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General assembly, Pandora 15 March 2017



Claus Wiinblad, Head of Danish Equities, Senior Vice President

Thank you for the floor. My name is Claus Wiinblad, and I am representing ATP.

First of all, thank you to the chairman and the CEO for their reports and the presentation of the results for 2016. Yet another great year for Pandora.

With a growth in revenue of 21 percent and in Ebitda of 27 percent it is again a really strong performance.

The expansion of the store network continues to develop strongly and it is good to see that the new e-stores are performing very well. Further the expansion into China is performing strongly.

On the negative side, the development in the US does cause some concerns. The general retail environment in the US has been weak. This has also affected Pandora with negative like-for-like sales numbers as the result. Further, the closure of multi brand stores has had a negative effect.

I would like to hear the management's overall expectations for the development of the US market for Pandora?

The cash flow was once again very strong which has enabled an increase in the payout in the form of both dividends and share buyback.

Last year I commented on the reporting structure and expressed my hope for improvements. I am sorry to say, the new structure has not worked very well. Too much time at conference calls and investor meetings has focused on disclosure and reporting structure for analysts and investors to better understand what is behind the numbers.

It is positive that the company have asked a lot analysts and investors including us for input about the disclosure and reporting structure. But these discussions have simply dragged on for too long.

It is now time for the management and the board to decide on how to report the numbers in the best possible way. At the end, it is your responsibility how to present the performance of the business in a way so investors get confidence in the development of the business.

The reason why I stress this issue so strongly is that the discussion has dragged on for a long period of time and more importantly in my view it has a clear negative effect on the investor confidence to the development of the company and therefore on the performance of the share price.

I really look forward to seeing the solution to these problems in the coming reports and sincerely hope this will not be a topic at the AGM next year. After all, we should not forget that the current performance of the company actually looks promising.

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ATP deltager aktivt i selskabernes generalforsamlinger og fører løbende dialog med de enkelte selskaber for at drøfte strategi og resultater og for at vurdere ledelsens fokus på aktionærinteresser.