0,0	0,1
Net tax liabilities 31 December	**1,8**	**2,6**
Recognized as follows		
Tax receivable	0,0	0,0
Tax payable	1,8	2,6
Net tax liabilities 31 December	**1,8**	**2,6**

DKK million	2019	2018
Deferred tax at 1 January	-2,6	103,2
Addition/disposal for the year	0,6	-0,5
Write-down of tax asset	0,0	-105,3
Net deferred tax at 31 December	**-2,0**	**-2,6**
Recognized as follows:		
Deferred tax assets	0,0	0,0
Deferred tax liabilities	-2,0	-2,6
Net deferred tax at 31 December	**-2,0**	**-2,6**

DKK million	Net deferred tax at 1 January 2019	Write-down on deferred tax Recognized in profit for the year	Net deferred tax at 31 December 2019
Intangible assets	0,0	0,0	0,0
Property plant and equipment	-2,6	0,6	-2,0
Inventories and receivables	0,0	0,0	0,0
Provisions and other liabilities	0,0	0,0	0,0
Tax losses	0,0	0,0	0,0
Total	**-2,6**	**0,6**	**-2,0**

DKK million	Net deferred tax at 1 January 2018	Write-down on deferred tax Recognized in profit for the year	Net deferred tax at 31 December 2018
Intangible assets	-0,5	0,5	0,0
Property plant and equipment	37,9	-40,5	-2,6
Inventories and receivables	31,6	-31,6	0,0
Provisions and other liabilities	2,7	-2,7	0,0
Tax losses	31,5	-31,5	0,0
Total	**103,2**	**-105,8**	**-2,6**

Deferred tax liability for the group make up for DKK 2,0 million at 31 December 2019 (Deferred tax liability DKK 2,6 million in 2018) The deferred tax liability concerns the subsidiary in the UK. Deferred tax asset for the parent company make up for DKK 0 million at 31 December 2019 (DKK 0,0 million in 2018).

Management has made an updated assessment on the valuation of the deferred tax asset and reduced this to DKK 0 by the end of 2019. Management's assessment is based recent performance, economic uncertainty and the requirement of convincing evidence to support the utilization of the tax asset in the near future.

At year end the group has non-recognized tax losses carry forward to an estimated value of DKK 165 – 185 million, while the parent has non-recognized tax losses carry forward to an estimated value of approx. DKK 63 million. (In 2018 the amounts was DKK 160-180 million and DKK 58 million, respectively) Tax loss carry forward of DKK 85-90 million will expire within 2020 to 2037. In 2018 tax loss carry forward subject to expiry make up for approx. DKK 90-95 million. Tax loss carried forward is subject to expiry and concerns our subsidiaries in Japan and US.

10.1 INVENTORY

ACCOUNTING POLICIES APPLIED

Raw materials and components are measured at acquisition price, or net realization value if lower.

Work in progress and finished goods and goods for resale are measured at cost price (compiled by the weighted average method) with addition of indirect production costs, or at net realization value if lower.

Indirect production cost comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in manufacturing process as well as costs of factory administration and management.

Significant accounting estimates

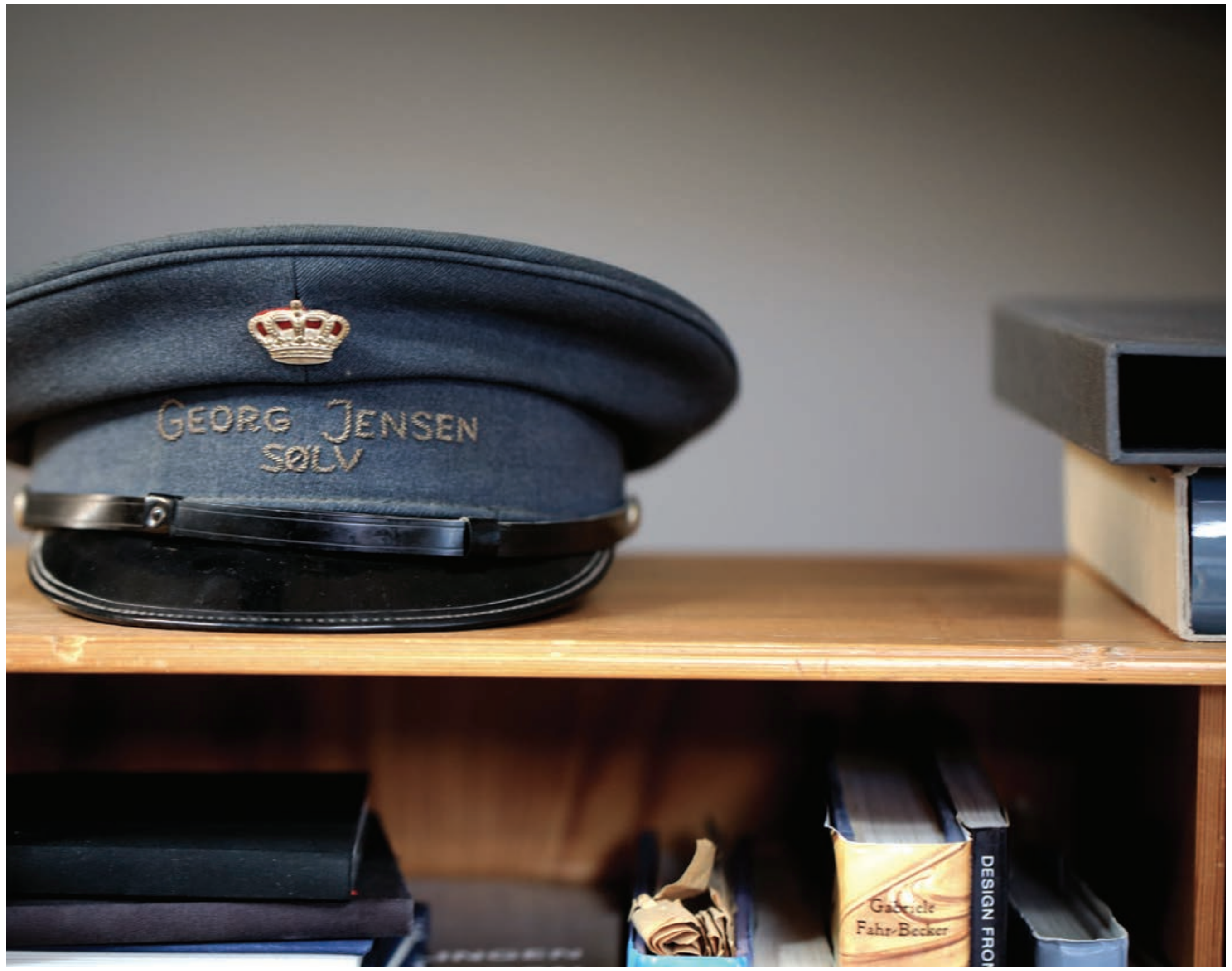
The inventory provision is assessed by Stock keeping unit(SKU) level and is based on lifecycle code set per item and the months on hands for sale. Furthermore, an individual assessment is made for some items. The inventory provision is split in finished items ready for sales and raw material or spareparts.

Based on our historic performance, and when looking at our product groups as a whole, we do not sell items below the cost of the product. With only a few exemptions this by SKU level. The majority of the inventory provision in 2019 concerns the part of the inventory that is not finished items for sale. For instance point of sale(POS) material, spareparts and other components and raw material relating to products which is part of our assortment going forward.

Georg Jensen have during the last 2 years focused on the assortment structure and inventory accounts. By the end of 2019 the inventory status are at a healthy composition.

Management are confident with the levels of inventory provision for commercial finished goods.

	2019	2018
Raw materials and components	39,5	42,0
Work in progress	18,1	19,6
Finished goods and goods for resale	251,8	320,2
Total inventories, gross	**309,4**	**381,8**
Changes in inventory write-downs:		
Inventories write down at 1 January	21,1	49,7
Write-downs for the year, addition	2,8	0,0
Write-downs for the year, reversal (utilized)	-1,3	-17,5
Write-downs (not utilized)	-1,4	-11,1
Total inventory write-downs	**21,2**	**21,1**
Total inventories, net	**288,2**	**360,7**



10.2 TRADE RECEIVABLES

DKK million	2019	2018
Receivables not due	80,0	81,8
Less than 90 days overdue	20,1	20,4
91-180 days overdue	0,3	-0,6
181-365 days overdue	3,4	3,1
More than 1 year overdue	6,2	4,3
Receivables, gross	110,0	109,0
Provision for bad debt	-6,2	-7,9
Total trade receivables	**103,8**	**101,1**
Change in provision for bad debt		
Provision for bad debt at 1 January	7,9	11,7
Provision made	0,3	0,0
Provision used	-2,0	-3,8
Provision for bad debt at 31 December	**6,2**	**7,9**

ACCOUNTING POLICIES APPLIED

On initial recognition, receivables are measured at fair value and subsequently at amortized cost which usually corresponds to the nominal value less provision for bad debts.

Receivables are written down to net realizable value corresponding to the amount of expected future net payments received on the receivables. Write-downs are calculated on the basis of individual assessments of the receivables.

Trade receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Impairment of receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

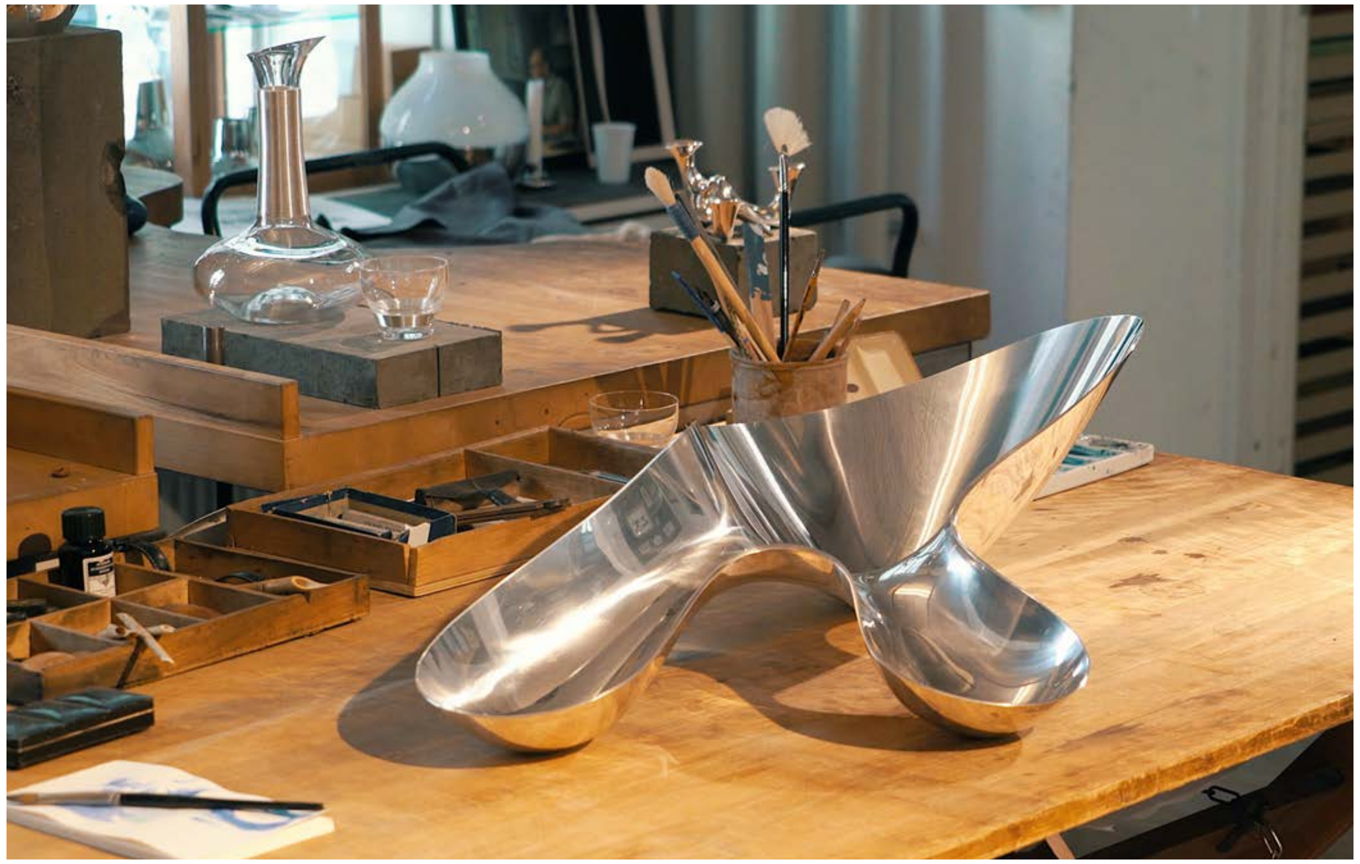
11.1 EQUITY

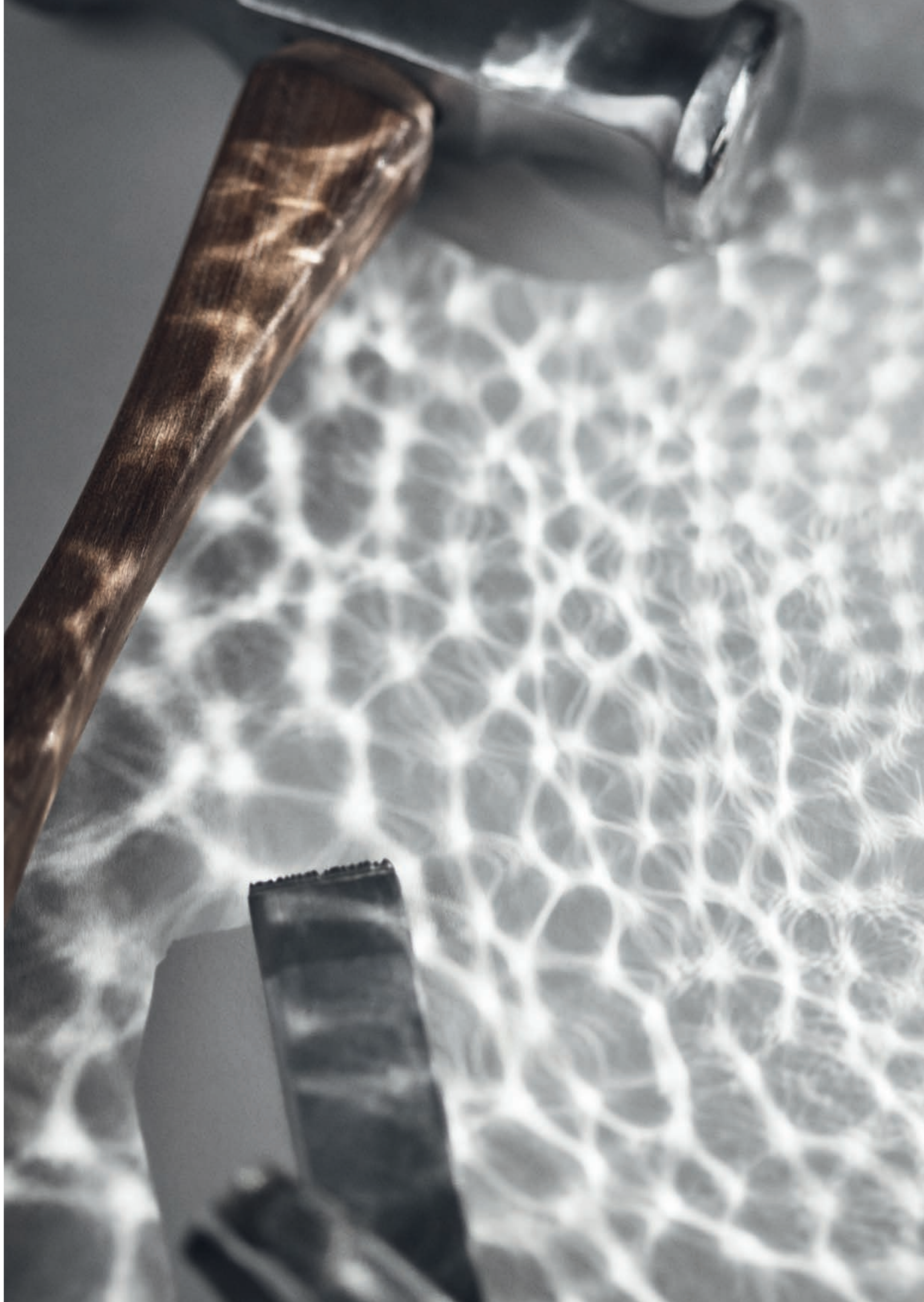
ACCOUNTING POLICIES APPLIED

Proposed dividends are recognized as a liability at the time of adoption by the shareholders at the annual general meeting. Description of capital management in note 12.3, see liquidity risk.

DKK million	Number
Share capital at 1 January 2018	**1.396**
Share capital at 1 January 2019	**1.396**
Share capital at 31 December 2019	**1.396**

The share capital consists of 1.396.491 shares with a nominal value of DKK 100 each. No shares carry any special rights.

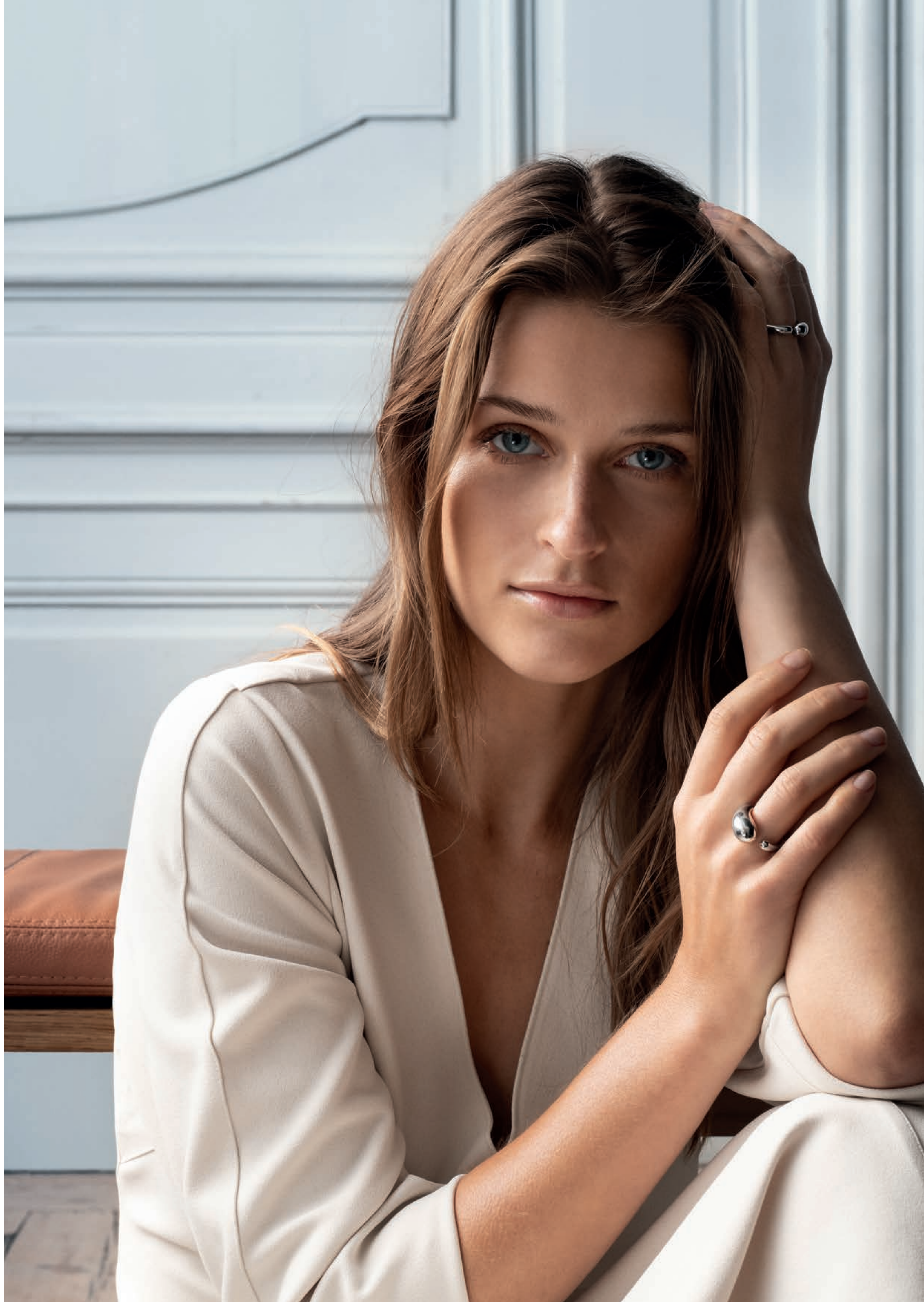




12.1 FINANCIAL INSTRUMENTS BY CATEGORY

DKK million	Carrying amount 2019	Carrying amount 2018
Carried at amortised cost		
Receivable from group enterprises	19,2	14,9
Financial assets	2,5	28,9
Trade receivables	103,8	101,1
Cash and cash equivalents	117,2	76,4
Financial assets at amortised cost	**242,7**	**221,3**
Derivatives	**2,1**	**5,6**
Carried at amortised cost		
Credit institutions	7,5	10,4
Lease liabilities	211,4	228,7
Bond	298,0	298,0
Payable to group enterprises	6,0	7,4
Trade payables	64,3	89,8
Other payables (Deposits)	2,5	2,6
Financial liabilities at amortised cost	**589,7**	**636,8**
Derivatives	**2,7**	**1,2**

As carried amounts measured in the balance sheet all are regulated according to the official year end exchange rate, the carried amounts are assesed as representable for fair value.



12.2 FAIR VALUE MEASUREMENT

ACCOUNTING POLICIES APPLIED

Financial instruments measured at fair value
Financial instruments measured at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3 – Inputs for the asset or liability that are not based on observable market data.

Fair value of listed securities is within level 1 of the fair value hierarchy. Non-listed shares and other securities are within level 3 of the fair value hierarchy.

Fair value of derivatives is mainly within level 2 of the fair value hierarchy and is calculated on the basis of observable market data as of the end of the reporting period.

Fair value of level 3 assets and liabilities is primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Group's profit or equity significantly.

Financial instruments carried at amortised cost
The fair value of financial assets and financial liabilities and the bond is measured at amortised cost is approximately equal to the carrying amount. In general, fair value is determined primarily based on the present value of expected future cash flows. Where a market price was available, however, this was deemed to be the fair value.

	Assets	Equity and liabilities	
DKK million	**Derivatives***	**Bond**	**Derivatives***
2019			
Level 1	0,0	0,0	0,0
Level 2	2,1	298,0	2,7
Level 3	0,0	0,0	0,0
Total 2019	**2,1**	**298,0**	**2,7**
2018			
Level 1	0,0	0,0	0,0
Level 2	5,6	0,0	1,2
Level 3	0,0	298,0	0,0
Total 2018	**5,6**	**298,0**	**1,2**

*Derivatives is accounted for within other receivables and payables in the balance sheet.

12.3 FINANCIAL RISKS

The Group's activities expose it to a variety of financial risks:
- Credit risk
- Market risks, i.e. interest rate risk
- Liquidity risk

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close cooperation with the Group.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The financial receivables of the Group all fall due within 12 months. It is the Group's policy that all major customers and other partners undergo regular credit assessment. A credit line is set on the basis of the credit worthiness of the individual customers and counterparties. The Group have a credit insurance program for sales from Georg Jensen A/S, where 90% of invoice amounts are insured, which is unchanged in 2019. Exceptions from the insurance program needs senior management approval. The Group does not have any material risks relating to individual private customers or partners.

Historically seen the Group has had relatively small losses as a consequence of non-payment by customers or counterparties. At year-end write downs on bad debt was DKK 6,2 million (DKK 7,9 million).

Other financial assets at amortised cost comprise loans receivable and other receivables. All of these financial assets are considered to have low credit risk and thus the impairment provision calculated basis of 12 month expected losses is considered immaterial. The financial assets are considered to be low risk when they have low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Market risks
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's profit or the value of its holdings of financial instruments. The sensitivity analysis is shown in the section relating to currency risk.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2019.

Interest rate risk

The interest rate risk of Georg Jensen is primarily related to floating rate debt. The interest applied to the loans is variable on 3-month terms. The Board of Directors has assessed the cost of hedging compared to the risk of interest rate increases and has decided to remain related to floating rate. Thus, at the end of 2019 Georg Jensen has no interest rate swaps.

A general increase in interest rates by 1 percentage point is estimated, all other things being equal, to affect profit before tax and equity, excluding tax effect, negatively by approximately DKK 1,7 million (DKK 2,0 million). A decline by one percentage point would affect by approximately DKK 0 (DKK 0) as our bank debt has an interest rate floor.
This analysis assumes that all other variables, in particular foreign currency rates remain constant.

		Next interest rate fixing		
DKK million	**Carrying amount**	**0-1 year**	**1-5 years**	**+5 years**
2019				
3-6%	7,5	7,5	0,0	0,0
6-8%	298,0	298,0	0,0	0,0
Total	**305,5**	**305,5**	**0,0**	**0,0**
2018				
3-6%	10,4	10,4	0,0	0,0
6-8%	298,0	298,0	0,0	0,0
Total	**308,4**	**308,4**	**0,0**	**0,0**

Currency risk

The currency risks of Georg Jensen are mainly related to the purchase and sales of goods in foreign currencies. The largest exposure for purchases are EUR, THB and USD whereas largest invoicing currencies are EUR, SEK, TWD and AUS.
Currency price risk is hedged for up to 12 months with a decreasing hedging degree over the period pursuant to the Hedging Policy approved by the Board of Directors. However, hedge accounting is not applied and in this regard refers to the economic hedging.
The Board of Directors has approved that EUR (primarily related to the bond issue) is not hedged due to the high correlation to DKK. Furthermore, exposures below DKK 15 million are not hedged either. All changes in financial instruments are recognized as financial income and financial expenses in the income statement.

To hedge this price risk Georg Jensen uses a portfolio of financial instruments as FX-forwards, currency swaps as well as options.
The table below shows the impact of the year on P/L from exchange rate increases of 10%, (except EUR, where an increase of 0,5% have been applied) in Georg Jensen's primary foreign currencies based on financial assets and liabilities at year end (in DKK millions).

Georg Jensen has equity investments in foreign affiliated companies, whose net assets are affected by exchange rate fluctuations in connection with translation to DKK in the consolidated accounts. This translation risk is not regarded as a foreign currency risk and is therefore not included in the sensitivity calculations.
At year end the market value of FX derivatives was DKK -2,1 million (DKK 3,5 million). All currency hedging expires within 1 year.

	2019	**2018**
	P/L before tax	P/L before tax
AUD	(1,6)	(2,8)
CNY	-	1,1
EUR	(1,5)	(1,4)
GBP	(1,5)	(4,4)
HKD	(0,3)	(0,2)
JPY	(1,2)	(0,9)
NOK	(0,7)	(0,8)
SEK	(1,7)	(3,8)
THB	1,8	2,5
TWD	(0,9)	(1,4)
USD	5,3	14,0

Raw material price risks

Georg Jensen is exposed to fluctuations in commodity prices through its production. The main raw materials are gold and silver. These risks are hedged for up to 12 months with a decreasing hedging degree over the period pursuant to the Hedging Policy approved by the Board of Directors.

To hedge this price risk Georg Jensen uses silver and gold futures.

The sensitivity on profit for the year and equity from raw material price movements of 10% of gold and silver after impact of hedge accounting amounts to DKK 2,2 million (1,1 million) at year end 2019.
The effective part of the fair values of the raw material price futures, used for and complying with the conditions for hedge accounting for future transactions, is recognized directly in equity until the hedged transactions are realized and subsequently recognized in the income statement.
Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment, to ensure that an economic relationship exists between the hedged item and hedging instruments.

As per 31 December 2019 the market value of gold and silver futures was DKK 1,4 million (DKK 0,9 million), of which DKK 1,4 million (DKK 0,9 million) was recognized directly in equity. All commodity price hedging expires within 1 year.

Liquidity risk

The purpose of Georg Jensen's cash management procedures is to ensure that the Group at all times has an adequate level of cash and debt to meet financial obligations. Liquidity forecasts are continuously updated with a higher granularity for the next three months than the monthly outlooks for a rolling 12 month period.

Georg Jensen has a bond issue of 40 million EUR until May 2023 and a committed revolving credit facility of 10 million EUR with DNB Bank until May 2023.

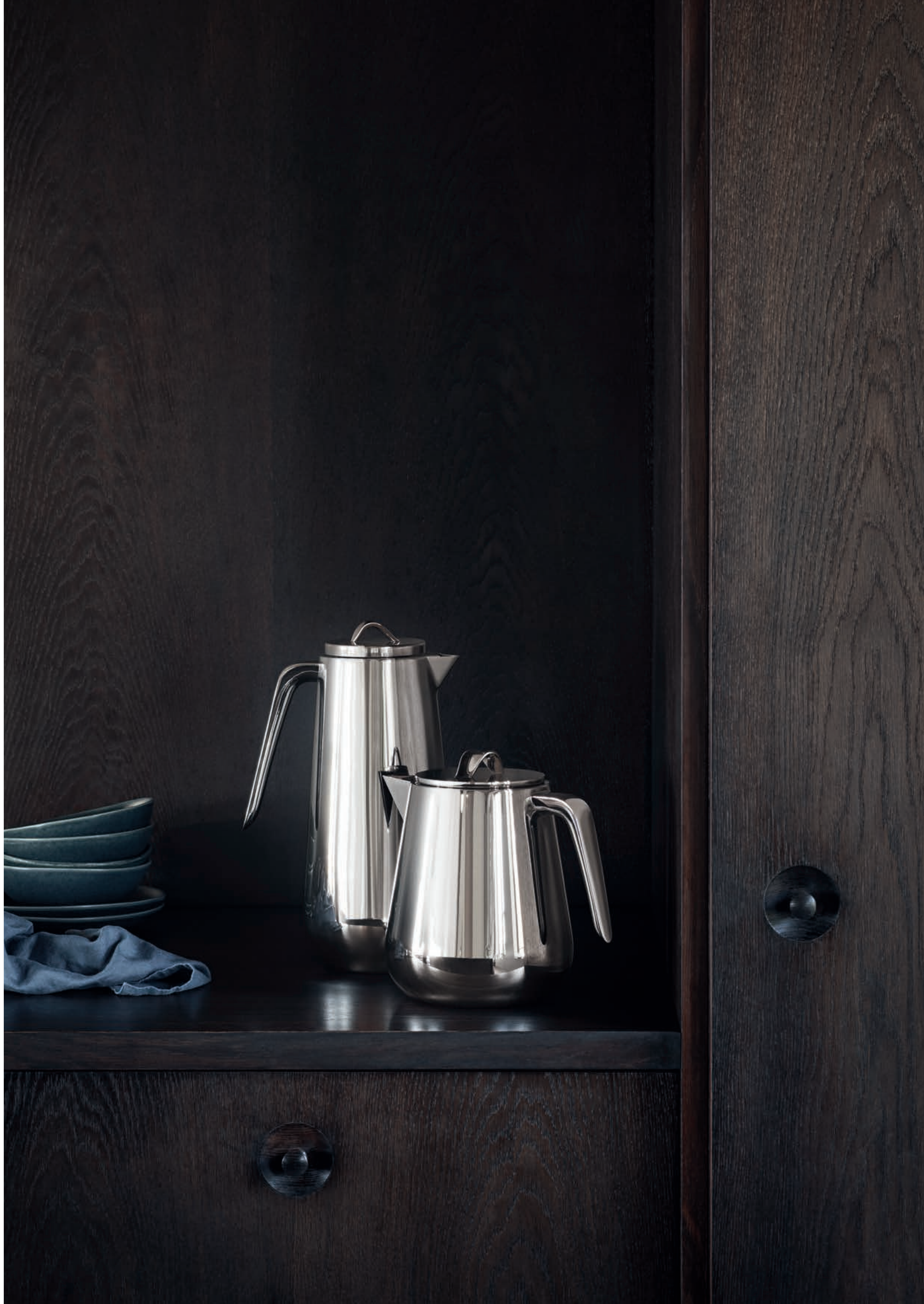
Georg Jensen's loan and credit agreements contain one financial covenant. The covenant has not been breached in 2019.

Furthermore, some of the subsidiaries have smaller facilities in place to manage local cash flow.

The Groups short term budget and longer terms plans shows that the Group will be able to meet its commitments on an ongoing basis. In 2023 the bond and the RCF will need to be re-financed and renegotiated with the ensuing re-financing risk.

Maturity analysis of loans and borrowing 2019, DKK million	2020	2021	2022-2023	After 2023	Total
Credit institutions and bond	21,2	21,0	327,9	0,0	370,1
Lease liabilities	100,8	75,4	100,5	115,6	392,3
Trade payables	64,3	0,0	0,0	0,0	64,3
Payable to group enterprises	6,0	0,0	0,0	0,0	6,0
Derivatives	2,7	0,0	0,0	0,0	2,7
Total payment obligations	**195,0**	**96,4**	**428,4**	**115,6**	**835,4**

Maturity analysis of loans and borrowing 2018, DKK million	2019	2020	2021-2022	After 2022	Total
Credit institutions	27,4	21,2	41,0	307,9	397,5
Lease liabilities	98,2	87,3	127,6	26,4	339,5
Trade payables	89,8	0,0	0,0	0,0	89,8
Payable to group enterprises	7,4	0,0	0,0	0,0	7,4
Derivatives	2,4	0,0	0,0	0,0	2,4
Total payment obligations	**225,2**	**108,5**	**168,6**	**334,3**	**836,6**



12.4 NET INTEREST-BEARING DEBT

ACCOUNTING POLICIES APPLIED

Financial liabilities

On initial recognition, financial liabilities, including bank loans, are measured at fair value. In subsequent periods, financial liabilities are measured at amortized cost, applying the effective interest method, to the effect that the difference between the proceeds and the nominal value is recognized in the income statement as financial costs over the term of the loan.

DKK million	2019	2018
Net interest-bearing debt comprises:		
Credit institutions (Current)	7,5	7,6
Payable to group enterprises	6,0	7,4
Lease liabilities	211,4	228,7
Bond	298,0	298,0
Gross interest-bearing debt	**522,9**	**541,7**
Receivable to group enterprises	-19,2	-14,9
Cash and cash equivalents	-117,2	-76,4
Gross interest-bearing receivables	**-136,4**	**-91,3**
Net interest-bearing debt	**386,5**	**450,4**

12.5 CONTINGENT LIABILITIES

ACCOUNTING POLICIES APPLIED

Contingent liabilities comprise potential liabilities which have not yet been confirmed as to whether these will cause an outflow of the Group's resources actual liabilities which are not possible to measure with sufficient reliability.

For the credit facilities with a credit institution a mortgage charge on the Company's assets of DKK 200 million (2018: DKK 200 million) and a mortgage registered to the owner of DKK 10 million (2018: DKK 10 million) on a building with an accounting book value of DKK 4,6 million (2018: DKK 5,2 million) have been recorded in the Land Register. For the same credit facilities, shares in the subsidiaries Georg Jensen Retail A/S and Georg Jensen Pty. Ltd. have been pledged as collateral.

For local credit facility in Thailand a mortgage charge on land & buildings with a net booked value of DKK 21,4 million by the end of 2019 in Georg Jensen (Thailand) Ltd. has been registered. The mortgage charge is maximized to DKK 6,7 million.

For local credit facility in Taiwan a mortgage charge on accounts receivable with a net booked value of DKK 15,4 million by the end of 2019, has been registered. The mortgage charge is maximized to the loan which by the end of 2019 end at DKK 4,7 million.

Georg Jensen Group is subject to tax legislation in the countries in which it operates. Any significant accounting estimates relating to the statements of current tax, deferred tax and pending tax matters in the individual countries have been provided.

The parent company is liable as a surety guarantor for loans of DKK 2,8 million (DKK 4,2 million) rasised by Georg Jensen (Thailand) Ltd. with IFU.

13.1 REMUNERATION TO KEY MANAGEMENT AND BOARD OF DIRECTORS

ACCOUNTING POLICIES APPLIED

Key Management includes Board of Directors and Executive Management and the extended Executive Leadership in Georg Jensen A/S in total 7 persons by end 2019. The compensation paid or payables to key management for employee services is shown below:

DKK million	**2019**	**2018**
Wages and salaries	11,6	16,3
Pensions, defined contribution plans	0,6	1,0
Termination benefits	0,0	3,8
Key Management in Total	**12,2**	**21,1**
Fees to Board of Directors	0,3	0,1
Total	**0,3**	**0,1**
Total Remuneration	**12,5**	**21,2**

14.1 RELATED PARTIES

Controlling interest

Georg Jensen A/S's immediate Parent Company is Georg Jensen Investment ApS, Copenhagen, Denmark. Ownership and woting share is 100%. Georg Jensen A/S is fully consolidated in the consolidated annual report for Georg Jensen Investment ApS from where it can be obtained. The ultimate Parent Company is Investcorp European Buyout Fund 2019 B, LP, located on Cayman Islands.

Other related parties

The Company's related parties are the members of the Board of Directors and Executive Board of Georg Jensen A/S, the sole shareholder Georg Jensen Investment ApS and affiliated companies.

Transactions

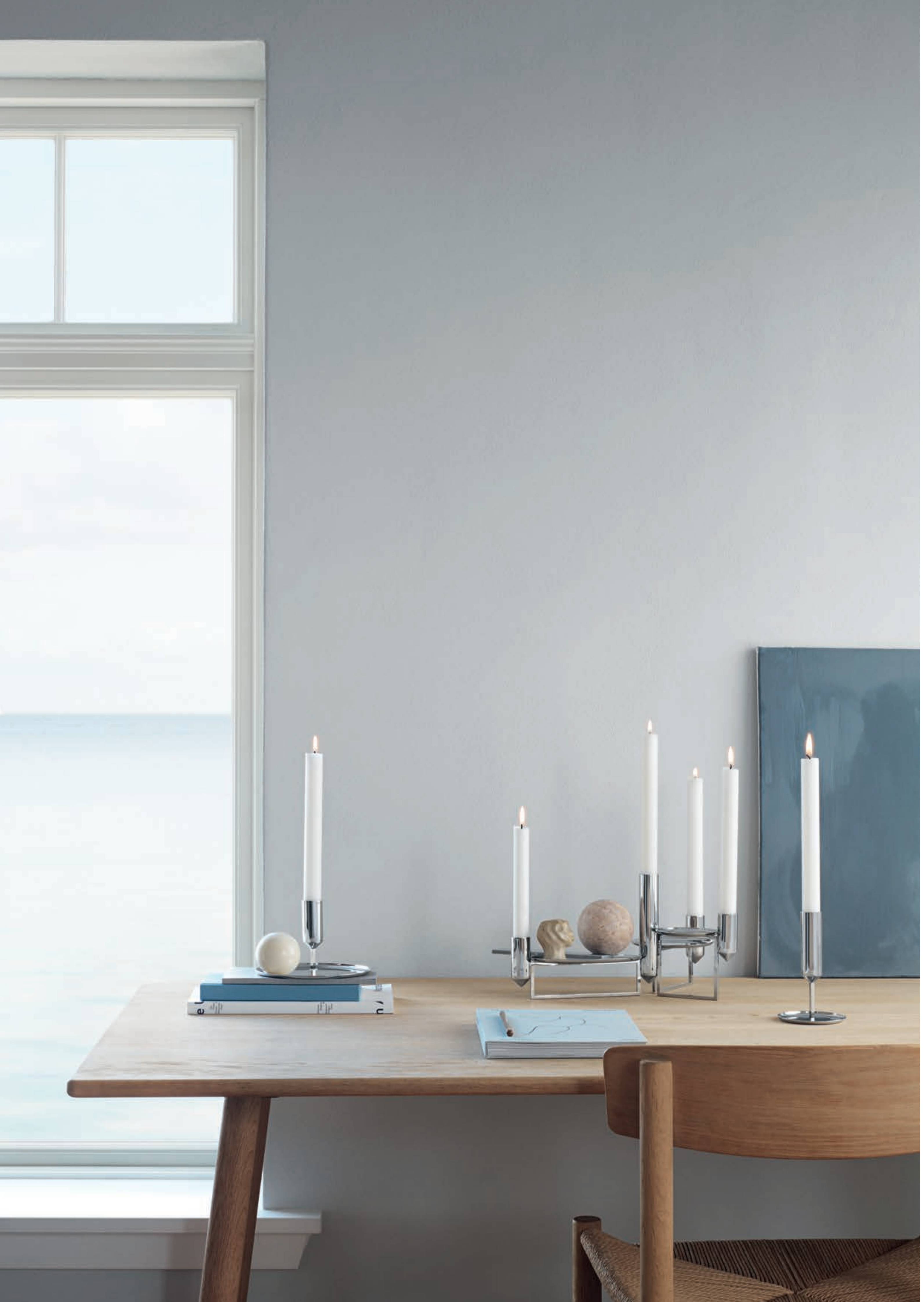
No agreements or other transactions with the Company have been concluded in which the Board of Directors or Executive Board has had an economic interest besides transactions as a consequence of the employment relationship.

TRADING TRANSACTIONS

During the year Group companies entered into the following transactions with related parties who are not members of the Group.

	Type of transaction	**Transaction amount**	
DKK million		**2019**	**2018**
Receivables from group enterprises			
Parent companies	Interest	0,7	0,6
	Addition to loan	2,5	2,8
Total		**3,2**	**3,4**

Intercompany balances can be seen in the consolidated statements for the group.



15.1 RETIREMENT BENEFIT OBLIGATIONS

ACCOUNTING POLICIES APPLIED

Obligations relating to defined contribution plans are recognized in the income statement in the period in which the employees performed their work, and contributions due are recognized in the statement of financial position under other liabilities. For defined benefit plans, an annual actuarial assessment is made of the net present value of future benefits to be paid under the plan.

The net present value is calculated based on assumptions of the future developments of, e.g., salary, interest, inflation and mortality rates. The net present value is only calculated for those benefits to which the employees have earned the right through their past employment for the Group.

The actuarial calculation of the net present value less the fair value of any assets related to the plan is included in the statement of financial position as retirement benefit obligations, however, please see below.

Differences between the expected development of assets and liabilities in connection with retirement benefit schemes and the realized values are termed actuarial gains or losses.

Subsequently, all actuarial gains or losses are recognized in the comprehensive income. If a retirement plan represents a net asset, the asset is only recognized to the extent that it offsets future contributions from the plan, or it will reduce future contributions to the plan.

The assumptions used for the actuarial calculations and valuations may vary from country to country due to local, economic and social differences.

The Group has used external and independent actuaries for the statement of retirement benefit obligation.

The retirement benefit obligations are specified as follows:

DKK million	2019	2018
Present value of defined benefit obligation, Thailand	7,1	5,4
Present value of defined benefit obligation, Taiwan	2,0	3,1
Total retirement benefit obligation	**9,1**	**8,5**

The plan assets are specified as follows:

DKK million	2019	2018
Fair value of plan assets, Thailand	0,0	0,0
Fair value of plan assets, Taiwan	1,0	1,9
Total plan assets	**1,0**	**1,9**

The development of the present value of defined benefit obligation is specified as follows:

DKK million	2019	2018
Retirement benefit obligation at 1 January	**8,5**	**7,3**
Current service cost	0,7	0,6
Past service cost	1,4	0,0
Interest expenses	0,2	0,2
Total amount recognized in the profit and loss	**2,3**	**0,8**
Demographical changes	0,0	0,0
Financial changes	-1,0	0,7
Total amount recognized in other comprehensive income	**-1,0**	**0,7**
Exchange rate adjustments	0,9	-0,4
Benefit payments	-1,6	-0,7
Present value of defined benefit obligations	**9,1**	**8,5**

DKK million	2019	2018
Fair value at 1 January	**1,9**	**2,4**
Interest income	0,0	0,0
Total amount recognized in the profit and loss	**0,0**	**0,0**
Return on plan assets, excl. amounts included in interest	0,0	0,2
Total amount recognized in other comprehensive income	**0,0**	**0,2**
Exchange rate adjustments	0,2	0,0
Employer's contribution	0,0	0,0
Benefit payments	-1,1	-0,7
Present value of defined benefit asset	**1,0**	**1,9**

	31 December 2019			31 December 2018		
DKK million	Quoted	Un-quoted	Total	Quoted	Un-quoted	Total
Cash and cash equivalents	1,0	0,0	1,0	1,9	0,0	1,9
Total plan assets	**1,0**	**0,0**	**1,0**	**1,9**	**0,0**	**1,9**

Future cash flows relating to benefit payments are noted as follows:

2019

DKK million	1 year	2-5 year	After 5 years	Total
Taiwan	0,1	0,2	1,8	2,1
Thailand	0,3	0,8	12,3	13,4
Total	**0,4**	**1,0**	**14,1**	**15,5**

2018

DKK million	1 year	2-5 year	After 5 years	Total
Taiwan	0,1	0,6	2,6	3,3
Thailand	0,9	0,3	8,7	9,9
Total	**1,0**	**0,9**	**11,3**	**13,2**

The significant actuarial assumptions are as follows (weighted averages):

DKK million	2019	2018
Discount rate for monthly employee (annual)	1,6%	1,9%
Future salary increases for monthly employee (annual)	3,0%	4,0%

Assumption regarding the mortality and disability rate of Thailand mortality table of 2017 and Taiwan mortality table of 2012, are based on official data, and make up 100% in mortality rate, and 10% in disability rate for male and female respectively.

Expected contributions to post-employment benefit plans for the year ending 31 December 2019 are approx. DKK 0,0 million. (2018: DKK 0,0 million)

The weighted average duration of the defined benefit obligation is 15 years for Thailand and 9 years for Taiwan. (2018: 16 years for Thailand and 9 years for Taiwan)

15.2 PROVISIONS

ACCOUNTING POLICIES APPLIED

Provisions are recognized when, as a consequence of a past event during the financial year or previous years, the Group has a legal or constructive obligation, and it is likely that settlement of the obligation will require an outflow of the Company's financial resources.

Provisions are measured as the best estimate of the costs required to settle the liabilities at the end of the reporting period. Provisions with an expected term of more than a year at end of the reporting period are measured at present value.

The accounting estimates applied in respect of provisions are based on Management's best estimates of assumptions and judgments. The majority of the provisions are expected to be settled within one year. Due to uncertainty in the settlement process, these estimates may be affected significantly by changes in these assumptions and judgments applied. These estimates are based on existing contractual obligations and past experience. Based on the information available, Georg Jensen A/S considers the provisions to be adequate.

2019

DKK million	Reestablishment leases	Other	Total
Provisions at 1 January	**15,4**	**0,5**	**15,9**
Adjustment of reestablishment	-2,6	0,0	-2,6
Reclassified provisions	0,0	2,5	2,5
Exchange adjustment	0,0	0,0	0,0
Provisions at 31 December	**12,8**	**3,0**	**15,8**
Provisions specified in the statement of financial positions is as follows:			
Non-current liabilities	10,4	0,0	10,4
Current liabilities	2,4	3,0	5,4
Provisions at 31 December	**12,8**	**3,0**	**15,8**

2018

DKK million	Reestablishment leases	Other	Total
Provisions at 1 January	**15,2**	**0,5**	**15,7**
Exchange adjustment	0,2	0,0	0,2
Provisions at 31 December	**15,4**	**0,5**	**15,9**
Provisions specified in the statement of financial positions is as follows:			
Non-current liabilities	12,9	0,0	12,9
Current liabilities	2,5	0,5	3,0
Provisions at 31 December	**15,4**	**0,5**	**15,9**

16.1 FEE TO AUDITORS ELECTED AT THE ANNUAL GENERAL MEETING

DKK million	2019	2018
Audit fee to PwC	2,2	2,1
Audit fee to Hall Chadwick	0,2	0,2
Tax services	0,6	0,5
Non-audit services	0,0	0,2
Total fee to the auditors elected at the annual general meeting	**3,0**	**3,0**

Fees for audit-related services in addition to the statutory audit of the financial statements, which were provided by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab to the Group amounted to DKK 0,6 million. Non-audit services in addition to the statutory audit of the financial statements comprise services relating to consulting in transfer pricing setup and review of quarterly reports etc., as well as other general accounting and tax consultancy services.

17.1 WORKING CAPITAL

DKK million	2019	2018
Inventories	288,2	360,7
Trade receivables	103,8	101,1
Other receivables	2,5	5,9
Prepayments	19,5	19,6
Total assets	**414,0**	**487,3**
Trade payables	64,3	89,8
Other payables	100,9	99,8
Retirement benefit obligation	8,1	6,6
Other provisions	15,9	15,9
Total liabilities	**189,2**	**212,1**
Working capital	**224,8**	**275,2**
Changes in working capital		
Change in inventory	72,5	39,0
Change in receivables	0,8	11,0
Change in other provisions	1,5	-0,6
Change in suppliers etc.	-24,5	-33,8
Other adjustments	13,8	1,0
Total other adjustments	**64,1**	**16,6**

17.2 CASH FLOW STATEMENT, NON-CASH ITEMS

DKK million	2019	2018
Financial income	-30,5	-31,3
Financial cost	64,1	64,5
Depreciation, amortisation and impairment losses	160,3	147,3
Tax on profit/loss for the year	4,0	113,4
Total other adjustments	**197,9**	**293,9**

18.1 EVENTS AFTER THE REPORTING PERIOD

Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2019), which is therefore a non-adjusting event to the Group and the parent Company. For a description on the implications of COVID-19 on the group's revenue, cash flow and liquidity for 2020, we refer to note 1.1.

No other events that could significantly affect the financial statements as of 31 December 2019 have occurred.

BY APPOINTMENT TO
HER MAJESTY THE QUEEN OF DENMARK

GEORG JENSEN

ESTABLISHED 1904

FOR THE PARENT COMPANY

2019

GEORG JENSEN A/S ANNUAL REPORT 2019
CVR NO. 26 57 36 45

SØNDRE FASANVEJ 7 | DK-2000 FREDERIKSBERG

INCOME STATEMENT

DKK million	Note	2019	2018
Revenue	2	614,3	636,3
Cost of sales		-366,2	-373,7
Gross profit		**248,1**	**262,6**
Staff costs	4	-124,3	-139,1
Other external costs		-100,7	-119,6
Other operating income and costs	5	-0,7	1,0
Operating profit before depreciation and amortization		**22,4**	**4,9**
Depreciation, amortization and impairment losses	10, 11	-42,2	-37,4
Operating profit		**-19,8**	**-32,5**
Result of investments in subsidiaries		-15,7	-27,0
Financial income	6	23,9	40,2
Financial costs	6	-39,8	-44,7
Profit before tax		**-51,4**	**-64,0**
Tax on profit for the year	7	3,0	-84,6
Profit for the year		**-48,4**	**-148,6**

BALANCE SHEET, ASSETS

DKK million	Note	2019	2018
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	10		
Software		40,2	46,3
Lease and trademark rights		1,5	1,3
Completed development projects		7,4	9,3
Development projects in progress		8,8	6,9
Total Intangible assets		**57,9**	**63,8**
Tangible assets	11		
Land and buildings		4,6	5,3
Plant and machinery		0,7	0,8
Other fixtures and fittings, tools and equipment		18,5	25,5
Leasehold improvements		0,8	1,0
Leases		39,9	50,1
Property, plant and equipment in progress		1,4	0,0
Total tangible assets		**65,9**	**82,8**
Financial assets			
Investments in subsidiaries	12	346,3	336,9
Deposits	13	7,5	7,4
Other securities	14	10,0	0,0
Total financial assets		**363,8**	**344,3**
Total non-current assets		**487,6**	**490,9**
CURRENT ASSETS			
Inventories	15	155,4	197,1
Receivables			
Trade receivables		49,1	55,7
Receivable from group enterprises		112,3	97,5
Other receivables		2,7	4,9
Deferred tax assets	16	0,1	0,0
Prepayments	17	14,6	15,9
Total receivables		**178,8**	**174,0**
Cash and cash equivalents		**52,6**	**18,3**
Total current assets		**386,8**	**389,4**
TOTAL ASSETS		**874,4**	**880,3**

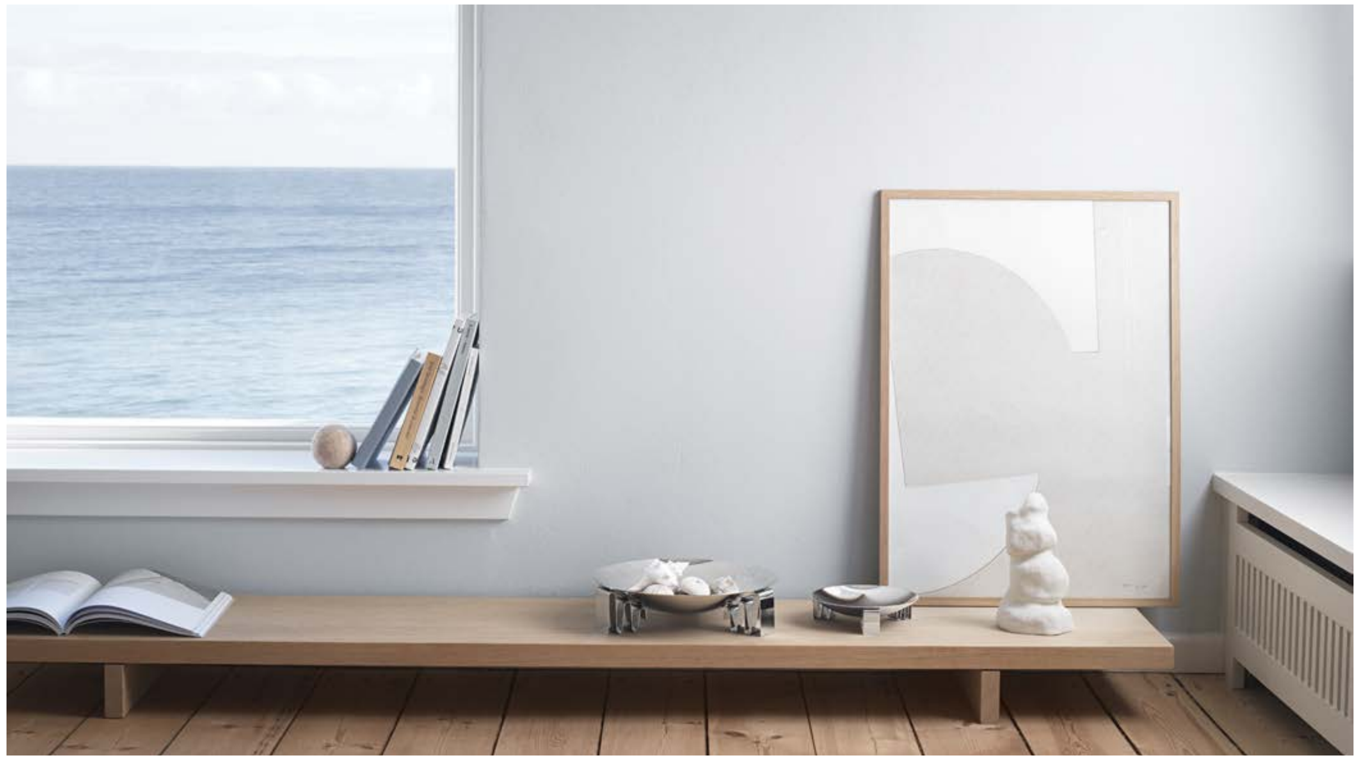
BALANCE SHEET, LIABILITIES

DKK million	Note	2019	2018
EQUITY AND LIABILITIES			
EQUITY			
Share capital	18	139,6	139,6
Share premium account		488,3	488,3
Reserve for development costs		34,9	39,1
Retained earnings		-431,4	-410,0
Total equity		**231,4**	**257,0**
LIABILITIES			
NON-CURRENT LIABILITIES			
Bond	19	298,0	298,0
Lease liabilities	19	29,6	43,3
Other payables	19	3,3	0,0
Other provisions	20	2,4	2,4
Total non-current liabilities		**333,3**	**343,7**
CURRENT LIABILITIES			
Trade payables		42,8	56,7
Payable to group entreprises		198,3	148,5
Lease liabilities		15,5	10,0
Other payables		53,1	64,4
Total current liabilities		**309,7**	**279,6**
Total liabilities		**643,0**	**623,3**
TOTAL EQUITY AND LIABILITIES		**874,4**	**880,3**

STATEMENT OF CHANGES IN EQUITY

2019 DKK million	Share capital	Share premium	Reserve for develop-ment cost	Retained earnings	Total Equity
Equity as at 1 January	**139,6**	**488,3**	**39,1**	**-410,0**	**257,0**
Adj. of hedging instruments	0,0	0,0	0,0	0,4	0,4
Other equity adjustments subsidiaries	0,0	0,0	0,0	-1,0	-1,0
Profit/loss of the year	0,0	0,0	0,0	-48,4	-48,4
Capitalised development costs	0,0	0,0	-4,2	4,2	0,0
Currency adjustment	0,0	0,0	0,0	23,4	23,4
Equity as at December 31	**139,6**	**488,3**	**34,9**	**-431,4**	**231,4**

2018 DKK million	Share capital	Share premium	Reserve for develop-ment cost	Retained earnings	Total Equity
Equity as at January 1	**139,6**	**488,3**	**36,3**	**-261,9**	**402,3**
Other adjustments	0,0	0,0	0,0	2,4	2,4
Adj. of hedging instruments	0,0	0,0	0,0	0,0	0,0
Other equity adjustments subsidiaries	0,0	0,0	0,0	-0,6	-0,6
Profit/loss of the year	0,0	0,0	0,0	-148,6	-148,6
Capitalised development costs	0,0	0,0	2,8	-2,8	0,0
Currency adjustment	0,0	0,0	0,0	1,5	1,5
Equity as at December 31	**139,6**	**488,3**	**39,1**	**-410,0**	**257,0**



NOTES

1 ACCOUNTING POLICIES applied

The financial statements of the parent company have been prepared in accordance with the Danish Financial Statements Act (Class D).

The accounting policies are the same as for the consolidated financial statements with the adjustments described below. For a description of the accounting policies of the Group, please refer to the consolidated financial statements, page 39-42.
The accounting policies is further described in the individual notes for the group.

The accounting policy for lease aggrements are similar with the consolidated financial statemens for Georg Jensen A/S. The companys accounting policy for recogniztion of leases is based on the international accounting standard IFRS 16.

Intercompany transactions
Intercompnay transactions which don't fulfill the arm's lenght principle will be disclosed in the annual report. Please refer to note 14.1 of the group for further information regarding group accounts.

Segment information
Information regarding segments are disclosed in note 2, splitting the the revenue into channels and segments.

Cash flow statement
No separate statement of cash flows has been prepared for the parent company; please refer to the statement of cash flows for the Group page 35.

Supplementary accounting policies for the parent company
Shares in subsidiaries recognized via the equity method. See note 12 for further description.

Other securities
Other securities consists of unquoted shares and recognized at cost price in the balance.

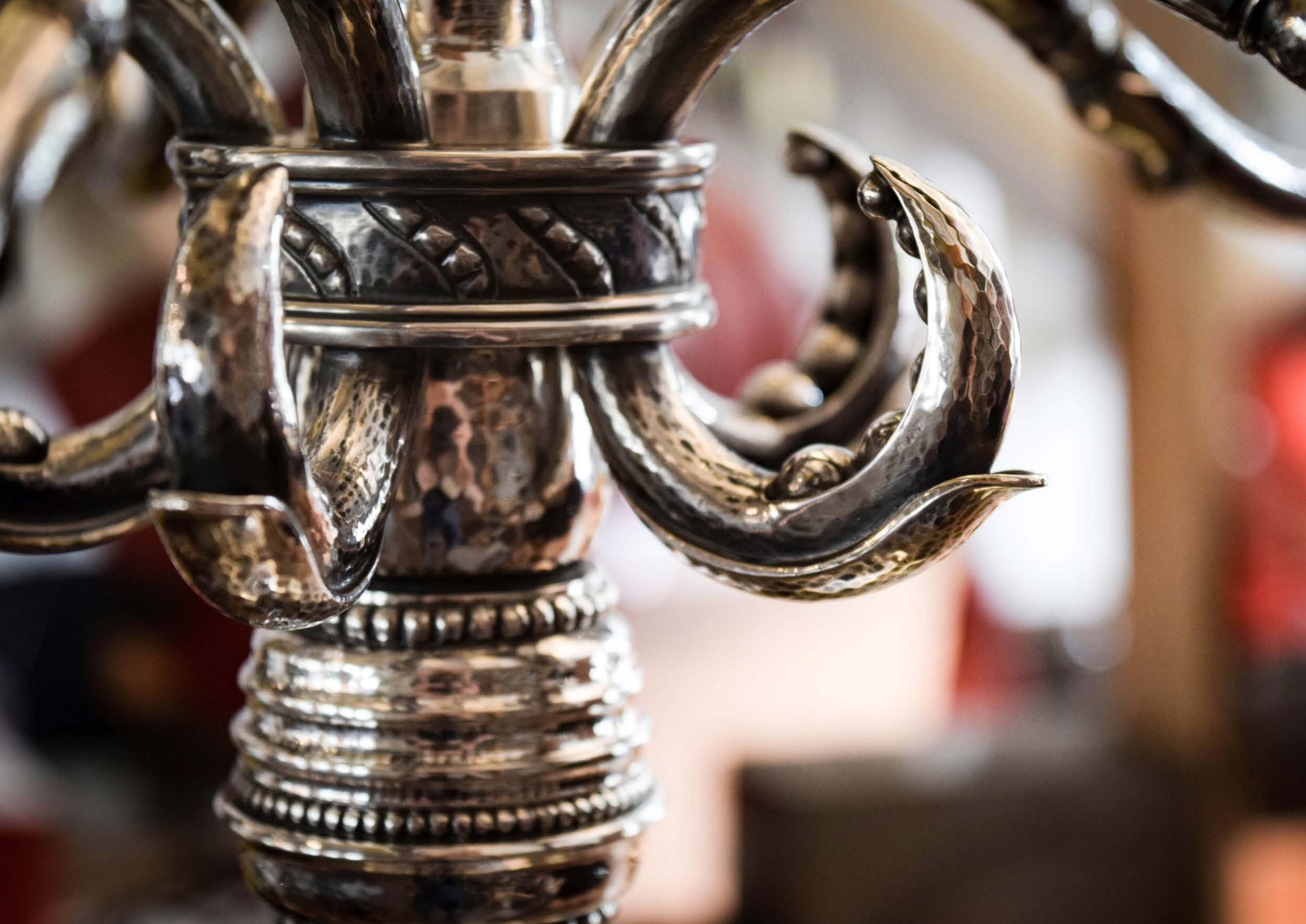
Inventory
Information regarding inventory is disclosed in note 10.1 of the group.

Equity
Refer to note 11.1 of the group.

Financial instruments and risks
Information regarding financial instruments and risks are disclosed in note 12.3 of the group.

Contingent liabilities
Information regarding contingent liabilities are disclosed in note 12.5 of the group.

Events after the reporting period
Information regarding subsequent events after the reporting are disclosed in note 18.1 of the group.



2 REVENUE

CHANNEL INFORMATION

Primary Sales Channels	2019	2018
B2B	357,6	382,6
B2C	49,6	43,7
Other	207,1	210,0
Total	**614,3**	**636,3**

Primary product lines		
Jewellery	264,6	265,5
Home	307,8	326,3
Other	41,9	44,5
Total	**614,3**	**636,3**

SEGMENT INFORMATION

Georgraphical split	2019	2018
Denmark	250,3	238,8
Europe ex. Denmark	195,4	201,9
APAC	138,5	154,9
Northn America	18,4	22,7
Other	11,7	18,0
Total	**614,3**	**636,3**

3 SPECIAL ITEMS

DKK million	2019	2018
Cost of organisational restructuring	10,0	15,5
Inventory write-down of discontinued items	0,0	-16,0
Other costs	8,4	12,2
Total special items	**18,4**	**11,7**

4 STAFF COSTS

DKK million	2019	2018
Wages and salaries	113,5	128,8
Pensions	9,8	10,3
Other social security expenses	1,0	0,0
Total wages	**124,3**	**139,1**

Remuneration to Executive Board and Board of directors	2019	2018
Fee to executive board	3,1	5,7
Fee to board of directors	0,3	0,1
Total remuneration to Executive Board and Board of directors	**3,4**	**5,8**

Average number of employees	**203**	**225**

5 OTHER OPERATING ITEMS

DKK million	2019	2018
Other income	0,2	2,2
Other expenses	-0,9	-1,2
Total other income	**-0,7**	**1,0**

6 FINANCIAL ITEMS

DKK million	2019	2018
Interst income	23,9	40,2
Interest expenses	-39,8	-44,7
Total financial items	**-15,9**	**-4,5**

For the Parent company, interest income to affiliated companies is stated at DKK 10,4 million (DKK 16,6 million), while interest expenses to affiliated companies is stated at DKK 0,7 million (DKK 0,0 million)

7 TAX ON PROFIT FOR THE YEAR AND DEFERRED TAX

DKK million	2019	2018
Current tax for the year	-0,9	0,3
Adjustment previous years/current tax	-2,1	0,0
Deferred tax for the year	0,0	84,3
Total tax for the year	**-3,0**	**84,6**

8 FEE TO AUDITORS

DKK million	2019	2018
Audit fee to PwC	1,4	0,9
Tax services	0,3	0,1
Non-audit services	0,0	0,2
Total fee to auditors	**1,7**	**1,2**

Fees for audit-related services in addition to the statutory audit of the financial statements, which were provided by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab to the Group amounted to DKK 0,3 million. Non-audit services in addition to the statutory audit of the financial statements comprise services relating to consulting in transfer pricing setup and review of quarterly reports etc., as well as other general accounting and tax consultancy services.

9 DISTRIBUTION OF PROFIT/LOSS

Distribution of profit/loss
Profit/loss for the year is proposed distributed as follows:

DKK million	2019	2018
Retained earnings	-48,4	-148,6
Profit/loss for the year	**-48,4**	**-148,6**

10 INTANGIBLE ASSETS

2019 DKK million	Software	Lease and trademark rights	Completed development projects	Development projects in progress	Total
Cost at 1 January	**67,8**	**9,1**	**30,7**	**6,9**	**114,5**
Additions for the year	0,0	0,0	0,0	12,8	12,8
Disposals	-4,4	0,0	0,0	0,0	-4,4
Transferred to other items	8,7	0,2	2,0	-10,9	0,0
Cost at 31 December	**72,1**	**9,3**	**32,7**	**8,8**	**122,9**
Value adjustments at 1 January	**21,5**	**7,8**	**21,5**	**0,0**	**50,8**
Amortization/impairment for the year	14,8	0,0	3,8	0,0	18,6
Disposals	-4,4	0,0	0,0	0,0	-4,4
Value adjustments at 31 December	**31,9**	**7,8**	**25,3**	**0,0**	**65,0**
Carrying amount at 31 December	**40,2**	**1,5**	**7,4**	**8,8**	**57,9**

Development projects covers IT development and design, development & construction of new productlines.
No identification of impairment for intangible assets per 31 december 2019.

11 TANGIBLE ASSETS

2019 DKK million	Land and buildings	Plant and machin-ery	Other fixtures and fittings, tools and equipment	Leases*	Leasehold improve-ments	Property, plant and equipment in progress	Total
Cost at 1 January	**16,3**	**8,4**	**149,2**	**71,2**	**23,5**	**0,0**	**268,6**
Additions for the year	0,0	0,2	1,3	3,8	0,0	1,5	6,8
Disposals	0,0	0,0	-17,4	0,0	0,0	0,0	-17,4
Transferred to other items	0,0	0,0	0,1	0,0	0,0	-0,1	0,0
Cost at 31 December	**16,3**	**8,6**	**133,2**	**75,0**	**23,5**	**1,4**	**258,0**
Value adjustments at 1 January	**11,0**	**7,6**	**123,7**	**21,1**	**22,5**	**0,0**	**185,9**
Depreciation for the year	0,7	0,3	8,4	14,0	0,2	0,0	23,6
Diposals	0,0	0,0	-17,4	0,0	0,0	0,0	-17,4
Value adjustments at 31 December	**11,7**	**7,9**	**114,7**	**35,1**	**22,7**	**0,0**	**192,1**
Carrying amount at 31 December	**4,6**	**0,7**	**18,5**	**39,9**	**0,8**	**1,4**	**65,9**

* Of leases DKK 39,9m refers to Land and buildings. No identification of impairment for tangible assets per 31 december 2019.

12 INVESTMENT IN SUBSIDIARIES

ACCOUNTING POLICIES APPLIED

Investments in subsidiaries are recognized and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealized intercompany profits or losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognized at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is set up against receivables from group enterprises or recognized in provisions.

Other investment securities and capital interests are measured at fair market value on the date of the balance sheet.

DKK million	2019	2018
Cost at 1 January	**696,9**	**696,9**
Cost at 31 December	**696,9**	**696,9**
Value adjustments at 1 January	**-360,0**	**-360,8**
Net profit/loss of the year	-15,7	-27,0
Divident to the Parent Company	0,0	-8,6
Exchange rate adjustment	23,4	1,9
Other equity adjustments foreign subsidiaries	-1,0	-0,6
Carried forward to other entries 1 January	-57,9	-22,8
Carried forward to other entries 31 December	60,6	57,9
Value adjustments at 31 December	**-350,6**	**-360,0**
Carrying amount at 31 December	**346,3**	**336,9**

	Place of registered office	Votes and ownership	Currency
Georg Jensen (Thailand) Ltd.	Thailand	100%	THB
Georg Jensen Retail A/S	Denmark	100%	DKK
Georg Jensen Japan Ltd.	Japan	100%	JPY
Georg Jensen (Taiwan) Ltd.	Taiwan	100%	TWD
Georg Jensen Inc.	USA	100%	USD
Georg Jensen U.K. Ltd.	UK	100%	GBP
Georg Jensen Pty. Ltd	Australia	100%	AUD
Georg Jensen Silver AB	Sweden	100%	SEK
Georg Jensen Italy S.r.l.	Italy	100%	EUR
Georg Jensen (Singapore) Ltd.	Singapore	100%	SGD
Argenterie d'art de Georg Jensen S.A.R.L.	France	100%	EUR
Georg Jensen Sølvsmedie GmbH	Germany	100%	EUR
Georg Jensen Hong Kong Holding Ltd.	Hong Kong	100%	HKD
SUBGROUP			
Georg Jensen China Ltd. (Hong Kong)	Hong Kong	100%	HKD
Georg Jensen HK Ltd. (Hong Kong)	Hong Kong	100%	HKD
Georg Jensen (Beijing) Trading Limited	China	100%	CNY
Georg Jensen (Macau) Limited	Macau	100%	MOP

13 DEPOSITS

DKK million	2019	2018
Deposits at 1 January	**7,4**	**7,4**
Addition for the year	0,1	0,0
Deposits at 31 December	**7,5**	**7,4**

14 OTHER SECURITIES

DKK million	2019	2018
Other securities at 1 January	**0,0**	**0,0**
Addition	10,0	0,0
Other securities at 31 December	**10,0**	**0,0**

15 INVENTORY

DKK million	2019	2018
Raw materials and components	21,9	24,9
Work in progress	10,5	11,3
Finished goods and goods for resale	123,0	160,9
Carrying amount at 31 December	**155,4**	**197,1**

16 DEFERRED TAX ASSETS

DKK million	2019	2018
Deferred tax at 1 January	**0,0**	**84,3**
Addition	0,1	0,0
Write-down of deferred tax asset	0,0	-84,3
Deferred tax at 31 December	**0,1**	**0,0**

See note 9.4 for the group for full disclosure on deferred tax.

17 PREPAYMENTS

Prepayments consists of prepaid expenses concerning rent, insurance of premiums, tools, marketing, royalty, licenses, subscriptions and prepayments to other external vendors.

18 EQUITY

The share capital consists of 1.396.491 shares of nominal value of DKK 100. No shares carry any special rights.

19 LONG-TERM DEBT

DKK million	**2019**	**2018**
Bond	298,0	298,0
Lease liabilities	29,6	43,3
Other payables	3,3	0,0
Long-term debt between 1 and 5 year	**330,9**	**341,3**
Within 1 year		
Lease liabillties	15,5	10,0
Short-term debt within a year	**15,5**	**10,0**
Total debt	**346,4**	**351,3**

20 OTHER PROVISIONS

DKK million	**2019**	**2018**
Other provisions at 1 January	**2,4**	**2,4**
Other Provision	**2,4**	**2,4**
Total provisions	**2,4**	**2,4**

Other provisions relates to reestablishment for land and buildings, and fall due 1st of Janurary 2023