

elumeo

**The leading electronic retailer for
gemstone jewelry in Europe**

Investor Presentation for Q1 2018



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Highlights in Q1 2018

	Q1 2018	Q1 2017	YoY%
Revenues (€m)	16,609	14,710	12.9%
EBITDA (€m)	-1,497	-1,947	23.1%
Segment EBITDA (€m)	-916	-1,239	26.1%
Total Equity (€m)	30,161	31,952	-5.6%
Equity ratio (%)	52.2%	58.4%	-6.2%
Products sold	231,453	210,219	10.1%
Active customers	44,418	38,431	15.6%

1

Sales in Germany grew by 9.2%

2

Sales growth overall 12.9%

3

Continued investment in eCommerce drives growth (+27.5%)

4

Reduction of operating costs

5

Continued growth of B2B business

The figures in this presentation and the comparative figures for the previous year relate to continuing operations unless otherwise indicated.



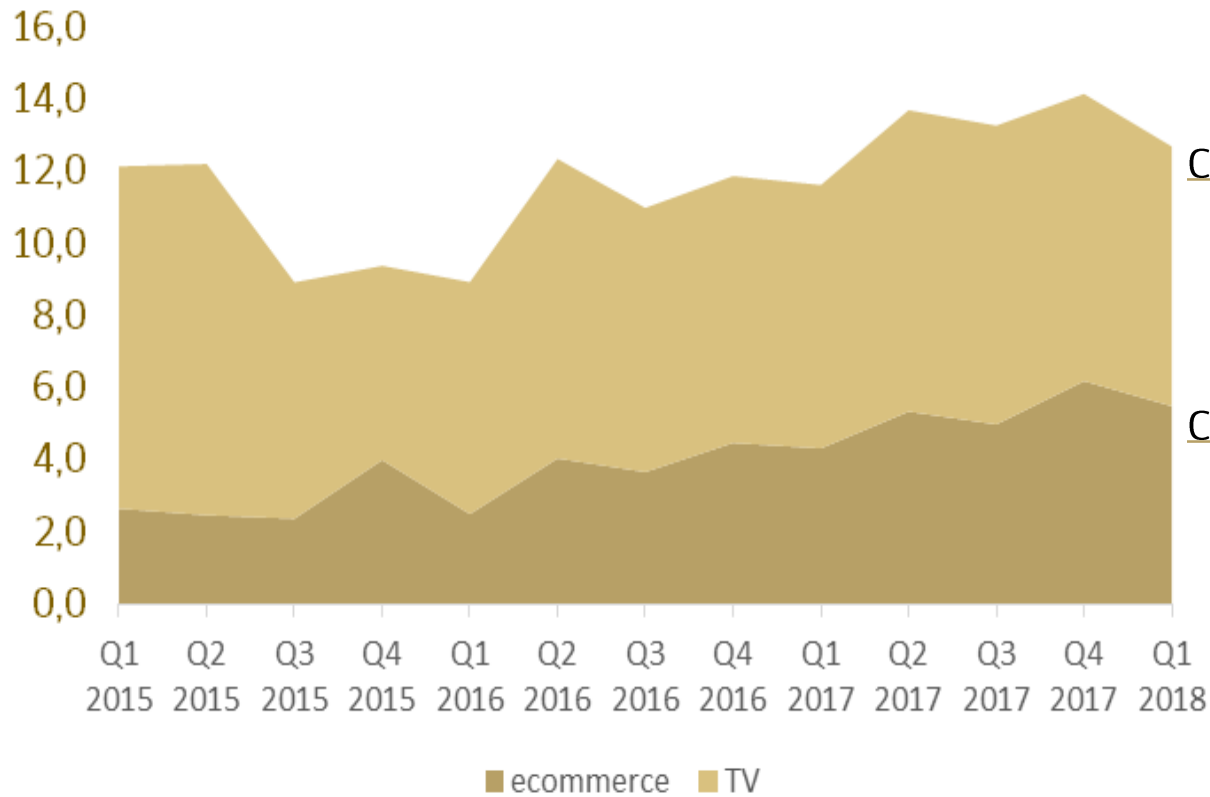
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eCommerce is becoming the key sales driver in Germany

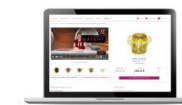
Quarterly revenues in M€ by sales channel in Germany



Classic Television



Classic Webshop, Bidding agent & Apps

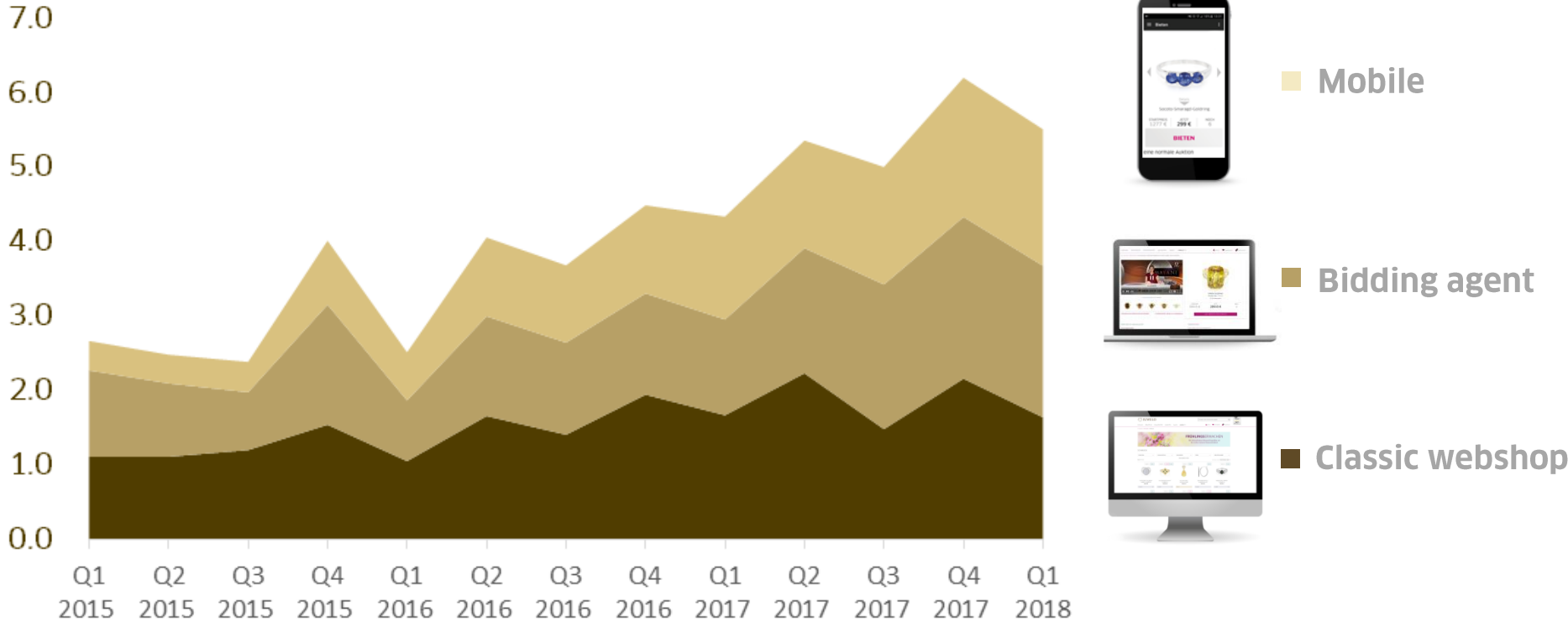


Source: Quarterly release Q1 2018, unaudited, derived from internal ERP-System



Mobile has become a key driver in our eCommerce business

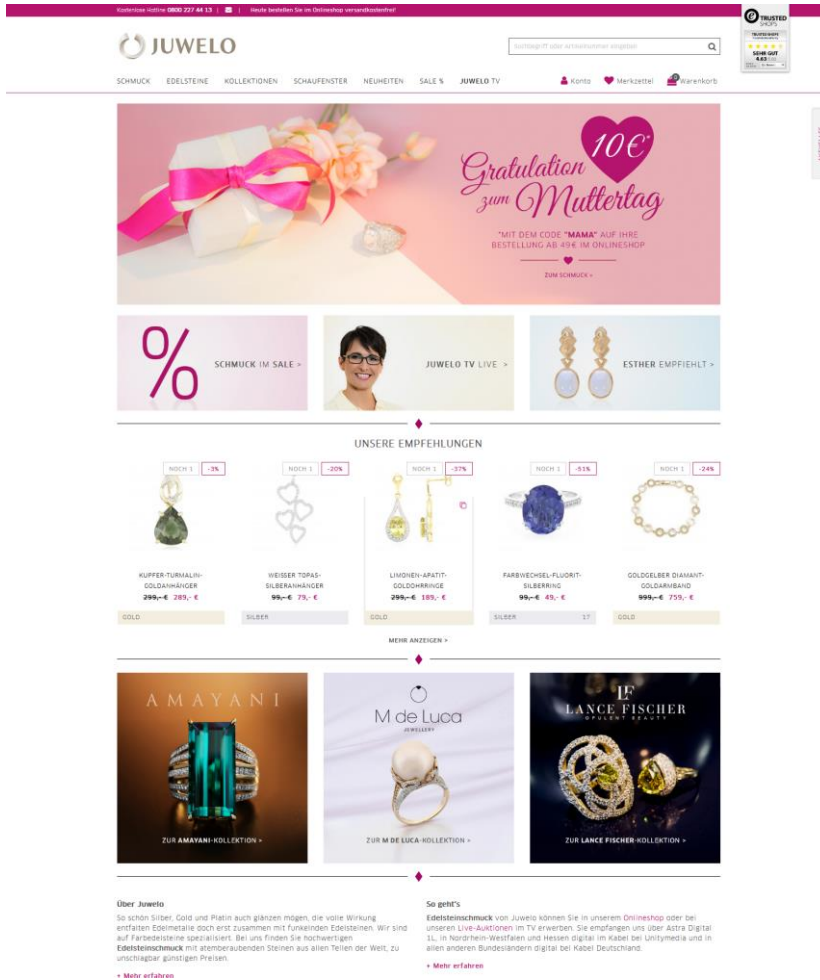
Quarterly revenues in M€ by sales channel of German eCommerce business



Source: Quarterly release Q1 2018, unaudited, derived from internal ERP-System



Our Websites have been fully relaunched with many new features...



More feminine look



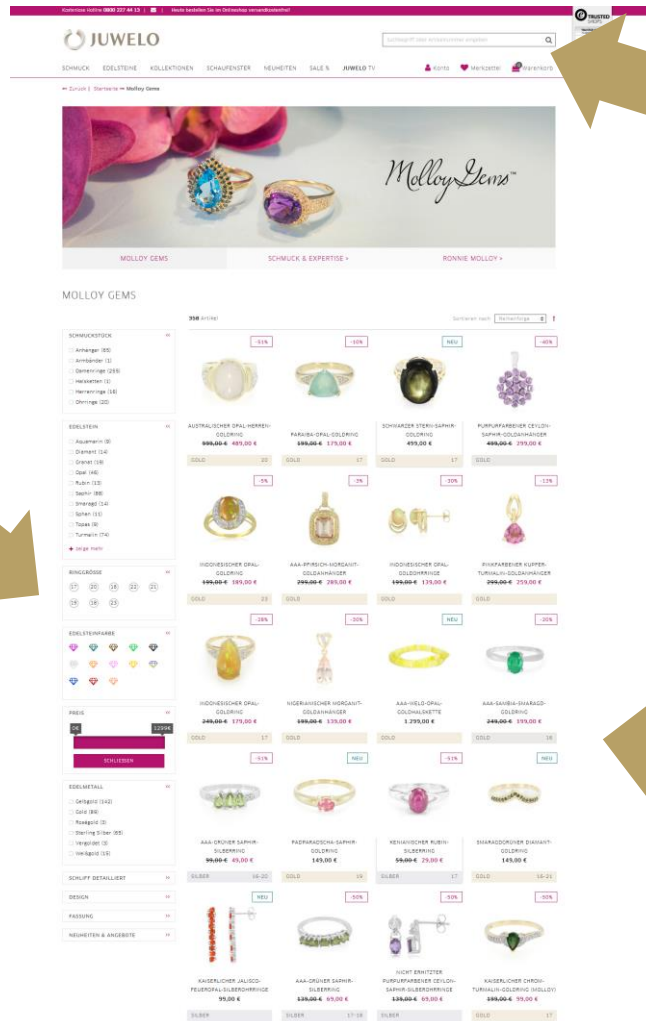
Lighter design



Better presentation of our collections



... adding many helpful details...



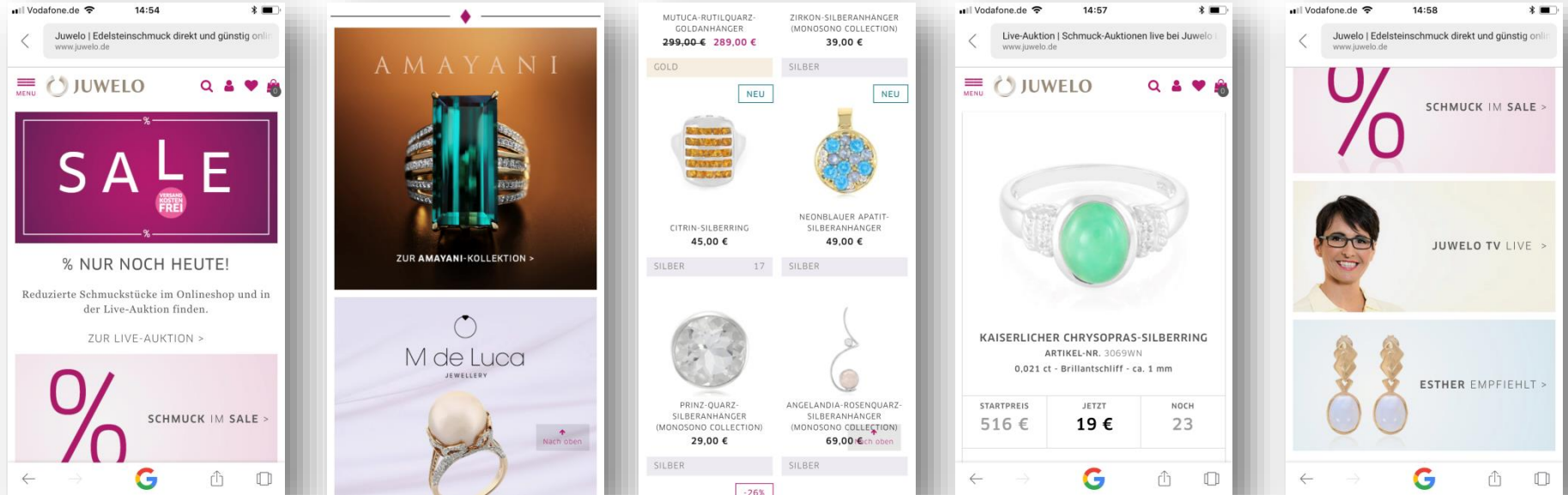
Better filter functions

1.) New product search implemented
2.) Personalized recommendation engine
3.) Product preview

Much enhanced foto process



... and complemented by a much enhanced mobile app



1 Overall better look and usability

2 Increased speed – especially with 3G by removal of dynamic, data heavy components

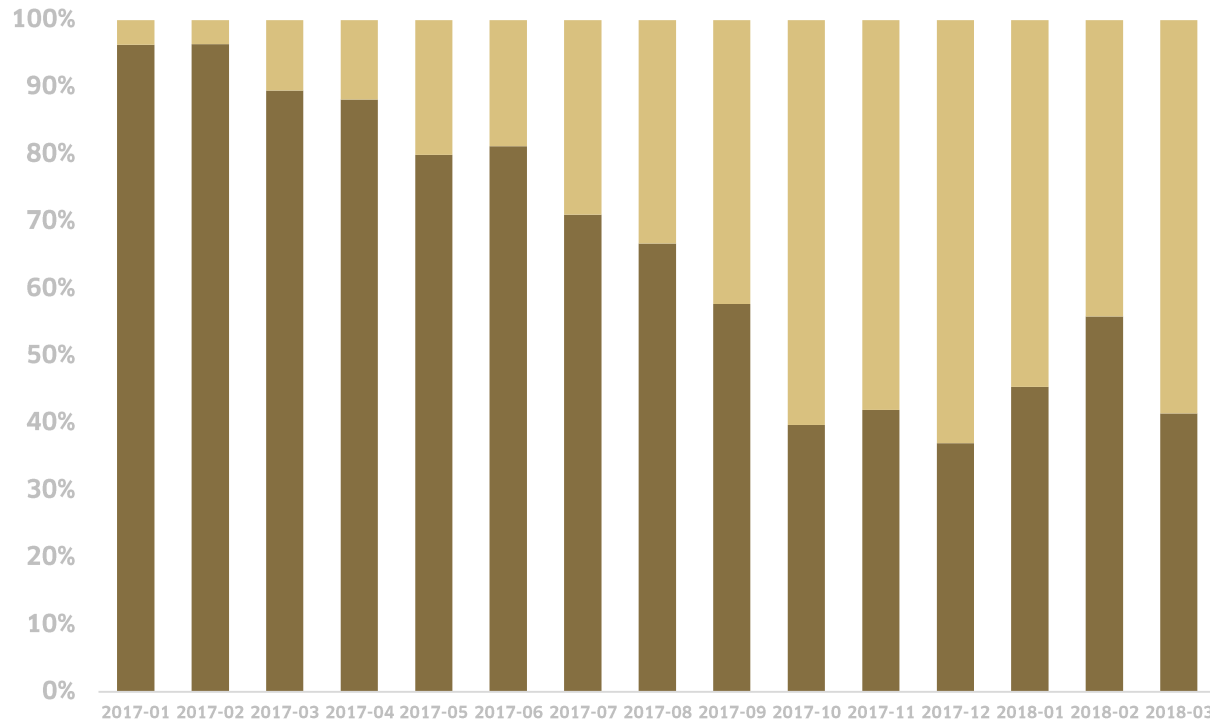


Branded collections have continued to increase margins in 2018...



...by delivering higher productivity for airtime

Share of total broadcasting hours per month⁽¹⁾



Group margin per broadcasting minute⁽²⁾



Collection based brands



Traditional jewellery

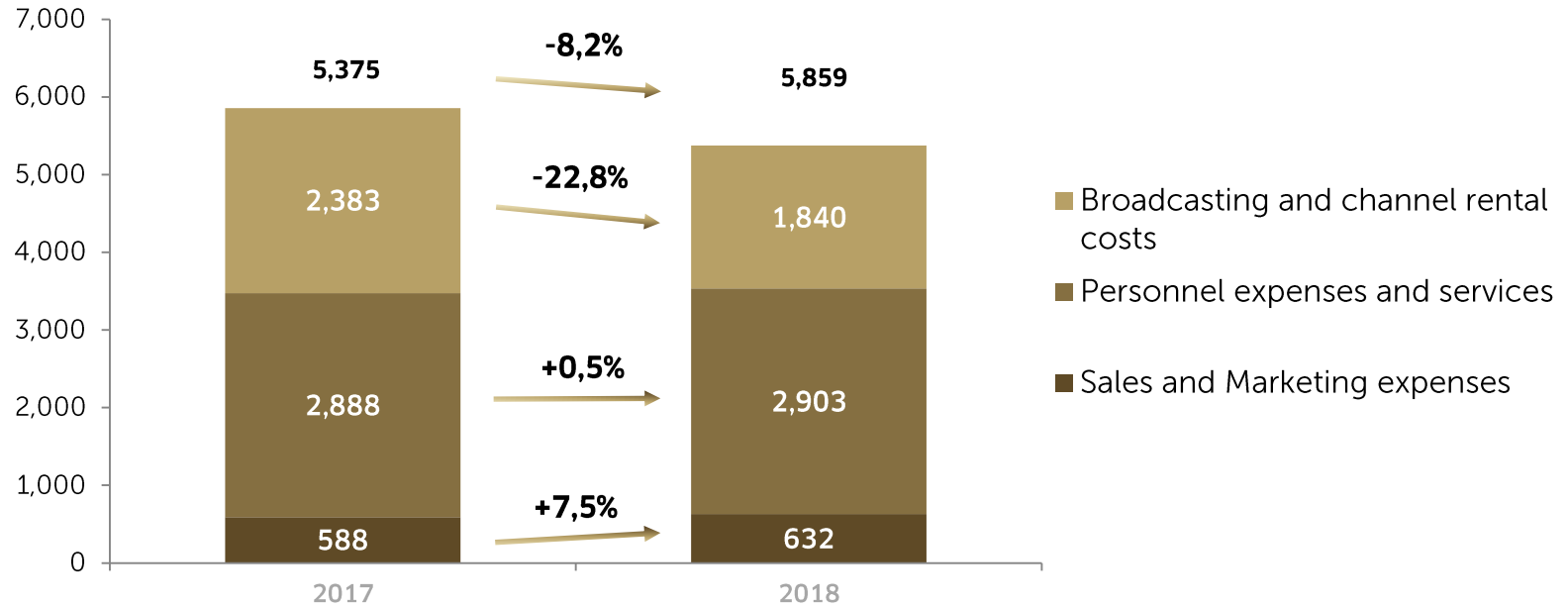
(1) Share of products of 18 live broadcasting hours per day

(2) Total group margin generated from TV-Business only divided by respective daily broadcasting time (1080 minutes per day)



Cost of operations have been reduced significantly

Development of operating expenses (EUR Mn.)



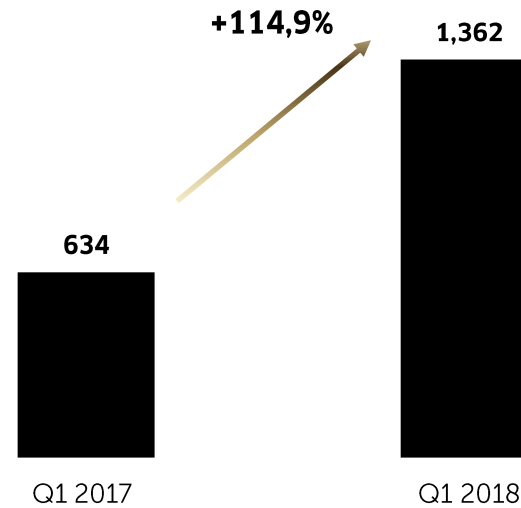
Source: Quarterly release Q1 2018, unaudited



The newly introduced B2B business shows strong growth again

Dedicated jewelry collections

Revenue Development (€ '000)



Source: Quarterly release Q1 2018, unaudited



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Summary of Q1 2018 results

Group's total revenues (w/o UK) for Q1 2018 increased by 13% to EUR 16.6 million after EUR 14.7 million in Q1 2017

- Germany again with strong growth of 9% in Q1 2018. New programme schedules have driven revenues and have been very well received by German customers.
- Italy showing a growth with 4.9% Q1 2018 against respective prior year period. New programme schedules and guest shows are driving revenues and start being accepted by Italian customers.
- Business in the United Kingdom closed in Dec 2017 to stop further losses.
- B2B business showed strong increase in revenues in Q1 2018 versus Q1 2017 with >100%

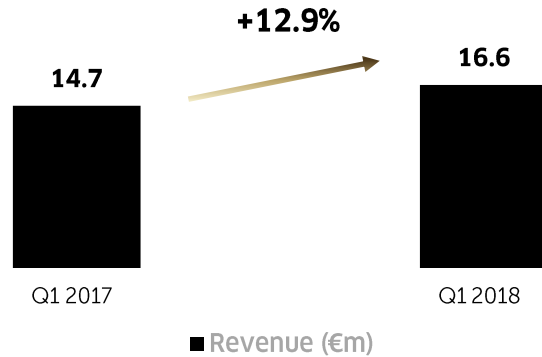
Gross profit margin Q1 2018 with 39.1% lower due to higher share of B2B business and lower margin in web shops (relaunch) – Grossmargin for TV-channels in Q1 2018 42.7% (Q1 2017 44.0%).

Total Segment-EBITDA improved by 26.1% in Q1 2018 compared to Q1 2017

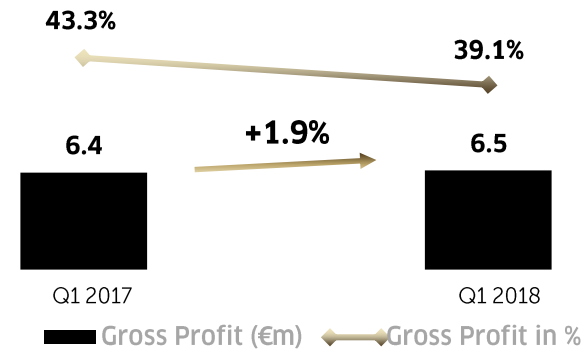


Q1 2018 vs. Q1 2017 performance – Overview

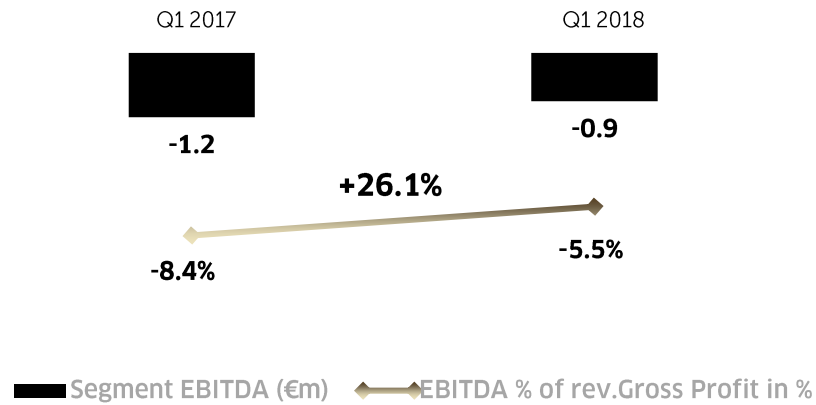
Revenues



Gross profit



Total segment EBITDA and margin



Comments

- eCommerce and B2B driving sales growth
- Grossmargin reduced mainly by B2B and webshop activities
- Total segment EBITDA significantly improved

Source: Quarterly release Q1 2018, unaudited



Selected key data Q1 2018

	01.01. - 31.03.2018		01.01. - 31.03.2017		Abw. in %
Revenue	16,609	100.0%	14,710	100.0%	12.9%
<u>Product revenue by regions</u> [absolutely and in % of product revenue]					
Germany	12,732	76.7%	11,662	79.4%	9.2%
Italy	2,483	14.9%	2,366	16.1%	4.9%
Other countries	1,386	8.3%	665	4.5%	108.4%
<u>Product revenue by distribution channels</u> [absolutely and in % of product revenue]					
TV revenue	9,068	54.6%	9,221	62.7%	-1.7%
eCommerce revenue	6,171	37.2%	4,839	32.9%	27.5%
B2B revenue	1,362	8.2%	634	4.3%	114.9%
[The following disclosures represent: absolute values and in % of revenue]					
Gross profit	6,487	39.1%	6,364	43.3%	1.9%
EBITDA	-1,497	-9.0%	-1,947	-13.2%	23.1%
Total segment EBITDA	-916	-5.5%	-1,239	-8.4%	26.1%



Selected key data Q1 2018

	01.01. - 31.03.2018		01.01. - 31.03.2017		Abw. in %
Total assets ¹	57,743	100.0%	54,709	100.0%	5.5%
Total equity ¹ [absolutely and in % of balance sheet total]	30,161	52.2%	31,952	58.4%	-5.6%
Working capital ¹ [absolutely and in % of balance sheet total]	28,830	49.9%	28,518	52.1%	1.1%
¹ Prior year disclosure: 31 Dec 2017					
Net cash flow from operating activities	-2,095	-12.6%	2,831	19.2%	-174.0%
Net cash flow from investing activities	-70	-0.4%	-57	-0.4%	-22.0%
Net cash flow from financing activities	1,584	9.5%	778	5.3%	103.4%
Items sold [pieces]	231,453		210,219		10.1%
Average sales price (ASP) [EUR]	72		70		2.6%
Gross profit per item sold [EUR]	28		30		-7.4%
<u>New customer breakdown (Germany only)</u> [in % of new customers]					
TV only	25%		30%		
Web only	59%		59%		
Others	16%		11%		



Group segment reporting – continuing operations

EUR thousand % of (segment) revenue	1 Jan - 31 Mar 2018					
	Revenue		Gross profit		Segment-EBITDA	
Sales division Germany & Italy	15,222	91.6%	5,558	36.5%	-799	-5.2%
Sales division Others	1,387	8.4%	257	18.5%	57	4.1%
Group functions & eliminations	0	0.0%	672	n.a.	-175	n.a.
Total	16,609	100.0%	6,487	39.1%	-916	-5.5%

EUR thousand % of (segment) revenue	1 Jan - 31 Mar 2017					
	Revenue		Gross profit		Segment-EBITDA	
Sales division Germany & Italy	14,044	95.5%	5,530	39.4%	-1,118	-8.0%
Sales division Others	665	4.5%	190	28.5%	8	1.2%
Group functions & eliminations	0	0.0%	644	n.a.	-129	n.a.
Total	14,710	100.0%	6,364	43.3%	-1,239	-8.4%

EUR thousand % of (segment) revenue	1 Jan - 31 Mar 2017					
	Revenue		Gross profit		Segment-EBITDA	
Segment Q1 2017 incl. UK business						
Sales division Others	3,188	19.1%	426	14.1%	-816	-27.1%
Total	17,232	103.5%	6,625	44.4%	-1,975	-13.2%



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2018 Outlook

After closing the business in the UK, elumeo group expects a further positive development throughout 2018

- The newly introduced sales formats continue to produce further growth in existing markets
- We expect quarterly results to improve on a steady basis
- Low single-digit million euro total-segment EBITDA expected for 2018

In 2018 elumeo group expects eCommerce and mobile Commerce to continue to expand their contribution to the group's overall development

- In march 2018 all elumeo webshops have been relaunched with a fresh, modern design
- elumeo's mobile apps for iOS and Android will be released with new features in Q2 2018

elumeo expects the B2B business to continue growing in 2018

Further improving elumeo group's profitability while maintaining liquidity remains the top priority.



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Statement of income of continuing operations

EUR thousand % of revenue	1 Jan - 31 Mar 2018		1 Jan - 31 Mar 2017 restated*		QoQ in %
Revenue	16,609	100.0%	14,710	100.0%	12.9%
Cost of goods sold	10,122	60.9%	8,346	56.7%	21.3%
Gross profit	6,487	39.1%	6,364	43.3%	1.9%
Selling expenses	5,633	33.9%	6,089	41.4%	-7.5%
Administrative expenses	2,194	13.2%	2,946	20.0%	-25.5%
Other operating income	17	0.1%	305	2.1%	-94.5%
Other operating expenses	522	3.1%	0	0.0%	n.a
Earnings before interest and taxes (EBIT)	-1,845	-11.1%	-2,366	-16.1%	22.0%
Interest and similar expenses	-130	-0.8%	-166	-1.1%	21.7%
Financial result	-130	-0.8%	-166	-1.1%	-21.7%
Earnings before income taxes (EBT)	-1,975	-11.9%	-2,532	-17.2%	22.0%
Income tax	170	1.0%	-51	-0.3%	433.6%
Earnings for the period from continuing operations	-1,805	-10.9%	-2,583	-17.6%	30.1%

*Reclassification 38k depreciation from selling to administrative expenses



Statement of income of discontinued operations

EUR thousand % of revenue	1 Jan - 31 Mar 2018		1 Jan - 31 Mar 2017		QoQ in %
Revenue	48	100.0%	2,522	100.0%	-98.1%
Cost of goods sold	44	91.5%	2,261	89.6%	-98.0%
Gross profit	4	8.5%	261	10.4%	-98.4%
Selling expenses	380	785.0%	528	20.9%	-28.0%
Administrative expenses	182	375.4%	479	19.0%	-62.0%
Other operating expenses	9	17.9%	0	0.0%	n.a.
Earnings before interest and taxes (EBIT) from discontinued operations	-567	n.a.	-746	-29.6%	24.0%
Earnings before income taxes (EBT) from discontinued operations	-567	n.a.	-746	-29.6%	24.0%
Income tax	-16	-33.2%	127	5.0%	-112.7%
Earnings for the period from discontinued operations	-583	n.a.	-619	-24.5%	5.9%



Split of selling expenses – continuing operations

EUR thousand % of revenue	1 Jan - 31 Mar 2018		1 Jan - 31 Mar 2017		QoQ in %
Broadcasting and channel rental costs	1,840	11.1%	2,383	16.2%	-22.8%
Personnel expenses	1,589	9.6%	1,581	10.7%	0.5%
Expenses for external personnel services	339	2.0%	334	2.3%	1.4%
Sales and marketing expenses	632	3.8%	588	4.0%	7.6%
Depreciation and amortisation	69	0.4%	103	0.7%	-32.4%
Other selling expenses	1,164	7.0%	1,100	7.5%	5.8%
Selling expenses	5,633	33.9%	6,089	41.4%	-7.5%

- Decrease of broadcasting costs – including a one-time refund
- Sales & marketing costs are reflecting increased web shop business
- Other selling expenses include
 - Payment costs
 - Telephone platform expenses
 - Presenter and producer fees



Split of administrative expenses – continuing operations

EUR thousand % of revenue	1 Jan - 31 Mar 2018		1 Jan - 31 Mar 2017		QoQ in %
Personnel expenses	976	5.9%	974	6.6%	0.3%
Depreciation, amortisation and impairment loss	167	1.0%	198	1.3%	-15.9%
Equity-settled share-based payments	60	0.4%	103	0.7%	-41.4%
Net losses from foreign currency translation	0	0.0%	605	4.1%	-100.0%
Other administrative expenses	990	6.0%	1,066	7.2%	-7.1%
Administrative expenses	2,194	13.2%	2,946	20.0%	-25.5%

- Personnel expenses remained stable
- Losses from foreign currency translation – from 2018 on shown under other expenses
- Other administrative expenses include
 - Rent and ancillary costs
 - Executive Board remuneration
 - Travelling expenses
 - Fees for consulting and audit



Total segment EBITDA of continuing operations

EUR thousand % of revenue	1 Jan - 31 Mar 2018		1 Jan - 31 Mar 2017		QoQ in %
Total segment EBITDA	-916	-5.5%	-1,239	-8.4%	26.1%
Effects from foreign currency translation	-522	-3.1%	-605	-4.1%	13.8%
Equity-settled share-based remuneration	-60	-0.4%	-103	-0.7%	41.4%
Segment reconciliation items	-582	-3.5%	-708	-4.8%	17.8%
EBITDA	-1,497	-9.0%	-1,947	-13.2%	23.1%



Consolidated statement of financial position

ASSETS

EUR thousand % of balance sheet total	31 Mar 2018		31 Dec 2017		Change in %
Non-current assets					
Intangible assets	745	1.3%	755	1.4%	-1.4%
Property, plant and equipment	9,218	16.0%	9,374	17.1%	-1.7%
Other financial assets	420	0.7%	394	0.7%	6.7%
Other non-financial assets	1,878	3.3%	1,871	3.4%	0.4%
Deferred tax assets	2,080	3.6%	1,866	3.4%	11.5%
Total non-current assets	14,341	24.8%	14,258	26.1%	0.6%
Current assets					
Inventories	35,954	62.3%	33,548	61.3%	7.2%
Trade receivables	3,682	6.4%	2,963	5.4%	24.2%
Receivables due from related parties	226	0.4%	224	0.4%	0.8%
Other financial assets	36	0.1%	43	0.1%	-15.6%
Other non-financial assets	1,736	3.0%	1,675	3.1%	3.6%
Cash and cash equivalents	1,302	2.3%	1,512	2.8%	-13.9%
Total current assets	42,936	74.4%	39,965	73.1%	7.4%
Assets held for sale	466	0.8%	485	0.9%	-4.0%
Total assets	57,743	100.0%	54,709	100.0%	5.5%



Consolidated statement of financial position

EQUITY & LIABILITIES					
EUR thousand % of balance sheet total	31 Mar 2018		31 Dec 2017		Change in %
Equity					
Issued capital	5,500	9.5%	5,500	10.1%	0.0%
Capital reserve	34,239	59.3%	34,179	62.5%	0.2%
Retained earnings/losses	-13,839	-24.0%	-11,452	-20.9%	-20.8%
Foreign currency translation reserve	4,261	7.4%	3,725	6.8%	14.4%
Total equity	30,161	52.2%	31,952	58.4%	-5.6%
<i>Attributable to shareholders of elumeo SE</i>	<i>30,161</i>	<i>52.2%</i>	<i>31,952</i>	<i>58.4%</i>	<i>-5.6%</i>
Non-current liabilities					
Financial debt	3,304	5.7%	3,382	6.2%	-2.3%
Other non-current financial liabilities	196	0.3%	273	0.5%	-28.0%
Provisions	729	1.3%	676	1.2%	7.8%
Other non-financial liabilities	25	0.0%	25	0.0%	0.0%
Summe non-current liabilities	4,254	7.4%	4,355	8.0%	-2.3%
Current liabilities					
Financial debt	9,652	16.7%	7,577	13.9%	27.4%
Other financial liabilities	306	0.5%	304	0.6%	0.8%
Provisions	180	0.3%	547	1.0%	-67.1%
Liabilities due to related parties	19	0.0%	7	0.0%	169.2%
Trade payables	11,056	19.1%	7,340	13.4%	50.6%
Advance payments received	105	0.2%	158	0.3%	-33.6%
Tax liabilities	100	0.2%	100	0.2%	0.0%
Other non-financial liabilities	1,389	2.4%	1,236	2.3%	12.4%
Total current liabilities	22,807	39.5%	17,270	31.6%	32.1%
Liabilities held for sale	521	0.9%	1,132	2.1%	-54.0%
Total equity & liabilities	57,743	100.0%	54,709	100.0%	5.5%



Consolidated statement of cash flows

EUR thousand	1 Jan - 31 Mar 2018	1 Jan - 31 Mar 2017	YoY in %
Earnings before taxes (EBT) of continuing operations	-1,975	-2,532	22.0%
Earnings before taxes (EBT) of discontinued operations	-567	0	n.a
Earnings before taxes (EBT)	-2,542	-2,532	-0.4%
+/- Depreciation and amortisation on non-current assets	+348	+419	-17.1%
+/- Increase/decrease in provisions	-315	-182	-72.6%
+/- Equity-settled share-based remuneration	+60	+103	-41.4%
+/- Other non-cash expenses/income	+579	+803	-27.9%
+/- Loss/gain on disposal of non-current assets	0	0	n.a
- Non-cash current interest income	-0	0	n.a
- Interest expenses paid related to prior accounting periods	-17	-65	74.2%
+ Non-cash current interest expenses	+26	+74	-65.0%
+ Proceeds from income tax	0	0	n.a
- Income tax paid	0	-7	100.0%
-/+ Increase/decrease in inventories	-3,766	+964	-490.8%
-/+ Increase/decrease in other assets	-851	+116	-833.7%
+/- Increase/decrease in other liabilities	+3,817	+3,138	21.6%
= Net cash flow from operating activities of continuing operations	-2,095	+2,831	-174.0%
= Net cash flow from operating activities from discontinued operations	+246	-3,638	106.8%



Consolidated statement of cash flows

EUR thousand	01.01. - 31.03.2018	01.01. - 31.03.2017	YoY in %
- Payments for investments in intangible assets	-20	-7	-179.1%
- Payments for investments in property, plant and equipment and property, plant and equipment	-50	-50	0.6%
= Net cash flow from investing activities of continuing operations	0	0	n.a
= Net cash flow from investing activities from discontinued operations	-70	-57	-22.0%
	0	0	n.a
+ Proceeds from increase in financial debt	+3,867	+1,538	151.5%
- Payments for the redemption of financial debt	-2,209	-689	-220.8%
+/- Proceeds from increase in/payments for redemption of financial liabilities	-75	-71	-5.7%
= Net cash flow from financing activities of continuing operations	+1,584	+778	103.4%
= Net cash flow from financing activities from discontinued operations	-9	-9	2.3%
+/- Net increase/decrease in cash and cash equivalents	-344	-95	-263.2%
+/- Effects of foreign currency translation on cash and cash equivalents			
+/- cash and cash equivalents	-5	-2	-236.8%
+/- Changes in cash and cash equivalents reclassified as part of a disposal group	-91	0	n.a
+ Cash and cash equivalents on beginning of period	+1,511	+1,836	-17.7%
= Cash and cash equivalents on end of period	+1,070	+1,740	-38.5%



Points of contact

Executive Board

Wolfgang Boyé, Don Kogen, Bernd Fischer, Boris Kirn,
Thomas Jarmuske, Deborah Cavill, Anette Bronder, Roland Sand

Investor Relations contact

Claudia Erning
Erkelenzdamm 59/61
10999 Berlin
E-Mail: ir@elumeo.com
Phone: +49 30 69 59 79-231
Fax: +49 30 69 59 79-650

