

Corporate News

elumeo SE achieves tenth consecutive positive result in the third quarter of 2022

- elumeo with significantly stronger development than the market and positive operating cash flow of TEUR 82
- Adjusted EBITDA in Q3/2022 of EUR 0.71 million
- Cost-cutting measures introduced in Q1/2022 have a lasting effect
- Jooli grows to almost 600 channels worldwide
- Forecast for 2022 confirmed

Berlin, 11.11.2022 – elumeo SE (ISIN DE000A11Q059), the leading electronic retailer for gemstone jewellery in Europe, achieved its tenth positive quarterly result in a row in Q3/2022 despite a challenging volatile market environment. Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) amounted to EUR 710k in the third quarter of 2022 (Q3/2021: EUR 665k +6.8%). EBIT amounted to EUR 110k (Q3/2021: EUR 329k, -66.4%). Adjusted EBITDA for the first nine months of the 2022 financial year climbed to EUR 1.9 million.

Despite lower revenues compared to the same period of the previous year, elumeo succeeded in generating a positive result in the third quarter of 2022. Revenues amounted to EUR 10.9 million in Q3/2022 after EUR 11.7 million in Q3 2021 (-6.4%). The declining sales development results on the one hand from the exceptionally strong growth in the same period of 2021 of 15.3% when the European countries were in corona-related lockdown and many of elumeo's customers could only buy gemstones and jewellery from home. On the other hand, several macroeconomic developments also had a negative impact on customers' purchasing behaviour in the third quarter of 2022, in particular the uncertainties caused by the war in Ukraine and high inflation. Nevertheless, elumeo was able to significantly outperform the market and generate a positive operating cash flow of EUR 82k.

In the third quarter of 2022, elumeo continued to drive the development of its video shopping app jooli. With short, entertaining videos, jooli offers a completely new shopping experience that is unique in Europe. The videos are produced by independent partners, controlled and played out via jooli's affiliate platform and billed via a commission model. In the first nine months of 2022, expenses of EUR 1.3 million were incurred for the further development of the app. These expenses were not capitalized.

"The impact of the war in Ukraine continues to be the dominant challenge for our markets. It was therefore crucial that our cost-cutting measures initiated in the first quarter of 2022 had a lasting effect not only in the short term. Among other things, the reduction in reach in Italy contributed to this," says Florian Spatz, Chief Executive Officer of elumeo SE. The original 24-hour distribution of Juwelo in Italy had already been reduced to a transmission window of four to seven hours per day in the first quarter of 2022. The resulting decline in sales accounts for between two and four percentage points of the forecast decline in sales, but is accompanied by disproportionately high savings in reach costs. The further development of the moving image app Jooli, launched by elumeo in 2021, is also encouraging. In the third quarter, Jooli increased the number of channels offered worldwide to almost

600. Significant progress has also been made in usability and the suggestion algorithm based on artificial intelligence.

The management of elumeo SE confirms its previous forecast for 2022 as a whole. It expects volatility to remain high depending on the further development of the Covid-19 pandemic and the currently uncertain impact of the war in Ukraine. This applies in particular to possible negative consequences for customer confidence in the elumeo markets as well as to unfavourable exchange rates and increased inflation.

Dr. Riad Nourallah, CFO of elumeo SE: "For 2022 as a whole, we continue to expect a single-digit percentage decline in revenues. For the web shop, we expect the recent very strong growth to weaken and be in the low single-digit percentage range for the year as a whole. The gross profit margin will remain stable at more than 50%. Adjusted EBITDA is expected to settle in the low single-digit million range. "

About elumeo SE:

The elumeo Group, headquartered in Berlin, is the leading European company in the electronic direct sale of high-quality gemstone jewelry. Via a variety of electronic sales channels (TV, Internet, Smart TV and smartphone app), the listed company offers its customers in particular colored gemstone jewelry at reasonable prices. The elumeo Group operates home shopping television channels in Germany, Austria, Switzerland and Italy as well as webshops in Germany, Austria, Switzerland, Great Britain, Italy, France, the Netherlands, Spain and Belgium. With its 100% subsidiary, the elumeo Group operates the AI-controlled video shopping app jooli.com.

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