

No. 640

Company Announcement

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Pandora upgrades financial guidance for 2021

Based on strong performance in the second quarter of 2021 and a recently revised forecast for the rest of the year, Pandora upgrades its financial guidance for 2021.

Expectations for organic growth are increased to “16%-18%”, from “Above 12%”, and expectations for EBIT margin are increased to “23%-24%”, from “Above 22%”.

The updated guidance is based on the assumption that 5% of the stores will be temporarily closed or severely impacted due to COVID-19 during the second half of 2021 (previously 5-10%). Today, around 6% of the stores are temporarily closed or severely impacted due to COVID-19. The updated guidance also assumes that COVID-19 will have no major negative impact on production and supply chain. COVID-19 is still expected to impact organic growth negatively by around -6% for the full year.

CAPEX for the year is expected to be around DKK 1.0 billion (previously DKK 1.0-1.2 billion) and Pandora now expects 25-50 concept store closures compared to previous expectation of no major changes to the overall concept store network. The effective tax rate is expected to be 22-23%, in line with 2020 and unchanged from the previous guidance.

Pandora’s strong momentum continued in Q2 2021, with 13% organic growth vs 2019 (84% vs 2020). Please also see overview below. On average, around 15% of the stores were temporarily closed or severely impacted during Q2. The EBIT margin for Q2 2021 was 25.2%. Continued strong US performance and a sequential improvement in Europe as COVID-19 restrictions were eased lifted both revenue growth and EBIT margin.

Pandora is currently in silent period and will announce the detailed financial results in the Q2 2021 Interim Report on 17 August 2021.

Key revenue metrics

Q2 2021	vs 2020	vs 2019
Organic growth, %	84%	13%
Sell-out growth incl. temporarily closed stores, %	62%	7%
Year-to-date 2021	vs 2020	vs 2019
Organic growth, %	42%	5%
Sell-out growth incl. temporarily closed stores, %	41%	2%

About Pandora

Pandora designs, manufactures and markets hand-finished jewellery made from high-quality materials at affordable prices. Pandora jewellery is sold in more than 100 countries through more than 6,700 points of sale, including around 2,700 concept stores.

Headquartered in Copenhagen, Denmark, Pandora employs 26,000 people worldwide and crafts its jewellery at two LEED certified facilities in Thailand using mainly recycled silver and gold. The company plans to be carbon neutral by 2025 and has joined the Science Based Targets initiative to reduce emissions across its full value chain. Pandora is listed on the Nasdaq Copenhagen stock exchange and generated sales of DKK 19.0 billion (EUR 2.5 billion) in 2020.

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