elumeo

(CDAX, Retail, ELB GR)

WARBURG RESEARCH

Buy	
EUR 3.60	
Price	EUR 2.10
Upside	71.4 %

Value Indicators:	EUR
DCF:	3.60

Warburg Risk Score:	0.0
Balance Sheet Score:	0.0
Market Liquidity Score:	0.0

Description:

elumeo is a vertically-integrated, multi-channel, precious jewellery retailer

Market Snapshot:	EUR m
Market cap:	12.4
No. of shares (m):	5.9
EV:	14.4
Freefloat MC:	7.8
Ø Trad. Vol. (30d):	8.51 th

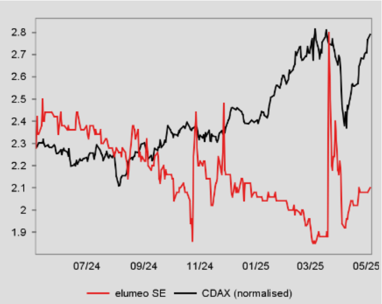
Shareholders:	
Freefloat	62.50 %
Blackflint ltd. (Boyé)	25.80 %
Management	11.70 %

Key Figures (WRe):	2024e
Beta:	1.5
Price / Book:	2.4 x
Equity Ratio:	26 %

First Glance: Final 2024 results in line with our expectations

Elumeo reported its full set of figures for 2024 last week:

- Elumeo already warned at the end of March about a weak Q4 2024 and launched a large restructuring programme. Thus, the final 2024 figures are marginally above our revised estimates: Revenue decreased moderately by 4.4% to EUR 43.4m in 2024 (2023: EUR 45.4m), i.e. EUR 0.4m above our estimate, implying a sales decline of 14% in Q4. Adjusted EBITDA fell to EUR -813k (2023: EUR -384k), likewise beating our estimates by nearly EUR 0.2m. Excluding leasing liabilities, elumeo remained virtually net-debt free, with net debt amounting to just over EUR 0.1m despite negative earnings.
- In light of the major restructuring programme launched by elumeo on 31 March, progress on the major initiatives is key. The reduction of the live programme from 15 hours to 10 hours has now been implemented, as has the reduction of less profitable entry price points below EUR 50. Thus, in April 57% pieces below EUR 50 were sold. Together with the reduction in live hours, this resulted in a 13% yoy sales decline in April. Bearing in mind that 19% of revenues were sold in off-peak hours, the 13% combined impact of these measures is even better than we assumed. However, despite the reduction in entry price points, the gross margin uplift still seems to be lagging somewhat, given that precious metal prices have continued to rise strongly. On balance, this should imply gross profit developing somewhat below our 2025 earnings model. On the flip side, cost reductions are progressing well, targeted layoffs have been implemented and management is confident that the assumed restructuring expenses of EUR 0.85m will be sufficient. Thus, management's outlook of a 10-15% sales decline and an adj. EBITDA of EUR -0.5m to EUR 0.0m is slightly higher than our estimate of EUR -0.6m. Importantly, this outlook implies a significant adj. EBITDA loss in Q1, with Q2 approaching break-even and a return to profitability in H2. This earnings dynamic should inspire confidence.
- Elumeo had to postpone the release of the fully audited annual report to 7 May due to the necessary complete revision of corporate planning required after the implementation of the restructuring programme and due to the still outstanding ESEF certification. We do not believe this is an issue that should cause investors any concern, given that the timing of the restructuring programme explains it well.
- We will fine-tune our model after the annual report and Q1 figures are released in mid-May. We reiterate our Buy rating, as the company is on track to deliver the expected earnings turnaround.



Rel. Performance vs CDAX:	
1 month:	-4.5 %
6 months:	-26.2 %
Year to date:	-15.6 %
Trailing 12 months:	-30.9 %

Company events:	
14.05.25	Q1
20.06.25	AGM
12.08.25	Q2
12.11.25	Q3

FY End: 31.12. in EUR m	CAGR (23-26e)	2020	2021	2022	2023	2024e	2025e	2026e
Sales	-5.8 %	42.4	50.7	45.8	45.4	43.0	35.0	38.0
Change Sales yoy		-3.8 %	19.5 %	-9.5 %	-1.0 %	-5.3 %	-18.6 %	8.6 %
Gross profit margin		*52.4 %*	*57.0 %*	*54.9 %*	*50.0 %*	*48.5 %*	*51.0 %*	*52.0 %*
EBITDA adj.	-	0.9	4.9	2.2	-0.4	-1.0	-0.6	2.4
Margin		*2.1 %*	*9.7 %*	*4.8 %*	*-0.8 %*	*-2.3 %*	*-1.9 %*	*6.2 %*
EBIT	-	0.3	2.0	-1.4	-2.9	-3.3	-2.5	1.6
Margin		*0.7 %*	*3.9 %*	*-3.1 %*	*-6.3 %*	*-7.6 %*	*-7.0 %*	*4.1 %*
Net income	-	0.2	5.4	-3.3	-1.1	-3.3	-2.5	1.4
EPS	-	0.03	0.99	-0.60	-0.19	-0.58	-0.42	0.24
EPS adj.	-	-0.03	0.51	-0.12	-0.50	-0.51	-0.37	0.24
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		0.40	0.15	-0.27	0.01	-0.31	0.01	0.25
EV / Sales		0.3 x	0.7 x	0.5 x	0.3 x	0.3 x	0.4 x	0.4 x
EV / EBITDA		10.7 x	11.8 x	n.a.	n.a.	n.a.	n.a.	5.7 x
EV / EBIT		45.3 x	17.4 x	n.a.	n.a.	n.a.	n.a.	8.6 x
P / E		73.8 x	6.7 x	n.a.	n.a.	n.a.	n.a.	8.7 x
P / E adj.		n.a.	13.0 x	n.a.	n.a.	n.a.	n.a.	8.7 x
FCF Potential Yield		6.3 %	17.6 %	-12.9 %	-17.0 %	-20.0 %	-13.7 %	14.8 %
Net Financial Debt		-2.3	-2.8	-1.4	-0.2	1.5	1.8	0.8
ROE		3.6 %	60.3 %	-27.0 %	-11.8 %	-50.1 %	-62.6 %	41.6 %
ROCE (NOPAT)		4.1 %	64.2 %	n.a.	n.a.	n.a.	n.a.	30.3 %
Guidance:	2024: adj. EBITDA loss of up to EUR 1m							

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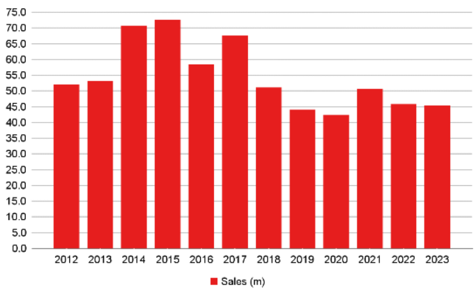
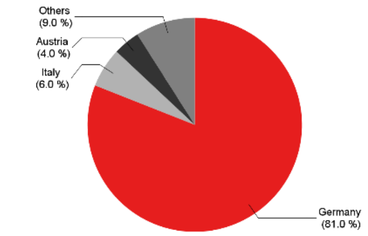
Sales
in EUR m



Source: Warburg Research

Sales by regions
2023 in %



Source: Warburg Research

average selling price
in EUR

Source: Warburg Research

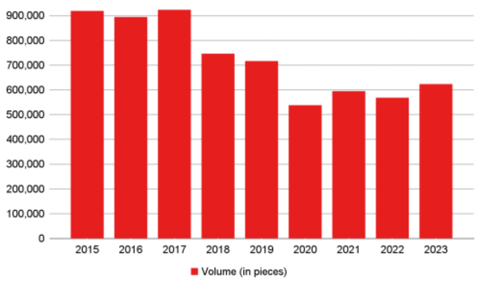
Company Background

- 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 in the live business, shows broadcasted via TV and internet amount to over 60% of sales while e-commerce generates around 30%.
- 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

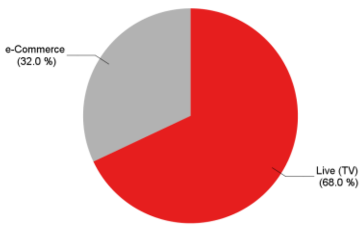
- Elumeo's vertically integrated business model cuts out several steps in the supply chain. It uses its cost leadership for a price differentiation to peers and prices are significantly lower than the competition.
- The integration of design and production processes in combination with distribution via 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

Sales by channel
2023; in %



Source: Warburg Research

Gross profit per piece
in EUR

Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period 2024e	2025e	2026e	Transitional period 2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	Term. Value
Sales	43.0	35.0	38.0	41.0	43.9	46.5	48.9	51.3	53.9	56.6	59.4	62.4	63.6	
Sales change	*-5.3 %*	*-18.6 %*	*8.6 %*	*8.0 %*	*7.0 %*	*6.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*2.0 %*	*2.0 %*
EBIT	-3.3	-2.5	1.6	2.1	2.2	2.3	2.4	2.6	2.7	2.8	3.0	3.1	3.2	
EBIT-margin	*-7.6 %*	*-7.0 %*	*4.1 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	
Tax rate (EBT)	*0.0 %*	*0.0 %*	*4.9 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	*5.0 %*	
NOPAT	-3.3	-2.5	1.5	1.9	2.1	2.2	2.3	2.4	2.6	2.7	2.8	3.0	3.0	
Depreciation	0.9	0.8	0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	1.3	
in % of Sales	*2.1 %*	*2.3 %*	*2.1 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	
Changes in provisions	-0.2	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	-0.3	0.4	0.4	0.3	0.4	0.4	0.4	0.4	0.4	0.2	
- Capex	0.1	0.0	0.4	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	1.3	
Capex in % of Sales	*0.1 %*	*0.0 %*	*1.1 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	*2.0 %*	
- Other	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-3.1	-2.1	1.5	2.2	1.7	1.8	2.0	2.1	2.2	2.3	2.4	2.5	2.8	2
PV of FCF	-3.1	-1.9	1.2	1.6	1.1	1.1	1.1	1.0	0.9	0.9	0.8	0.8	0.8	7
share of PVs	-27.81 %			75.54 %										52.27 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	0.00 %	Financial Strength	1.50
Cost of debt (after tax)	3.8 %	Liquidity (share)	3.00
Market return	8.25 %	Cyclicality	1.00
Risk free rate	2.75 %	Transparency	1.10
		Others	1.00
WACC	**11.11 %**	**Beta**	**1.52**

Valuation (m)

Present values 2036e	6		
Terminal Value	7		
Financial liabilities	0		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	5		
Liquidity	3	No. of shares (m)	5.9
Equity Value	**21**	**Value per share (EUR)**	**3.60**

Sensitivity Value per Share (EUR)

Terminal Growth

Beta	WACC	1.04 %	1.54 %	1.79 %	**2.04 %**	2.29 %	2.54 %	3.04 %
1.79	12.6 %	3.05	3.09	3.11	3.13	3.15	3.17	3.22
1.70	12.1 %	3.18	3.22	3.24	3.27	3.29	3.32	3.37
1.61	11.6 %	3.32	3.37	3.40	3.42	3.45	3.48	3.55
1.52	11.1 %	3.48	3.53	3.56	**3.60**	3.63	3.66	3.74
1.43	10.6 %	3.65	3.72	3.75	3.79	3.83	3.87	3.96
1.34	10.1 %	3.84	3.92	3.96	4.01	4.05	4.10	4.22
1.25	9.6 %	4.06	4.15	4.20	4.25	4.31	4.37	4.50

Delta EBIT-margin

Beta	WACC	-5.0 pp	-1.0 pp	-0.5 pp	**+0.0 pp**	+0.5 pp	+1.0 pp	+5.0 pp
1.79	12.6 %	-0.44	2.41	2.77	3.13	3.48	3.84	6.70
1.70	12.1 %	-0.46	2.52	2.89	3.27	3.64	4.01	7.00
1.61	11.6 %	-0.48	2.64	3.03	3.42	3.81	4.20	7.33
1.52	11.1 %	-0.50	2.78	3.19	**3.60**	4.01	4.42	7.69
1.43	10.6 %	-0.52	2.93	3.36	3.79	4.22	4.65	8.10
1.34	10.1 %	-0.55	3.09	3.55	4.01	4.46	4.92	8.56
1.25	9.6 %	-0.58	3.29	3.77	4.25	4.73	5.22	9.08

- We expect a return to mid single-digit sales growth and assume 2% growth in the terminal value
- The group EBITDA margin should approach the 10%-level, ca. 2/3 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
- More than EUR 50m tax loss carry-forwards are not recognized as tax assets, thus the low tax rate in the outer years

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	2020	2021	2022	2023	2024e	2025e	2026e
	Net Income before minorities	0.2	5.4	-3.4	-3.3	-3.3	-2.5	1.4
+	Depreciation + Amortisation	0.9	1.0	0.9	0.9	0.8	0.8	0.8
-	Net Interest Income	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0
-	Maintenance Capex	0.4	0.4	0.4	0.4	0.3	0.3	0.3
+	Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
=	**Free Cash Flow Potential**	**0.8**	**6.1**	**-2.8**	**-2.6**	**-2.8**	**-2.0**	**2.0**
	FCF Potential Yield (on market EV)	6.3 %	17.6 %	-12.9 %	-17.0 %	-20.0 %	-13.7 %	14.8 %
	WACC	11.11 %	11.11 %	11.11 %	11.11 %	11.11 %	11.11 %	11.11 %
=	**Enterprise Value (EV)**	**13.1**	**34.4**	**21.4**	**15.5**	**14.1**	**14.4**	**13.3**
=	**Fair Enterprise Value**	**7.4**	**54.6**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**17.8**
-	Net Debt (Cash)	11.3	2.0	0.4	0.0	0.0	0.0	1.1
-	Pension Liabilities	7.5	4.5	4.0	0.5	0.1	0.1	0.1
-	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.**	**48.1**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**16.5**
	Number of shares, average	5.5	5.5	5.5	5.7	5.7	5.9	5.9
=	**Fair value per share (EUR)**	**n.a.**	**8.74**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**2.79**
	premium (-) / discount (+) in %							32.8 %

Sensitivity Fair value per Share (EUR)

	14.11 %	n.a.	6.63	n.a.	n.a.	n.a.	n.a.	2.32
	13.11 %	n.a.	7.23	n.a.	n.a.	n.a.	n.a.	2.51
	12.11 %	n.a.	7.92	n.a.	n.a.	n.a.	n.a.	2.74
WACC	**11.11 %**	**n.a.**	**8.74**	**n.a.**	**n.a.**	**n.a.**	**n.a.**	**2.79**
	10.11 %	n.a.	9.73	n.a.	n.a.	n.a.	n.a.	3.32
	9.11 %	n.a.	10.92	n.a.	n.a.	n.a.	n.a.	3.71
	8.11 %	n.a.	12.42	n.a.	n.a.	n.a.	n.a.	4.20

- We estimate maintenance capex in line with depreciation

Valuation

	2020	2021	2022	2023	2024e	2025e	2026e
Price / Book	2.6 x	2.7 x	2.1 x	1.9 x	2.4 x	4.5 x	3.0 x
Book value per share ex intangibles	0.71	2.43	1.89	1.39	0.86	0.44	0.68
EV / Sales	0.3 x	0.7 x	0.5 x	0.3 x	0.3 x	0.4 x	0.4 x
EV / EBITDA	10.7 x	11.8 x	n.a.	n.a.	n.a.	n.a.	5.7 x
EV / EBIT	45.3 x	17.4 x	n.a.	n.a.	n.a.	n.a.	8.6 x
EV / EBIT adj.*	n.a.	8.7 x	16.9 x	n.a.	n.a.	n.a.	8.6 x
P / FCF	5.2 x	44.0 x	n.a.	200.5 x	n.a.	230.5 x	8.6 x
P / E	73.8 x	6.7 x	n.a.	n.a.	n.a.	n.a.	8.7 x
P / E adj.*	n.a.	13.0 x	n.a.	n.a.	n.a.	n.a.	8.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	6.3 %	17.6 %	-12.9 %	-17.0 %	-20.0 %	-13.7 %	14.8 %

*Adjustments made for: -

Company Specific Items

	2020	2021	2022	2023	2024e	2025e	2026e
Active Customers	58,821	81,328	75,195	82,911	80,534	82,950	91,245
Revenue per Customer	721.00	623.12	609.67	547.00	0.00	0.00	0.00
Average Selling Price	79.00	85.21	80.66	73.00	70.71	82.22	85.02
Volume (in pieces)	538,019	594,730	568,344	623,371	608,128	425,690	446,974
Gross profit per piece	41.00	49.00	44.32	36.00	34.29	41.93	44.21

Consolidated profit and loss

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Sales	**42.4**	**50.7**	**45.8**	**45.4**	**43.0**	**35.0**	**38.0**
Change Sales yoy	-3.8 %	19.5 %	-9.5 %	-1.0 %	-5.3 %	-18.6 %	8.6 %
COGS	20.2	21.8	20.7	22.7	22.1	17.2	18.2
Gross profit	**22.2**	**28.9**	**25.2**	**22.7**	**20.9**	**17.9**	**19.8**
Gross margin	*52.4 %*	*57.0 %*	*54.9 %*	*50.0 %*	*48.5 %*	*51.0 %*	*52.0 %*
Research and development	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sales and marketing	15.6	18.7	18.0	16.9	15.7	13.7	12.7
Administration expenses	7.0	8.5	8.8	8.9	7.5	6.5	5.5
Other operating expenses	0.2	0.1	0.4	0.6	1.2	0.2	0.1
Other operating income	0.9	0.5	0.6	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	**1.2**	**2.9**	**-0.5**	**-2.0**	**-2.5**	**-1.7**	**2.4**
Margin	*2.9 %*	*5.8 %*	*-1.0 %*	*-4.3 %*	*-5.8 %*	*-4.7 %*	*6.2 %*
Depreciation of fixed assets	0.9	1.0	0.9	0.9	0.8	0.8	0.8
EBITDA adj.	**0.9**	**4.9**	**2.2**	**-0.4**	**-1.0**	**-0.6**	**2.4**
Margin	2.1 %	9.7 %	4.8 %	-0.8 %	-2.3 %	-1.9 %	6.2 %
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	**0.3**	**2.0**	**-1.4**	**-2.9**	**-3.3**	**-2.5**	**1.6**
Margin	*0.7 %*	*3.9 %*	*-3.1 %*	*-6.3 %*	*-7.6 %*	*-7.0 %*	*4.1 %*
EBIT adj.	**-0.1**	**4.0**	**1.3**	**-1.3**	**-1.8**	**-1.5**	**1.6**
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	0.1	0.1	0.1	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	**0.2**	**1.9**	**-1.5**	**-3.0**	**-3.3**	**-2.5**	**1.5**
Margin	*0.4 %*	*3.8 %*	*-3.2 %*	*-6.5 %*	*-7.7 %*	*-7.1 %*	*4.0 %*
Total taxes	0.0	-3.5	1.9	0.3	0.0	0.0	0.1
Net income from continuing operations	**0.2**	**5.4**	**-3.4**	**-3.3**	**-3.3**	**-2.5**	**1.4**
Income from discontinued operations (net of tax)	0.0	0.0	0.1	2.2	0.0	0.0	0.0
Net income before minorities	**0.2**	**5.4**	**-3.3**	**-1.1**	**-3.3**	**-2.5**	**1.4**
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	**0.2**	**5.4**	**-3.3**	**-1.1**	**-3.3**	**-2.5**	**1.4**
Margin	*0.4 %*	*10.7 %*	*-7.2 %*	*-2.4 %*	*-7.7 %*	*-7.1 %*	*3.8 %*
Number of shares, average	5.5	5.5	5.5	5.7	5.7	5.9	5.9
EPS	**0.03**	**0.99**	**-0.60**	**-0.19**	**-0.58**	**-0.42**	**0.24**
EPS adj.	-0.03	0.51	-0.12	-0.50	-0.51	-0.37	0.24

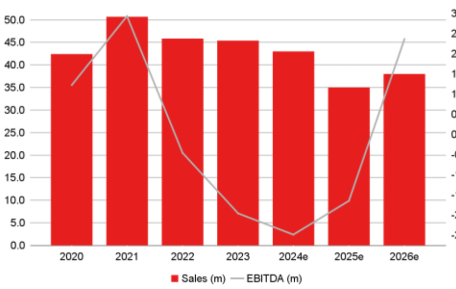
*Adjustments made for:

Guidance: 2024: adj. EBITDA loss of up to EUR 1m

Financial Ratios

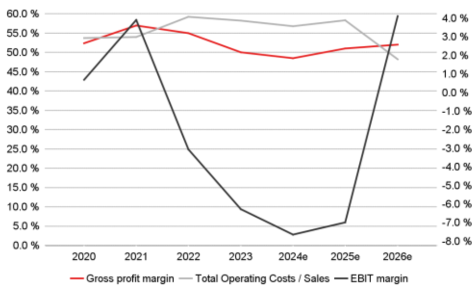
	2020	2021	2022	2023	2024e	2025e	2026e
Total Operating Costs / Sales	53.7 %	54.0 %	59.2 %	58.2 %	56.7 %	58.3 %	48.2 %
Operating Leverage	n.a.	30.0 x	n.a.	-103.8 x	-2.9 x	1.4 x	n.a.
EBITDA / Interest expenses	9.1 x	50.5 x	n.m.	n.m.	n.m.	n.m.	47.2 x
Tax rate (EBT)	0.0 %	-183.0 %	-131.5 %	-10.9 %	0.0 %	0.0 %	5.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	227,251	205,578	n.a.	n.a.	n.a.	n.a.

Sales, EBITDA
in EUR m



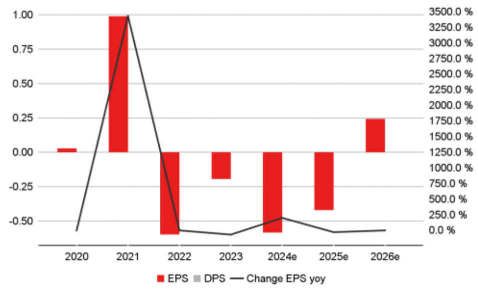
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

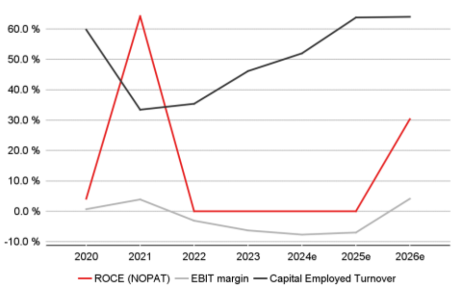
Consolidated balance sheet

In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Assets							
Goodwill and other intangible assets	0.4	0.3	0.3	0.2	0.2	0.2	0.2
thereof other intangible assets	0.4	0.3	0.3	0.2	0.2	0.2	0.2
thereof Goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property, plant and equipment	1.3	1.2	0.8	0.4	0.4	0.5	0.6
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term assets	3.0	2.4	2.3	2.0	2.8	2.4	2.0
Fixed assets	**4.7**	**3.9**	**3.3**	**2.6**	**3.4**	**3.1**	**2.8**
Inventories	12.1	13.1	13.0	13.2	11.2	9.1	9.9
Accounts receivable	1.2	2.3	1.7	2.3	1.7	1.4	1.5
Liquid assets	2.3	2.8	1.4	1.3	0.8	0.5	1.5
Other short-term assets	0.8	1.6	1.1	1.1	1.1	1.1	1.1
Current assets	**16.5**	**19.8**	**17.3**	**18.0**	**14.9**	**12.1**	**14.1**
Total Assets	**21.2**	**27.9**	**22.7**	**22.2**	**19.8**	**16.8**	**18.4**
Liabilities and shareholders' equity							
Total equity	**4.3**	**13.7**	**11.2**	**8.1**	**5.2**	**2.7**	**4.2**
Provisions	6.9	4.0	3.4	2.6	3.4	3.0	2.6
thereof provisions for pensions and similar obligations	4.0	0.5	0.1	0.1	0.1	0.1	0.1
Financial liabilities (total)	0.0	0.0	0.0	1.1	2.3	2.3	2.3
Short-term financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	6.8	5.9	4.9	8.0	6.5	6.3	6.8
Other liabilities	3.2	4.3	3.3	2.4	2.4	2.4	2.4
Liabilities	**16.8**	**14.2**	**11.6**	**14.1**	**14.6**	**14.0**	**14.2**
Total liabilities and shareholders' equity	**21.2**	**27.9**	**22.7**	**22.2**	**19.8**	**16.8**	**18.4**

Financial Ratios

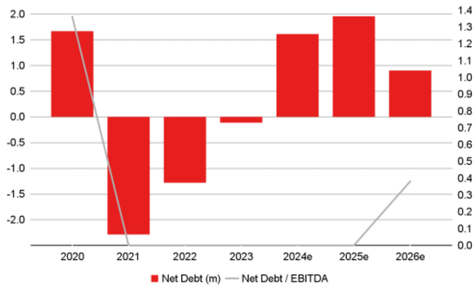
	2020	2021	2022	2023	2024e	2025e	2026e
Efficiency of Capital Employment							
Operating Assets Turnover	5.4 x	4.8 x	4.3 x	5.7 x	6.2 x	7.4 x	7.3 x
Capital Employed Turnover	7.1 x	4.4 x	4.6 x	5.7 x	6.3 x	7.5 x	7.5 x
ROA	3.3 %	138.6 %	-98.6 %	-42.8 %	-98.9 %	-81.4 %	52.0 %
Return on Capital							
ROCE (NOPAT)	4.1 %	64.2 %	n.a.	n.a.	n.a.	n.a.	30.3 %
ROE	3.6 %	60.3 %	-27.0 %	-11.8 %	-50.1 %	-62.6 %	41.6 %
Adj. ROE	-4.5 %	31.3 %	-5.5 %	-29.9 %	-43.3 %	-55.0 %	41.6 %
Balance sheet quality							
Net Debt	1.7	-2.3	-1.3	-0.1	1.6	2.0	0.9
Net Financial Debt	-2.3	-2.8	-1.4	-0.2	1.5	1.8	0.8
Net Gearing	38.3 %	-16.7 %	-11.4 %	-1.4 %	30.7 %	71.3 %	21.6 %
Net Fin. Debt / EBITDA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	32.7 %
Book Value / Share	0.8	2.5	1.9	1.4	0.9	0.5	0.7
Book value per share ex intangibles	0.7	2.4	1.9	1.4	0.9	0.4	0.7

ROCE Development



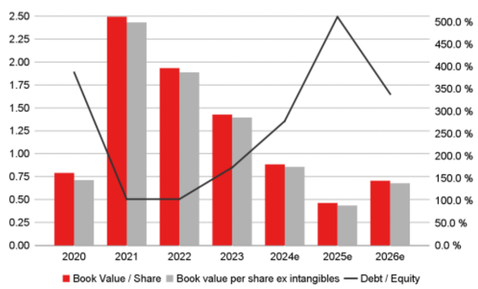
Source: Warburg Research

Net debt
in EUR m



Source: Warburg Research

Book Value per Share
in EUR



Source: Warburg Research

Consolidated cash flow statement

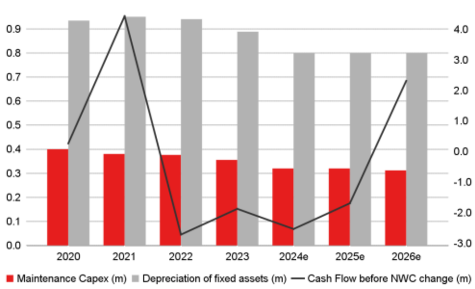
In EUR m	2020	2021	2022	2023	2024e	2025e	2026e
Net income	0.2	5.4	-3.3	-1.1	-3.3	-2.5	1.4
Depreciation of fixed assets	0.9	1.0	0.9	0.9	0.8	0.8	0.8
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in long-term provisions	-0.3	-2.4	-2.1	-0.2	0.0	0.0	0.0
Other non-cash income and expenses	-0.5	0.5	1.8	-1.5	0.0	0.0	0.1
Cash Flow before NWC change	**0.3**	**4.4**	**-2.7**	**-1.9**	**-2.5**	**-1.7**	**2.3**
Increase / decrease in inventory	1.2	-1.0	0.1	-0.1	2.0	2.1	-0.8
Increase / decrease in accounts receivable	0.0	-1.6	1.3	-0.9	0.6	0.3	-0.1
Increase / decrease in accounts payable	0.9	-0.6	-0.1	3.0	-1.5	-0.2	0.5
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)	2.2	-3.2	1.3	2.0	1.1	2.3	-0.4
Net cash provided by operating activities [1]	**2.4**	**1.2**	**-1.4**	**0.1**	**-1.4**	**0.6**	**2.0**
Investments in intangible assets	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Investments in property, plant and equipment	0.2	0.4	0.1	0.0	0.3	0.4	0.4
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**	**-0.4**	**-0.1**	**0.0**	**-0.4**	**-0.5**	**-0.5**
Change in financial liabilities	-0.8	-0.4	-0.4	0.1	0.8	-0.4	-0.4
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	0.6	0.0	0.5	0.0	0.0
Other	0.0	0.0	-0.3	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	**-0.8**	**-0.4**	**-0.2**	**0.1**	**1.3**	**-0.4**	**-0.4**
Change in liquid funds [1]+[2]+[3]	**1.4**	**0.5**	**-1.7**	**0.1**	**-0.5**	**-0.3**	**1.1**
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	**2.3**	**2.8**	**1.4**	**1.3**	**0.8**	**0.5**	**1.5**

Financial Ratios

	2020	2021	2022	2023	2024e	2025e	2026e
Cash Flow							
FCF	2.2	0.8	-1.5	0.1	-1.8	0.1	1.5
Free Cash Flow / Sales	5.2 %	1.6 %	-3.2 %	0.2 %	-4.2 %	0.2 %	3.8 %
Free Cash Flow Potential	0.8	6.1	-2.8	-2.6	-2.8	-2.0	2.0
Free Cash Flow / Net Profit	1428.4 %	15.3 %	45.0 %	-7.1 %	54.7 %	-2.2 %	101.1 %
Interest Received / Avg. Cash	0.3 %	0.2 %	0.2 %	0.3 %	0.4 %	0.6 %	0.4 %
Interest Paid / Avg. Debt	60.0 %	n.a.	n.a.	18.6 %	2.9 %	2.2 %	2.2 %
Management of Funds							
Investment ratio	0.5 %	0.7 %	0.1 %	0.0 %	0.9 %	1.4 %	1.3 %
Maint. Capex / Sales	0.9 %	0.8 %	0.8 %	0.8 %	0.7 %	0.9 %	0.8 %
Capex / Dep	23.9 %	37.4 %	6.3 %	1.8 %	50.0 %	62.5 %	62.5 %
Avg. Working Capital / Sales	18.6 %	15.8 %	21.0 %	19.1 %	16.3 %	15.2 %	11.5 %
Trade Debtors / Trade Creditors	18.2 %	38.1 %	34.6 %	29.4 %	26.7 %	22.2 %	22.2 %
Inventory Turnover	1.7 x	1.7 x	1.6 x	1.7 x	2.0 x	1.9 x	1.8 x
Receivables collection period (days)	11	16	14	19	15	15	15
Payables payment period (days)	122	100	87	128	106	134	137
Cash conversion cycle (Days)	108	137	157	103	93	74	75

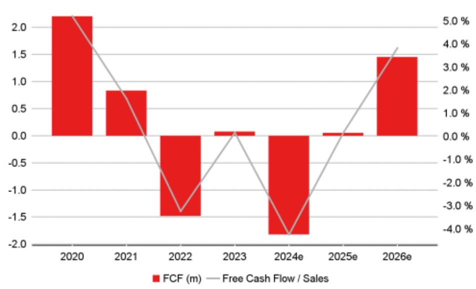
CAPEX and Cash Flow

in EUR m



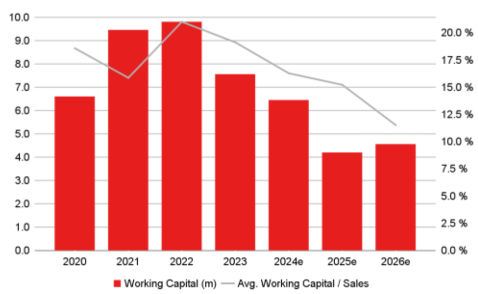
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
elumeo	5	https://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	144	72
Hold	44	22
Sell	6	3
Rating suspended	5	3
Total	**199**	**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	36	72
Hold	10	20
Sell	1	2
Rating suspended	3	6
Total	**50**	**100**

PRICE AND RATING HISTORY ELUMEO AS OF 06.05.2025

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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Our research can be found under:

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