

elumeo SE publishes half-year financial report for the first half of 2018

- Declining revenues in the B2B segment and in the traditional TV business
- Total segment EBITDA burdened by weak margins and sales
- Restructuring of the Group's own manufactory initiated to increase margins
- Sale of broadcasting operations in the UK successfully completed
- Launch of the new "multi-product" broadcast format

Berlin, August 13, 2018 – elumeo SE, the leading electronic retailer of gemstone jewelry in Europe, published its Group quarterly report for the first half of 2018 today.

In the first half of 2018, elumeo SE recorded a decline in sales of 8.6% compared to the first half of 2017 (H1 2018: EUR 29.3 million, H1 2017: EUR 32.1 million). Besides an unexpected decline in revenues in the business customer segment (B2B) in the second quarter, this was also due to an unexpectedly high increase in the number of returns and cancellations in the sales regions of Germany and Italy.

The gross profit margin in Q2 2018 of 37.6% was negative compared to both the same period of the previous year (Q2 2017: 43.4%) and the previous quarter (Q1 2018: 39.1%). This resulted in total segment EBITDA of EUR -4.1 million in the first half of 2018 compared to the previous year (H1 2017: EUR -1.0 million). The successful sale of broadcasting operations in the United Kingdom had a positive effect on the overall Total comprehensive income of the Group, which improved to EUR -3.4 million (H1 2017: EUR -4.5 million) in H1 2018.

The activities that elumeo discontinued in December 2017 are accounted for as discontinued operations, as in the 2017 consolidated financial statements. The figures for the first half of 2018 and the comparative figures for the previous year therefore relate solely to continuing operations.

In addition to continuing the cost-cutting program launched in 2017, the Group has launched two further packages of measures to improve earnings. In order to counter the decline in margins since 2015, elumeo SE has decided to realign the Group's own manufactory and focus more strongly on high-priced products. At the same time, the vertically integrated value chain was increasingly opened up to external suppliers in order to increase the diversity of the product range on the one hand and reduce product acquisition prices on the other hand. As a result, the Group expects margins to increase, especially in the collections and brands launched in 2017.

To increase the diversity of its offering, elumeo SE has also developed the new "multi-product" broadcasting format in Germany and Italy, which makes it possible to offer a significantly broader range on classic TV as well as via the Juwelo app and web streaming.

Bernd Fischer, CFO and Spokesman of the Executive Board of elumeo SE, comments: "The increased opening of our vertically integrated value chain for third-party providers will allow us to react more flexibly to currency and market developments in the future and thus offer us an important strategic advantage."

Wolfgang Boyé, Chairman of the Executive Board of elumeo SE, adds: "The second quarter was burdened by a number of one-time effects, both negative and positive. As a result of the measures already initiated, we expect to achieve positive total segment EBITDA again in the fourth quarter of 2018."

The complete half-year financial report for the first half of 2018 is available for download as of today on the company's website <http://www.elumeo.com> in the Investor Relations/Financial Reports section.

About elumeo SE:

The elumeo Group, headquartered in Berlin, is the leading European company in the electronic distribution of high-quality gemstone jewelry, most of which the elumeo Group produces itself in Thailand. Via a variety of electronic distribution channels (such as TV, Internet, Smart TV and Smartphone app), the listed company offers its European customers colored gemstone jewelry in particular at comparatively low prices. Most of the products are sold through direct sales. For example, the elumeo Group operates home shopping television channels in Germany and Italy as well as web shops in Germany, the UK, Italy, France, the Netherlands, Spain, Belgium and the US. Cheaper jewelry is sold worldwide through the online shops of New York Gemstones in Hong Kong.

The elumeo Group was founded in 2008 in Berlin and Chanthaburi, Thailand, as a joint venture. In 2014, the companies of the Group formally merged under the elumeo SE umbrella. The elumeo Group employs around 1,100 people at five locations worldwide.

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