

Corporate News

elumeo SE stops decline in sales and closes first half of 2022 with positive result

- Sales decrease successfully stopped in the second half of Q2; Sales decline of -9.7% HoH in line with forecast; Live business clearly outperformed the market
- Adjusted EBITDA in H1 2022 of EUR 1.2 million
- Q2 2022 with ninth consecutive positive quarterly result (based on Adjusted EBITDA)
- Cost-cutting measures initiated in Q1 with impact
- Equity ratio exceeds the 50% quote for the first time since Q4 2018
- Video Shopping App jooli successfully launched in the USA – India continues to exceed expectations

Berlin, 11.08.2022 – elumeo SE (ISIN DE000A11Q059), the leading electronic retailer of gemstone jewellery in Europe, has successfully stopped the decline in sales suffered as a result of the war in Ukraine and closed the first half of 2022 with a positive result based on Adjusted EBITDA. Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA) amounted to EUR 1.2 million (H1/2021: EUR 1.8 million). EBIT amounted to EUR -332 thousand (H1/2021: EUR 1.2 million). The consolidated total result amounted to EUR -442 thousand after EUR 1.2 million in Q1/2021. With Adjusted EBITDA of EUR 785 thousand in Q2/2022 after EUR 763 thousand in Q2/2021, the Group remained profitable for the ninth consecutive quarter.

Elumeo generated revenues of EUR 23.5 million in the first half of 2022 after EUR 26.1 million in the same period of the previous year (-9.7%). The TV business in Italy accounted for a share of 3.1 percentage points of the decline in revenues. However, this is accompanied by higher savings of reach costs in the Italian market. On the one hand, the declining sales can be explained by the exceptionally strong growth of 30.3% in the first half of 2021 - many European countries were in Corona-related lockdown, on the other hand, several macroeconomic developments in the first half of 2022 had a negative impact on customers' purchasing behaviour, in particular high inflation.

"The war in Ukraine continues to create a challenging market environment. It was therefore crucial that the cost-cutting measures we already initiated in the first quarter quickly began to have an impact in the second quarter. In particular, the reduction in reach costs in Italy and slightly lower total personnel expenses despite our investments in jooli made a decisive contribution to the fact that we were able to close the first half of the year with a positive result," says Florian Spatz, Chief Executive Officer of elumeo SE. As a result, the Group's equity ratio increased from 49.2% to 51.8%, exceeding the target of 50% for the first time since Q4 2018.

In the second quarter of 2022, elumeo continued to advance the development of its video shopping app jooli. jooli offers a completely new shopping experience with short, entertaining videos, which is unique in Europe so far. The videos are produced by independent partners, controlled and played out via jooli's affiliate platform and billed via a commission model. Expenses of EUR 0.9 million were incurred for the further development of the app in H1/2022. These expenses were not capitalized. Jooli was launched for the first time in April 2021 in Germany. After the launch in the Indian market, exceeding expectations, jooli has also been successfully launched in the USA since beginning of August.

The management of elumeo SE expects continued high volatility for the full year 2022 depending on the further development of the COVID-19 pandemic and the currently uncertain effects of the war in Ukraine on the macroeconomy. This is particularly true for potential negative impacts on customer confidence in elumeo markets, unfavourable exchange rates and increased inflation. Dr. Riad Nourallah, CFO of elumeo SE, is therefore cautiously optimistic about the further course of the financial year: “Based on the development in the first two quarters, we continue to expect a single-digit percentage decline in revenue for 2022 as a whole. In contrast, the gross profit margin is expected to remain stable at >50%. Adjusted EBITDA is expected to be in the low single-digit million EUR range.”

About elumeo SE:

The elumeo Group, headquartered in Berlin, is the leading European company in the electronic direct sales of high-quality, gemstone jewelry. Through a variety of electronic sales channels (TV, Internet, Smart TV and smartphone app), the listed company offers its customers coloured gemstone jewelry in particular at low prices. The elumeo Group operates home shopping TV channels in Germany, Austria, Switzerland and Italy, as well as web shops in Germany, Austria, Switzerland, the UK, Italy, France, the Netherlands, Spain and Belgium. The elumeo Group operates the AI-driven video shopping app jooli.com with its wholly owned subsidiary.

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