

Buy EUR 13.00 (EUR 11.50) Price EUR 7.45 Upside 74.5 %	Value Indicators: EUR Warburg ESG Risk Score: 1.2 ESG Score (MSCI based): 3.0 Balance Sheet Score: 0.5 Market Liquidity Score: 0.0	Description: elumeo is a vertically-integrated, multi-channel, precious jewellery retailer
	Market Snapshot: EUR m Market cap: 41.0 No. of shares (m): 5.5 EV: 40.8 Freefloat MC: 8.9 Ø Trad. Vol. (30d): 68.14 th	Shareholders: Freefloat 21.8 % Blackflint Ltd. (Boyé) 26.6 % Management 10.9 %

Sound momentum and very promising new growth project

in EURm	Q3 2021 act.	Q3 2021e	Q3 2020	% change	9M 2021	9m 2020
Sales	11.68	9.17	10.13	15.3%	37.73	30.12
Gross profit	6.43	5.00	5.57	15.5%	20.74	15.70
Gross profit margin	55.1%	54.5%	55.0%		55.0%	52.1%
selling expenses	4.19	3.37	3.87		13.27	12.08
admin. expenses	1.94	1.56	1.45		6.03	4.60
EBITDA	0.57	0.31	0.42	37.1%	2.30	-0.31
EBITDA-margin	4.9%	3.3%	4.1%		6.1%	-1.0%
EBIT	0.33	0.08	0.19	73.2%	1.57	-1.01
EBIT-margin	2.8%	0.9%	1.9%		4.2%	-3.3%

Comment on Figures:

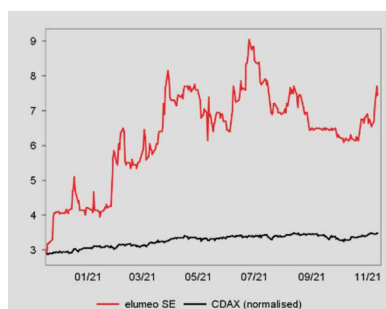
- Q3 sales grew 15% and, even though this marks a slowdown in yoy-growth compared to the 30%-growth in H1, this figure is clearly a positive surprise, as it means that the 2Y growth CAGR accelerated to 7% from 5.8% in H1.
- The (stationary) webshop grew 21% in Q3, outperforming overall German e-commerce sales by 6pp. The webshop now accounts for 29% of elumeo's sales (up 1.5pp yoy).
- The gross margin of 55% was in line with H1 2021 and Q3 2020; the latter is clearly a success, as Q3 2020 was the first quarter to benefit from the lowered VAT rate in Germany.
- Reported EBITDA increased 37% to EUR 0.6m. As this figure includes around EUR 0.1m start-up costs for the "Jooli" platform, the adj. EBITDA was even higher at EUR 0.7m.

- The Q3 figures are testament to the successful turnaround of elumeo as the company has posted double-digit sales growth for four consecutive quarters. Elumeo's gross margin of 55% means that we should continue to see strong operating leverage.
- In Q2 elumeo launched its new videoshopping app "Jooli". A first of its kind platform in Europe, this is primarily offering videos by third partner brands. Since its launch, the app has already added 25 channels and reached more than 10,000 users in November. The number of played videos is currently growing by more than 100% per month (41k in October). Currently, the business is primarily being run in a "land-grab" mode, thus elumeo is not charging any commission to its partner. In the long run, however, elumeo's commissions should approach the level of other platforms (e.g. Zalando charges on average more than 10% of GMV). We so far value Jooli at cost, as we exclude the ramp-up costs in our DCF model but this is very conservative. At the latest once elumeo starts monetizing the platform (expected as of 2023), this should lead to a significant re-rating. We confirm our Buy rating and increase our DCF-based price target by EUR 11.50 to EUR 13.00.

FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -
Sales	48.0	3.1 %	50.5	5.9 %	56.0	5.4 %
EBITDA adj.	3.7	-2.7 %	4.4	13.3 %	5.6	8.0 %
EBT	2.5	-24.3 %	3.3	-12.4 %	4.5	-12.5 %
EPS adj.	0.47	-3.9 %	0.61	17.6 %	0.77	10.0 %
Net Debt	-0.5	n.m.	-4.5	n.m.	-8.5	n.m.

Comment on Changes:

- Increase in FY and 2022 estimates following positive Q3 surprise. We have modelled a slight (4%) sales decline for Q4 2021, as the prior year was inflated by the closure of stationary retail over the Christmas period.
- We increase our adj. EBITDA estimates for 2022 and thereafter on the back of the strong operating leverage. Our reported figures decline somewhat as we model higher marketing and start-up expenses for "Jooli" (EUR 1m in 2022 & 23).

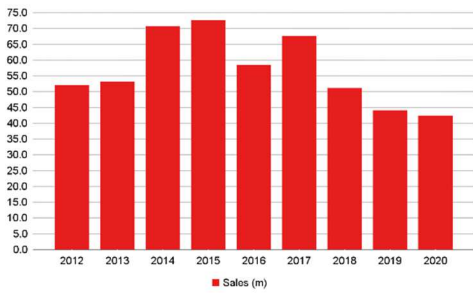


Rel. Performance vs CDAX:	
1 month:	17.2 %
6 months:	3.2 %
Year to date:	62.6 %
Trailing 12 months:	148.7 %

Company events:

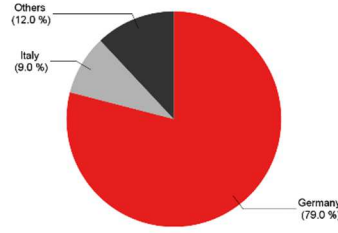
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	11.6 %	67.6	51.1	44.1	42.4	49.5	53.5	59.0
Change Sales yoy		15.5 %	-24.3 %	-13.7 %	-3.8 %	16.7 %	8.1 %	10.3 %
Gross profit margin		44.1 %	26.4 %	46.8 %	52.4 %	54.8 %	55.2 %	55.5 %
EBITDA adj.	89.8 %	-0.6	-17.5	-0.3	0.9	3.6	5.0	6.0
Margin		-3.2 %	-36.1 %	-5.3 %	-0.1 %	5.2 %	7.4 %	8.4 %
EBIT	139.2 %	-1.6	-18.4	-2.3	0.3	2.0	3.0	3.9
Margin		-2.4 %	-36.1 %	-5.3 %	0.7 %	4.0 %	5.5 %	6.7 %
Net income	188.4 %	-6.0	-27.4	-2.6	0.2	1.9	2.9	3.7
EPS	188.4 %	-1.10	-4.98	-0.47	0.03	0.34	0.53	0.67
EPS adj.	-	-0.49	-3.73	-0.47	-0.03	0.45	0.71	0.85
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		0.90	-1.22	0.11	0.40	0.43	0.88	0.92
EV / Sales		0.9 x	0.8 x	0.3 x	0.3 x	0.8 x	0.7 x	0.5 x
EV / EBITDA		n.a.	n.a.	n.a.	10.7 x	13.6 x	9.1 x	6.4 x
EV / EBIT		n.a.	n.a.	n.a.	45.3 x	20.8 x	12.3 x	8.1 x
P / E		n.a.	n.a.	n.a.	73.8 x	22.0 x	14.1 x	11.1 x
P / E adj.		n.a.	n.a.	n.a.	n.a.	16.6 x	10.5 x	8.8 x
FCF Potential Yield		-1.8 %	-49.7 %	-15.7 %	4.4 %	5.6 %	9.0 %	12.8 %
Net Financial Debt		9.8	-0.6	-0.4	-2.3	-4.2	-8.6	-13.1
ROE		-17.0 %	-141.9 %	-47.8 %	3.6 %	33.4 %	33.3 %	28.4 %
ROCE (NOPAT)		n.a.	n.a.	n.a.	4.1 %	31.1 %	46.6 %	60.6 %
Guidance:		Low double-digit sales growth and adj. EBITDA of a low to mid-single-digit million						

Sales in EUR m



Source: Warburg Research

Sales by regions 2020 in %



Source: Warburg Research

average selling price in EUR



Source: Warburg Research

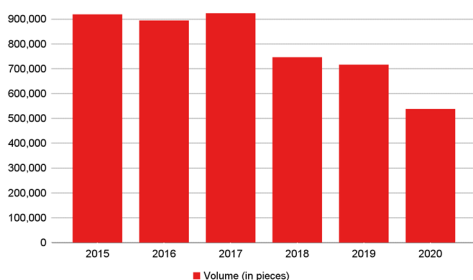
Company Background

- Elumeo is a precious jewellery retailer offering a broad range of gemstones mostly in the price range of EUR 25 to EUR 1,000. Products priced at more than EUR 1,000 generate about 15% of sales.
- Elumeo is a multi-channel retailer. Revenues generated on the company's television channel amount to about 60% of sales while e-commerce generates 35%.
- On its TV channels, Elumeo sells its products exclusively in a Dutch auction-like process. The auction starts with a high price, which is gradually lowered until customers bid at a price level they deem attractive.
- Elumeo has a range of collections targeting a variety of target customers with specific design elements.
- Due to the vertically integrated structure, elumeo is the price leader in (online-) jewellery.

Competitive Quality

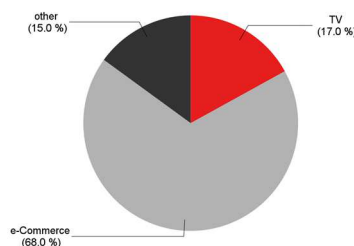
- Elumeo's vertically integrated business model cuts out several steps in the supply chain. It uses its cost leadership for a price differentiation to peers and prices are significantly lower than the competition.
- The integration of design and production processes in combination with distribution via a proprietary TV channel represent high barriers to entry. This model ensures very short lead times and a wide product assortment.
- The auction process leads to a higher customer engagement while the limited product availability coupled with the continuous supply of "fresh" merchandise prompts frequent purchases.
- The internet is already responsible for attracting about 60% of new customers. Structural growth of the internet sales channel should also be a major driver of growth for the company.

pieces sold



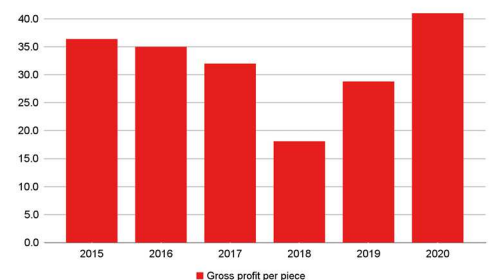
Source: Warburg Research

New customers by channel 2020; in %



Source: Warburg Research

Gross profit per piece in EUR



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value	
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e		
Sales	49.5	53.5	59.0	64.9	70.1	75.0	79.5	83.5	87.6	92.0	96.6	101.5	104.5		
Sales change	16.7 %	8.1 %	10.3 %	10.0 %	8.0 %	7.0 %	6.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	3.0 %	2.0 %
EBIT	2.6	4.0	4.9	5.2	5.6	6.0	6.4	6.7	7.0	7.4	7.7	8.1	8.4		
EBIT-margin	5.2 %	7.4 %	8.4 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
Tax rate (EBT)	0.0 %	0.0 %	3.9 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	5.0 %	
NOPAT	2.6	4.0	4.8	4.9	5.3	5.7	6.0	6.3	6.7	7.0	7.3	7.7	7.9		
Depreciation	1.0	1.0	1.1	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.9	2.0	2.1		
in % of Sales	2.1 %	1.9 %	1.8 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	
Changes in provisions	-0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Change in Liquidity from															
- Working Capital	0.0	0.0	0.0	0.6	0.6	0.5	0.5	0.4	0.5	0.5	0.5	0.5	0.3		
- Capex	0.4	0.6	0.6	1.3	1.4	1.5	1.6	1.7	1.8	1.8	1.9	2.0	2.1		
Capex in % of Sales	0.8 %	1.1 %	1.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %		
Other	0.5	0.5	0.5	0.5	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Free Cash Flow (WACC Model)	2.3	3.9	4.7	3.8	4.4	5.2	5.5	5.9	6.2	6.5	6.8	7.2	7.6	6	
PV of FCF	2.4	3.6	4.0	3.0	3.1	3.4	3.4	3.3	3.2	3.1	2.9	2.8	2.8	32	
share of PVs	13.69 %			42.31 %										44.01 %	

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.20
Cost of debt (after tax)	3.8 %	Liquidity (share)	2.50
Market return	7.00 %	Cyclicality	1.00
Risk free rate	1.50 %	Transparency	1.10
		Others	1.00
WACC	8.98 %	Beta	1.36

Valuation (m)

Present values 2033e	41		
Terminal Value	32		
Financial liabilities	0		
Pension liabilities	4		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	2	No. of shares (m)	5.5
Equity Value	71	Value per share (EUR)	13.00

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.04 %	1.54 %	1.79 %	2.04 %	2.29 %	2.54 %	3.04 %			-5.0 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+5.0 pp
1.63	10.5 %	10.26	10.47	10.58	10.70	10.82	10.95	11.25	1.63	10.5 %	3.14	9.18	9.94	10.70	11.45	12.21	18.25
1.54	10.0 %	10.85	11.10	11.23	11.37	11.52	11.68	12.03	1.54	10.0 %	3.37	9.77	10.57	11.37	12.17	12.97	19.37
1.45	9.5 %	11.52	11.80	11.96	12.13	12.31	12.50	12.93	1.45	9.5 %	3.63	10.43	11.28	12.13	12.98	13.83	20.63
1.36	9.0 %	12.26	12.61	12.80	13.00	13.22	13.45	13.99	1.36	9.0 %	3.93	11.19	12.09	13.00	13.91	14.81	22.07
1.27	8.5 %	13.11	13.52	13.75	14.00	14.27	14.56	15.23	1.27	8.5 %	4.28	12.06	13.03	14.00	14.98	15.95	23.73
1.18	8.0 %	14.08	14.58	14.87	15.17	15.51	15.88	16.72	1.18	8.0 %	4.68	13.08	14.13	15.17	16.22	17.27	25.67
1.09	7.5 %	15.19	15.82	16.17	16.56	16.98	17.45	18.54	1.09	7.5 %	5.16	14.28	15.42	16.56	17.70	18.84	27.95

- We expect a return to mid single-digit sales growth and assume 2% growth in the terminal value
- The group EBITDA margin should reach the 10%-level, less than 70% of the historical peak margin of 15% in Germany (2014)
- We assume a beta of 1.4 to account for the low liquidity and the execution risk for the gross margin increase
- The tax loss carry-forwards lead to very low tax rate.

Free Cash Flow Value Potential

Warburg Research's valuation tool "FCF Value Potential" reflects the ability of the company to generate sustainable free cash flows. It is based on the "FCF potential" - a FCF "ex growth" figure - which assumes unchanged working capital and pure maintenance capex. A value indication is derived via the perpetuity of a given year's "FCF potential" with consideration of the weighted costs of capital. The fluctuating value indications over time add a timing element to the DCF model (our preferred valuation tool).

in EUR m	2017	2018	2019	2020	2021e	2022e	2023e	
Net Income before minorities	-2.1	-20.5	-2.6	0.2	1.9	2.9	3.7	
+ Depreciation + Amortisation	1.6	0.9	2.0	0.9	1.0	1.0	1.1	
- Net Interest Income	-0.6	-0.2	-0.2	-0.1	-0.1	0.0	0.0	
- Maintenance Capex	1.1	0.7	1.4	0.7	0.7	0.7	0.7	
+ Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Free Cash Flow Potential	-1.0	-20.0	-1.7	0.6	2.3	3.3	4.1	
FCF Potential Yield (on market EV)	-1.8 %	-49.7 %	-15.7 %	4.4 %	5.6 %	9.0 %	12.8 %	
WACC	8.98 %	8.98 %	8.98 %	8.98 %	8.98 %	8.98 %	8.98 %	
= Enterprise Value (EV)	58.5	40.2	11.1	13.1	40.8	36.4	31.8	
= Fair Enterprise Value	n.a.	n.a.	n.a.	6.3	25.3	36.5	45.3	
- Net Debt (Cash)	11.3	2.0	0.4	0.0	0.0	0.0	0.0	
- Pension Liabilities	7.5	7.5	7.5	7.5	4.5	4.0	4.0	
- Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Market value of minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Market value of investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
= Fair Market Capitalisation	n.a.	n.a.	n.a.	n.a.	20.8	32.5	41.3	
Number of shares, average	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
= Fair value per share (EUR)	n.a.	n.a.	n.a.	n.a.	3.78	5.91	7.51	
premium (-) / discount (+) in %					-49.3 %	-20.7 %	0.8 %	
Sensitivity Fair value per Share (EUR)								
	11.98 %	n.a.	n.a.	n.a.	n.a.	2.63	4.25	5.45
	10.98 %	n.a.	n.a.	n.a.	n.a.	2.94	4.70	6.01
	9.98 %	n.a.	n.a.	n.a.	n.a.	3.32	5.24	6.68
WACC	8.98 %	n.a.	n.a.	n.a.	n.a.	3.78	5.91	7.51
	7.98 %	n.a.	n.a.	n.a.	n.a.	4.35	6.74	8.54
	6.98 %	n.a.	n.a.	n.a.	0.13	5.10	7.80	9.87
	5.98 %	n.a.	n.a.	n.a.	0.37	6.09	9.23	11.64

▪ We estimate maintenance capex in line with depreciation

Valuation							
	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	1.5 x	5.0 x	1.7 x	2.6 x	6.0 x	3.8 x	2.7 x
Book value per share ex intangibles	5.67	1.11	0.66	0.71	1.17	1.89	2.74
EV / Sales	0.9 x	0.8 x	0.3 x	0.3 x	0.8 x	0.7 x	0.5 x
EV / EBITDA	n.a.	n.a.	n.a.	10.7 x	13.6 x	9.1 x	6.4 x
EV / EBIT	n.a.	n.a.	n.a.	45.3 x	20.8 x	12.3 x	8.1 x
EV / EBIT adj.*	n.a.	n.a.	n.a.	n.a.	15.9 x	9.2 x	6.4 x
P / FCF	9.7 x	n.a.	11.5 x	5.2 x	17.2 x	8.4 x	8.1 x
P / E	n.a.	n.a.	n.a.	73.8 x	22.0 x	14.1 x	11.1 x
P / E adj.*	n.a.	n.a.	n.a.	n.a.	16.6 x	10.5 x	8.8 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	-1.8 %	-49.7 %	-15.7 %	4.4 %	5.6 %	9.0 %	12.8 %

*Adjustments made for: -

Company Specific Items							
	2017	2018	2019	2020	2021e	2022e	2023e
Active Customers	82,062	74,198	59,750	64,246	69,024	75,340	156,403
Revenue per Customer	823.28	688.90	737.87	660.12	717.15	710.12	377.23
Average Selling Price	73.16	68.50	61.54	79.00	62.67	64.51	67.76
eCommerce sales in % of group sales	34.5 %	39.0 %	41.8 %	51.2 %	51.8 %	56.5 %	111.8 %
eCommerce sales in EURm	23	20	18	22	26	30	66
Volume (in pieces)	923,476	746,254	716,395	538,019	789,825	829,317	870,783
Gross profit per piece	32.00	18.11	28.80	41.00	34.31	35.61	37.60

Consolidated profit and loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	67.6	51.1	44.1	42.4	49.5	53.5	59.0
Change Sales yoy	15.5 %	-24.3 %	-13.7 %	-3.8 %	16.7 %	8.1 %	10.3 %
COGS	37.7	37.6	23.5	20.2	22.4	24.0	26.3
Gross profit	29.8	13.5	20.6	22.2	27.1	29.5	32.7
<i>Gross margin</i>	<i>44.1 %</i>	<i>26.4 %</i>	<i>46.8 %</i>	<i>52.4 %</i>	<i>54.8 %</i>	<i>55.2 %</i>	<i>55.5 %</i>
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales and marketing	23.7	23.7	18.1	15.6	17.5	18.1	19.8
Administration expenses	8.9	7.7	8.3	7.0	8.0	8.5	9.0
Other operating expenses	0.0	0.6	1.2	0.2	0.0	0.1	0.1
Other operating income	1.1	0.1	4.7	0.9	0.3	0.1	0.1
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	0.0	-17.5	-0.3	1.2	3.0	4.0	5.0
<i>Margin</i>	<i>0.0 %</i>	<i>-34.2 %</i>	<i>-0.7 %</i>	<i>2.9 %</i>	<i>6.1 %</i>	<i>7.5 %</i>	<i>8.5 %</i>
Depreciation of fixed assets	1.6	0.9	2.0	0.9	1.0	1.0	1.1
EBITDA adj.	-0.6	-17.5	-0.3	0.9	3.6	5.0	6.0
Margin	-0.8 %	-34.2 %	-0.7 %	2.1 %	7.3 %	9.3 %	10.2 %
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-1.6	-18.4	-2.3	0.3	2.0	3.0	3.9
<i>Margin</i>	<i>-2.4 %</i>	<i>-36.1 %</i>	<i>-5.3 %</i>	<i>0.7 %</i>	<i>4.0 %</i>	<i>5.5 %</i>	<i>6.7 %</i>
EBIT adj.	-2.2	-18.4	-2.3	-0.1	2.6	4.0	4.9
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.6	0.2	0.2	0.1	0.1	0.1	0.1
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	-2.2	-18.6	-2.6	0.2	1.9	2.9	3.9
<i>Margin</i>	<i>-3.3 %</i>	<i>-36.5 %</i>	<i>-5.9 %</i>	<i>0.4 %</i>	<i>3.8 %</i>	<i>5.5 %</i>	<i>6.6 %</i>
Total taxes	-0.1	1.8	0.0	0.0	0.0	0.0	0.2
Net income from continuing operations	-2.1	-20.5	-2.6	0.2	1.9	2.9	3.7
Income from discontinued operations (net of tax)	-3.9	-6.9	0.0	0.0	0.0	0.0	0.0
Net income before minorities	-6.0	-27.4	-2.6	0.2	1.9	2.9	3.7
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	-6.0	-27.4	-2.6	0.2	1.9	2.9	3.7
<i>Margin</i>	<i>-8.9 %</i>	<i>-53.6 %</i>	<i>-5.9 %</i>	<i>0.4 %</i>	<i>3.8 %</i>	<i>5.5 %</i>	<i>6.3 %</i>
Number of shares, average	5.5	5.5	5.5	5.5	5.5	5.5	5.5
EPS	-1.10	-4.98	-0.47	0.03	0.34	0.53	0.67
EPS adj.	-0.49	-3.73	-0.47	-0.03	0.45	0.71	0.85

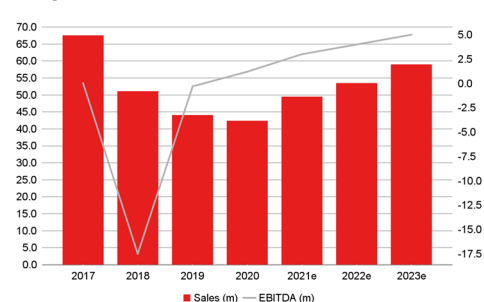
*Adjustments made for:

Guidance: Low double digit sales growth and low- to mid-single digit EURm adj. EBITDA

Financial Ratios

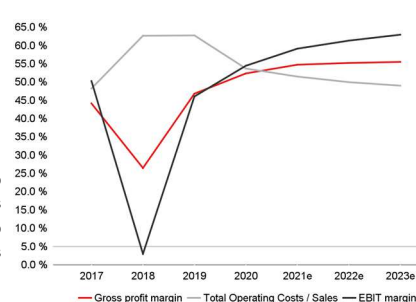
	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	48.2 %	62.7 %	62.8 %	53.7 %	51.5 %	49.9 %	49.0 %
Operating Leverage	-5.3 x	-43.4 x	6.3 x	n.a.	34.7 x	6.3 x	3.2 x
EBITDA / Interest expenses	0.0 x	n.m.	n.m.	9.1 x	30.0 x	80.0 x	99.9 x
Tax rate (EBT)	3.3 %	-9.9 %	0.0 %	0.0 %	0.0 %	0.0 %	5.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Sales, EBITDA
in EUR m



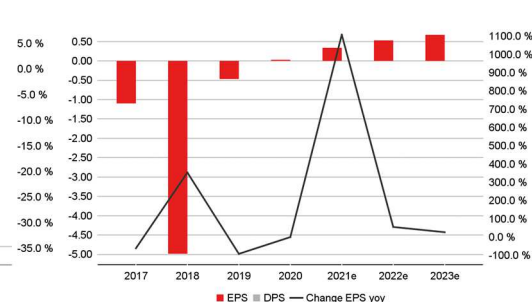
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

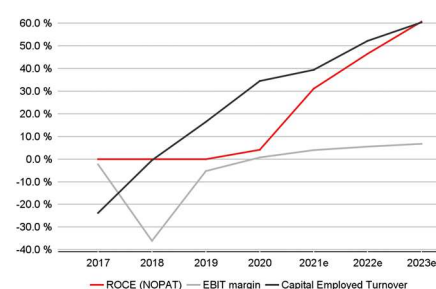
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	0.8	0.6	0.5	0.4	0.4	0.3	0.3
thereof other intangible assets	0.8	0.6	0.5	0.4	0.4	0.3	0.3
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	9.4	2.2	1.6	1.3	1.2	1.3	1.4
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	2.3	0.4	3.3	3.0	2.5	2.0	1.5
Fixed assets	12.4	3.2	5.4	4.7	4.1	3.6	3.2
Inventories	33.5	20.5	13.4	12.1	12.4	12.3	13.0
Accounts receivable	3.0	1.4	1.4	1.2	1.5	1.6	1.8
Liquid assets	1.5	2.6	0.9	2.3	4.2	8.6	13.1
Other short-term assets	2.4	1.0	0.5	0.8	0.8	0.8	0.8
Current assets	40.5	25.5	16.2	16.5	18.8	23.3	28.7
Total Assets	54.7	28.8	21.6	21.2	22.9	26.9	31.8
Liabilities and shareholders' equity							
Total equity	32.0	6.7	4.1	4.3	6.8	10.7	15.4
Provisions	1.0	7.8	7.5	6.9	6.0	5.5	5.0
thereof provisions for pensions and similar obligations	0.7	7.5	4.5	4.0	4.0	4.0	4.0
Financial liabilities (total)	11.3	2.0	0.4	0.0	0.0	0.0	0.0
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	7.3	9.0	5.6	6.8	6.9	7.5	8.3
Other liabilities	3.1	3.4	3.8	3.2	3.2	3.2	3.2
Liabilities	22.8	22.2	17.5	16.8	16.1	16.1	16.4
Total liabilities and shareholders' equity	54.7	28.8	21.6	21.2	22.9	26.9	31.8

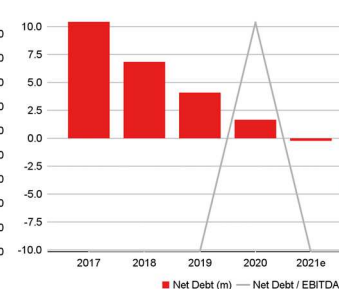
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	1.8 x	3.4 x	4.1 x	5.4 x	6.1 x	6.9 x	7.5 x
Capital Employed Turnover	1.6 x	3.8 x	5.4 x	7.1 x	7.5 x	8.7 x	9.5 x
ROA	-48.8 %	-858.0 %	-47.9 %	3.3 %	46.0 %	80.6 %	116.8 %
Return on Capital							
ROCE (NOPAT)	n.a.	n.a.	n.a.	4.1 %	31.1 %	46.6 %	60.6 %
ROE	-17.0 %	-141.9 %	-47.8 %	3.6 %	33.4 %	33.3 %	28.4 %
Adj. ROE	-7.6 %	-106.1 %	-47.8 %	-4.5 %	44.2 %	44.7 %	35.6 %
Balance sheet quality							
Net Debt	10.4	6.8	4.1	1.7	-0.2	-4.6	-9.2
Net Financial Debt	9.8	-0.6	-0.4	-2.3	-4.2	-8.6	-13.1
Net Gearing	32.6 %	102.5 %	99.4 %	38.3 %	-3.3 %	-42.8 %	-59.5 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Book Value / Share	5.8	1.2	0.7	0.8	1.2	2.0	2.8
Book value per share ex intangibles	5.7	1.1	0.7	0.7	1.2	1.9	2.7

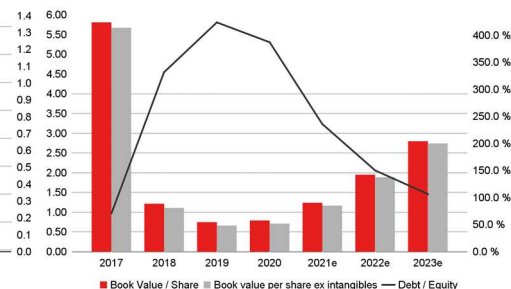
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

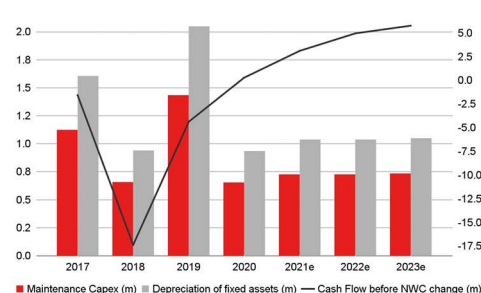
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	-6.0	-27.4	-2.6	0.2	1.9	2.9	3.7
Depreciation of fixed assets	1.6	0.9	2.0	0.9	1.0	1.0	1.1
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	0.0	0.2	0.6	-0.3	-0.4	0.0	0.0
Other non-cash income and expenses	2.8	8.9	-4.4	-0.5	0.6	1.0	1.0
Cash Flow before NWC change	-1.6	-17.4	-4.4	0.3	3.1	5.0	5.8
Increase / decrease in inventory	4.6	4.4	7.1	1.2	-0.2	0.1	-0.7
Increase / decrease in accounts receivable	-0.4	1.9	0.6	0.0	-0.3	-0.1	-0.2
Increase / decrease in accounts payable	2.6	4.7	-2.5	0.9	0.2	0.6	0.8
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	6.8	11.1	5.1	2.2	-0.3	0.5	-0.1
Net cash provided by operating activities [1]	5.2	-6.3	0.8	2.4	2.8	5.5	5.7
Investments in intangible assets	0.0	0.1	0.0	0.0	0.1	0.1	0.1
Investments in property, plant and equipment	0.2	0.4	0.2	0.2	0.3	0.5	0.5
Payments for acquisitions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-0.2	-0.5	-0.2	-0.2	-0.4	-0.6	-0.6
Change in financial liabilities	-2.0	-3.3	-2.2	-0.8	-0.5	-0.5	-0.5
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-3.2	10.5	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	-5.2	7.2	-2.2	-0.8	-0.5	-0.5	-0.5
Change in liquid funds [1]+[2]+[3]	-0.3	0.4	-1.6	1.4	1.9	4.4	4.6
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	1.5	2.6	0.9	2.3	4.2	8.6	13.1

Financial Ratios

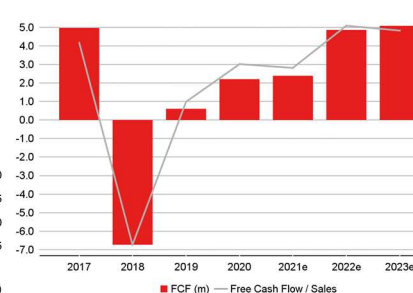
	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	5.0	-6.7	0.6	2.2	2.4	4.9	5.1
Free Cash Flow / Sales	7.4 %	-13.2 %	1.4 %	5.2 %	4.8 %	9.1 %	8.6 %
Free Cash Flow Potential	-1.0	-20.0	-1.7	0.6	2.3	3.3	4.1
Free Cash Flow / Net Profit	-82.2 %	24.6 %	-23.5 %	1428.4 %	127.9 %	166.8 %	137.3 %
Interest Received / Avg. Cash	0.0 %	0.2 %	0.2 %	0.3 %	0.1 %	0.1 %	0.0 %
Interest Paid / Avg. Debt	5.0 %	3.3 %	19.5 %	60.0 %	n.a.	n.a.	n.a.
Management of Funds							
Investment ratio	0.3 %	0.9 %	0.4 %	0.5 %	0.8 %	1.1 %	1.0 %
Maint. Capex / Sales	1.7 %	1.3 %	3.3 %	1.5 %	1.5 %	1.4 %	1.2 %
Capex / Dep	14.4 %	48.2 %	8.7 %	23.9 %	38.5 %	57.8 %	57.1 %
Avg. Working Capital / Sales	48.4 %	41.2 %	25.0 %	18.6 %	13.7 %	12.5 %	10.9 %
Trade Debtors / Trade Creditors	40.4 %	15.8 %	24.8 %	18.2 %	21.4 %	21.4 %	21.4 %
Inventory Turnover	1.1 x	1.8 x	1.8 x	1.7 x	1.8 x	1.9 x	2.0 x
Receivables collection period (days)	16	10	12	11	11	11	11
Payables payment period (days)	71	87	88	122	113	114	115
Cash conversion cycle (Days)	270	122	132	108	100	84	77

CAPEX and Cash Flow

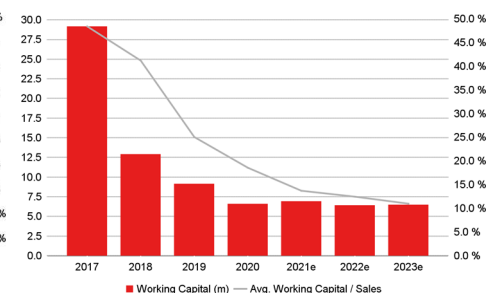
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
elumeo	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A11Q059.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	152	70
Hold	56	26
Sell	5	2
Rating suspended	3	1
Total	216	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	49	83
Hold	8	14
Sell	0	0
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY ELUMEO AS OF 15.11.2021



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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