

elumeo

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

2021 Financials Earnings Call 26.04.2022



Summary of key developments

- New customer acquisition in both channels, television and online, led to increased revenues by 20% to EUR 50.7 million in 2021. The webshops outperformed the overall market development of ecommerce in Germany by more than 50%.
- Gross profit in 2021 grew faster than revenue resulting in an increase of adjusted EBITDA to EUR 4.9 million.
- After launching Jooli in Q2 in Germany, the app has now also been launched in India and Italy. Since its launch the app has been growing consistently by well over 100% month-on-month to 250.000 Users, 1.6 million played videos and over 100 channels in March 2022.
- Driven by high volatility for 2022 depending on the further development of the COVID-19 pandemic, uncertain effects of the war in Ukraine and optimization of the Italian TV business single-digit decrease in sales and adjusted EBITDA in low single-digit million is expected.



Table of contents

| | |
|---|--------------------------|
| 1 | elumeo at a glance |
| 2 | Key developments in 2021 |
| 3 | Presentation of jooli |
| 4 | Financials 2021 |
| 5 | Outlook |



elumeo's business model is founded on three pillars



Videoshopping

- Increased Conversion rates
- Higher Customer Lifetime Value
- Video transports both facts & emotion



Digital Transformation

- Transformation from traditional linear TV to highly personalized individual online product shows



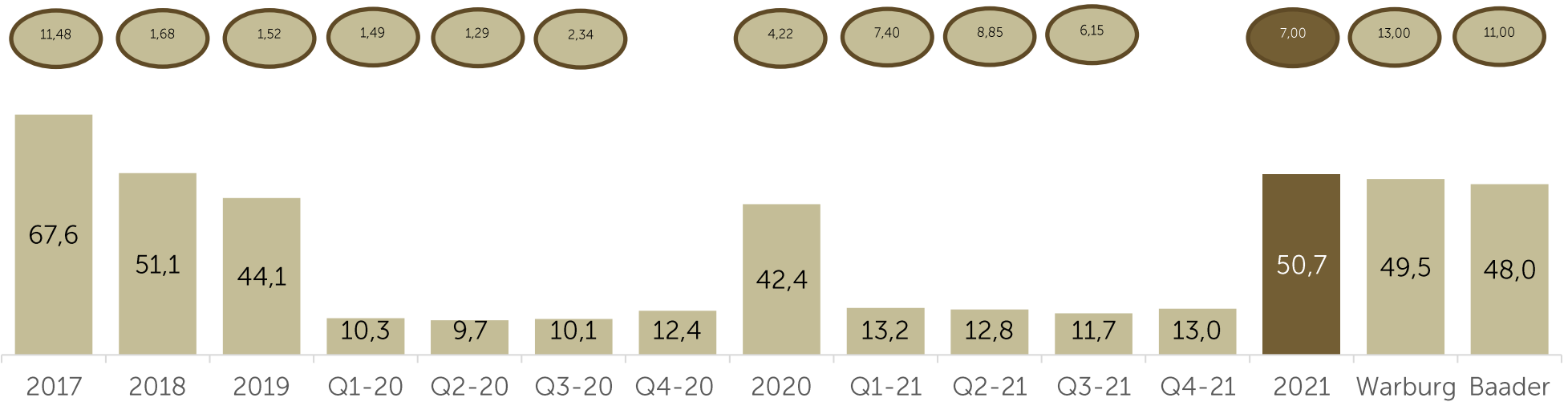
Integrated value chain

- Huge variety of gemstones thanks to more than 30 local manufacturies
- Low level of production cost, strong price advantage
- Fast reaction times



After restructuring elumeo on clear growth path

Stock price and Revenues (m€)



Adjusted EBITDA (m€)

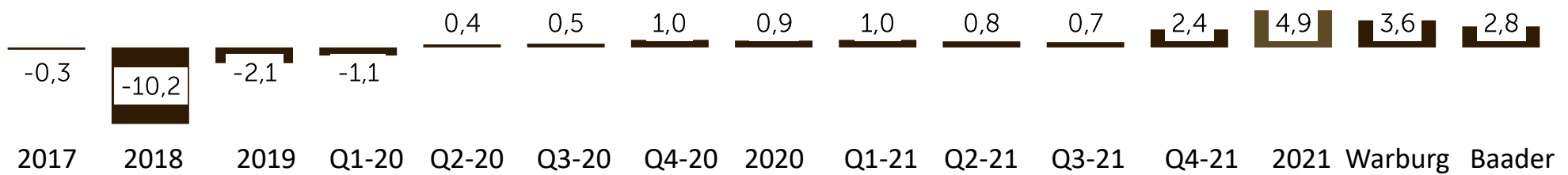


Table of contents

| | |
|---|---------------------------------|
| 1 | elumeo at a glance |
| 2 | Key developments in 2021 |
| 3 | Presentation of jooli |
| 4 | Financials 2021 |
| 5 | Outlook |



Successful LIVE TV Show events throughout 2021



%

Winter sale

Successful Winter Sale led to **best January and best Q1** in margin in history of our German TV business



Juwelo Birthday

Best June ever in margin thanks to Juwelo birthday event with high density of guests and high airtime share of premieres



BLACK
FRIDAY

Black Friday Weekend

Record Black Friday Weekend in November and several other Christmas specials led to one of the strongest Q4 performances



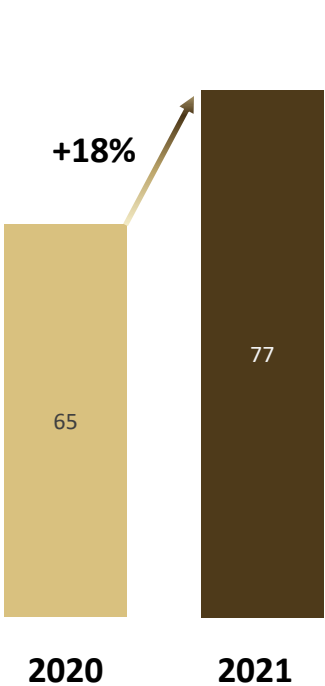
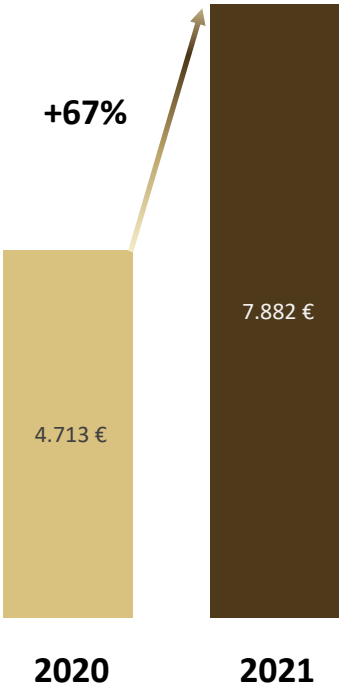
Merchandise & sales optimizations for our top brands contributed to remarkable increase of profit-per-show-minute

LIVE

Merchandise & sales focus on top 5 brands

Increased margin of top 5 brands

Increased profit per minute



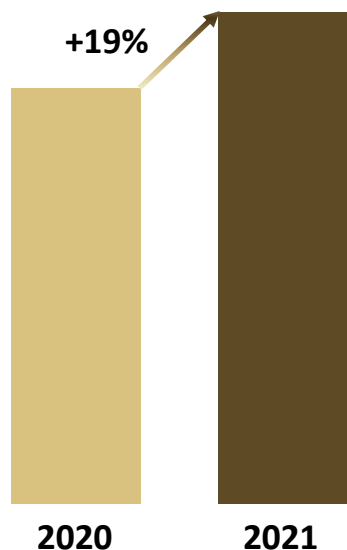
Source: Internal ERP system



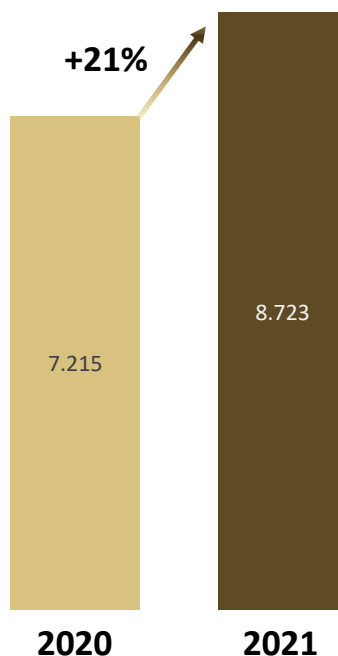
Expansion of airtime share for products below 100 EUR contributed to increase of new LIVE TV customers

LIVE

Airtime minutes for U100 EUR product¹⁾



New customers LIVE TV



Optimized LIVE program for new customer acquisition

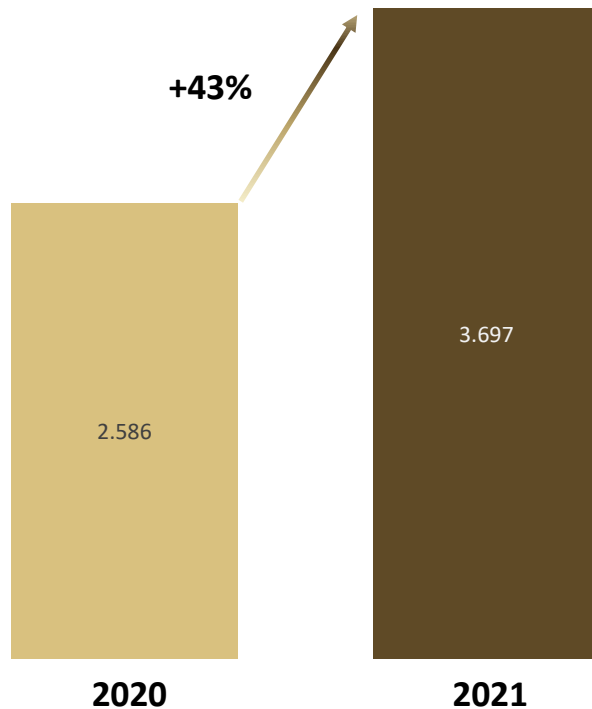
- More than 70% of new customers spent less than 100 EUR on their first purchased article at elumeo.
- We expanded the airtime share of products with selling price below 100 EUR, focusing especially on 2 TV formats:
 - “Below 50 EUR day”
 - “Daily TOP offer”

Source: Internal ERP system ¹⁾ Products with selling price below 100 Euro



Online bidding agent was sales channel with strongest growth

LIVE revenue of bidding agent (online livestream, in k EUR)



Digitalization of TV customers in bidding agent

- The online bidding agent is a tool of the webshop that allows customers to participate in the LIVE auction
- With a simple click, customers can directly buy the presented products without needing to call a telephone number and/or speak to a customer service agent
- Bidding agent users are coming from both Web and TV
- Huge potential to convert Web-only customers into Web-bidding customers

Source: Internal ERP system



WEB continues its strong growth and outperforms the overall eCommerce market development by >50%

WEB

Revenue of
total German eCommerce
in m EUR



Elumeo
Webshop Revenue
in k EUR



Main growth driver

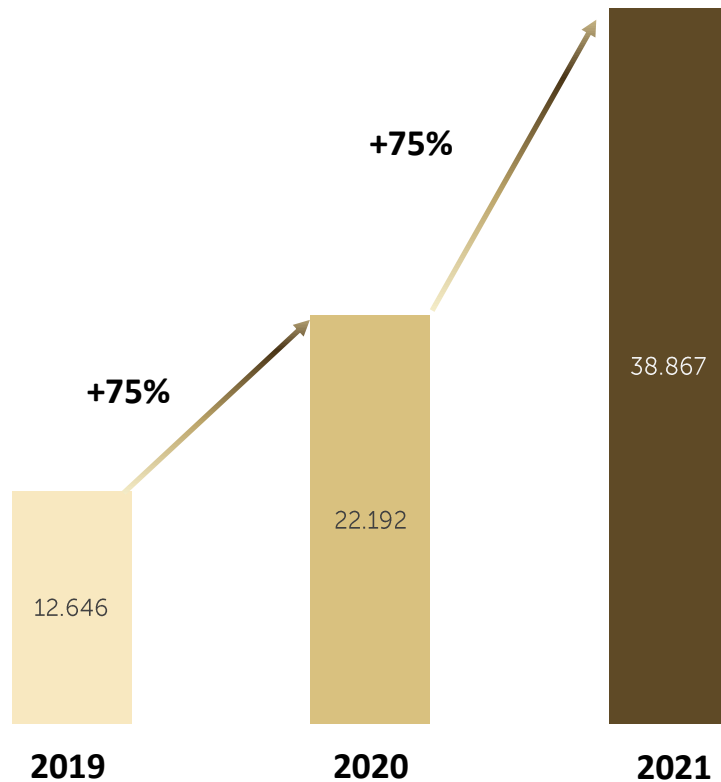
- Strong increase of new customers
- Optimizations in all main online marketing channels, improving also retargeting campaigns
- Launched new analysis tool that allows to understand customer's behavior and helps to improve customer journey
- Strongest Black Friday event in history of company

Source: Internal ERP system, based on static webshop performance (=without TV livestream), Bundesverband E-Commerce und Versandhandel e.V.



New WEB customers have more than tripled since 2019

New web customer growth



Online marketing optimizations

- Successfully scaled online customer acquisition thanks to increased online traffic and optimized new customer campaigns
- Expanded use of video content in display marketing campaigns
- Improved re-targeting of potential customers, who have already visited the shop
- Optimized registration process for new customers, improving the CVR of new users

Source: Internal ERP system, customers with at least one demand purchase



Great shopping experience is resulting in excellent customer feedback

Authentic customer reviews from real buyers



4,8 stars out of 5



Buying experience



Product
(quality & price)



Customer
service



Fast shipping &
unboxing

Source: Score for Juwelo.de from third party platform "Trusted Shops", based on 2.784 real customer reviews from customers with at least one purchase

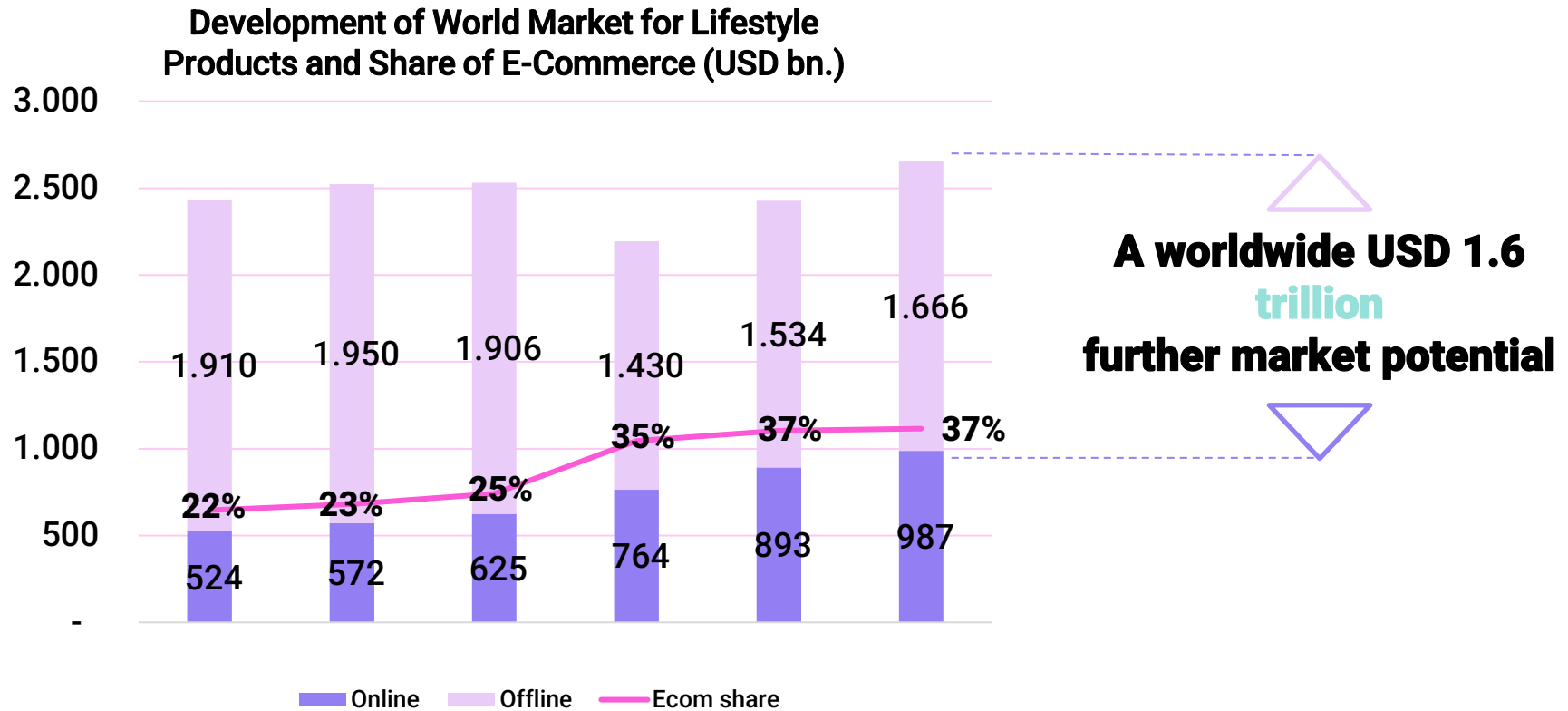


Table of contents

| | |
|---|------------------------------|
| 1 | elumeo at a glance |
| 2 | Key developments in 2021 |
| 3 | Presentation of jooli |
| 4 | Financials 2021 |
| 5 | Outlook |



E-Commerce seems to have maxed out its current potential leaving a USD 1.6 trillion growth opportunity



Source: Statista; Worldwide market for Fashion, shoes and accessories 2017-2021, 2022 projected



Much of today's E-commerce still has the UX of a 1980s catalogue

Browse through predefined product presentation

Search for products

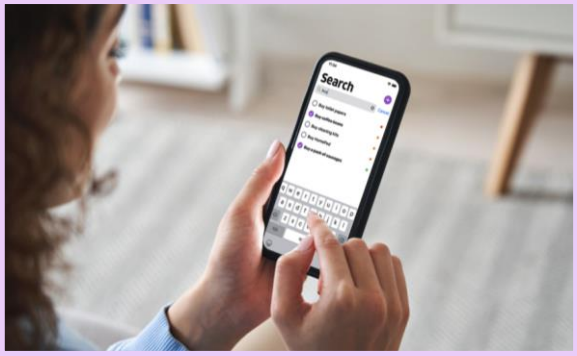
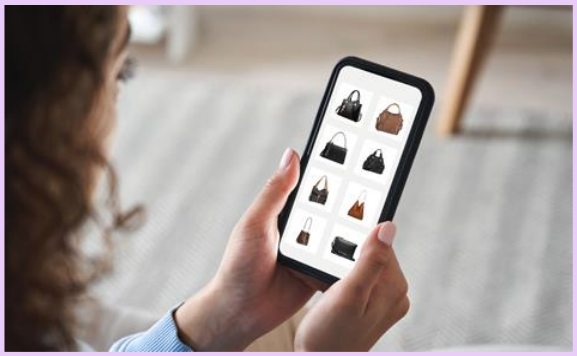


mobile

mobile

catalogue

catalogue



Introducing Jooli: A video first platform for inspirational shopping

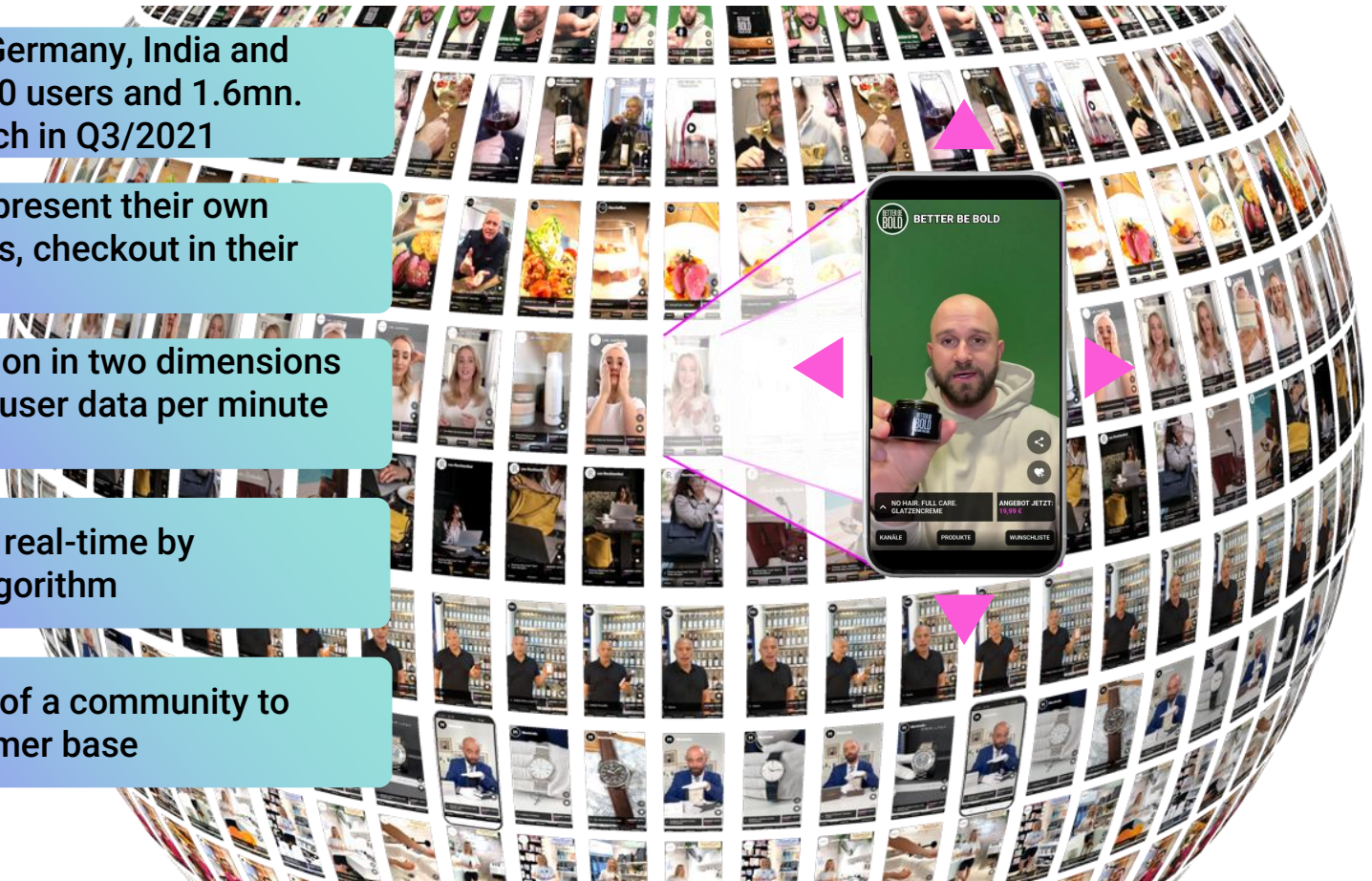
First app of its kind in Germany, India and Italy. More than 250,000 users and 1.6mn. Video views since launch in Q3/2021

More than 100 brands present their own products in short videos, checkout in their webshops.

Gesture based interaction in two dimensions creates 15 times more user data per minute than static webshops

Video feed managed in real-time by proprietary AI-based algorithm

Brands in jooli are part of a community to monetarize their customer base



Our Product: A commission based video shopping platform

User Acquisition

Ambassadors

Customer sharing by merchants



Platform

Native cloud-based backend w/ Azure, Akamai & frontend in Flutter, React, TS

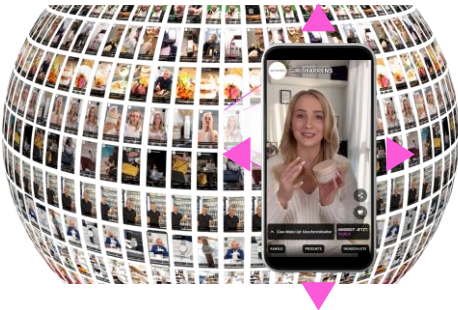


Content Acquisition

Digital B2B Lead Management

Content Management via Interface or API

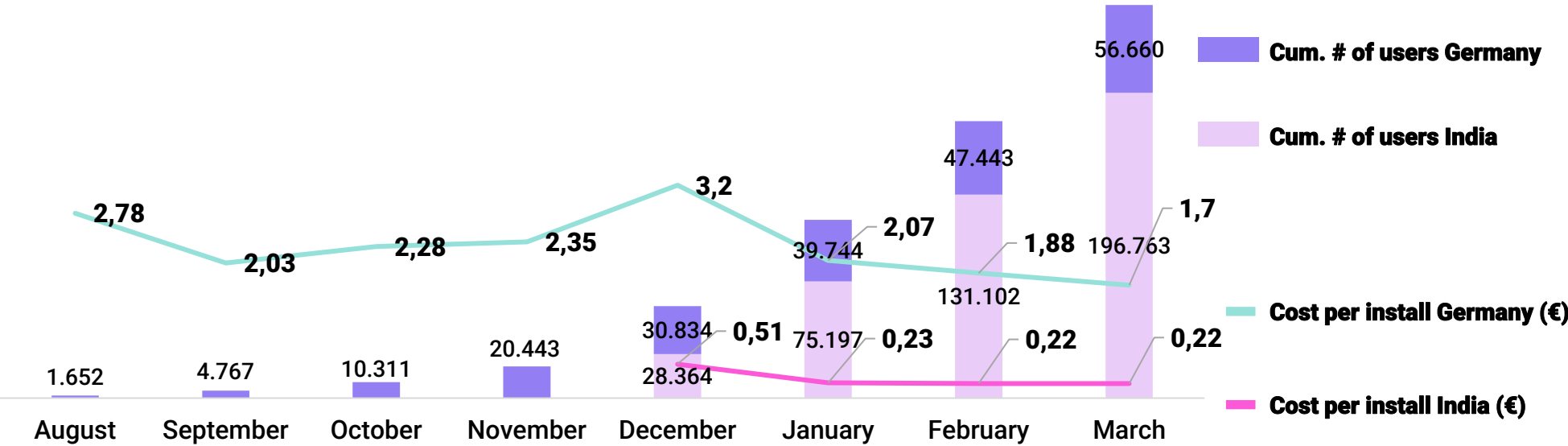
Users buy products presented on the platform through checkout of the webshops of the channels



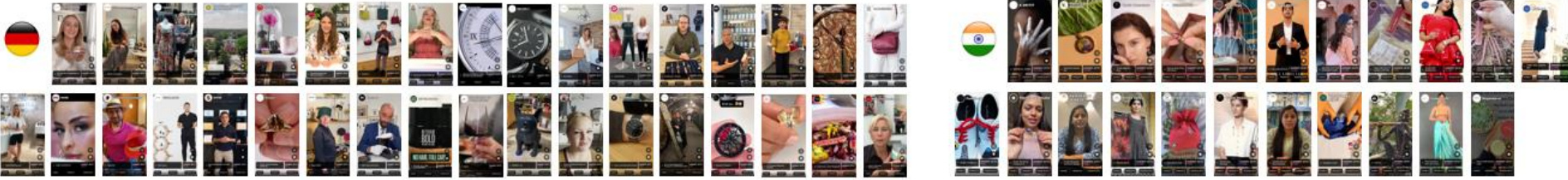
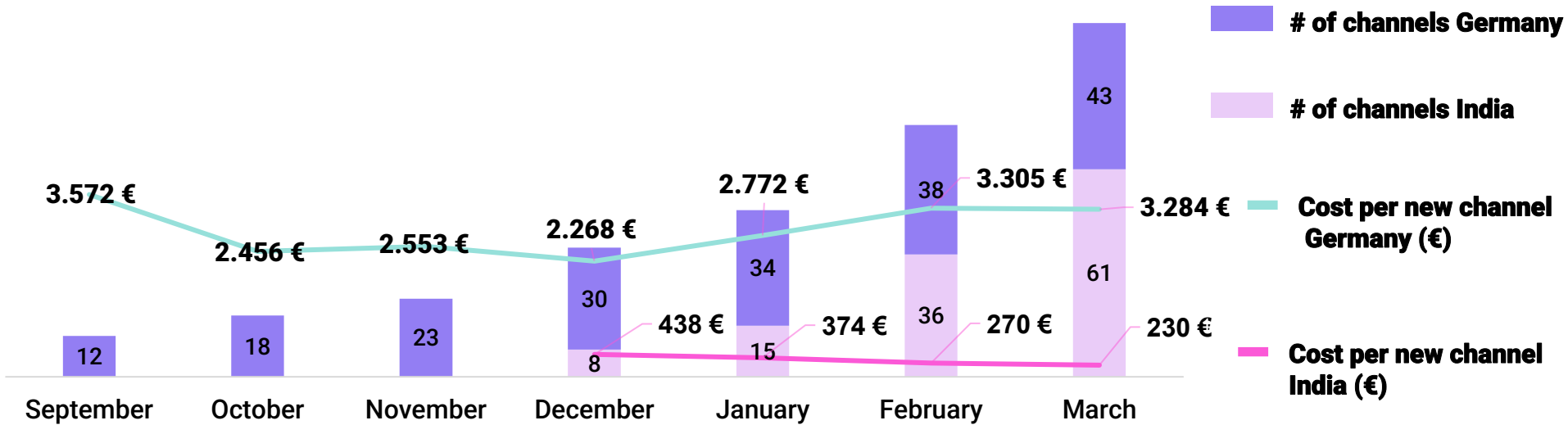
Channels pay a 7.5 % sales commission on confirmed sales generated via Jooli



Scalable growth both in India and in Germany



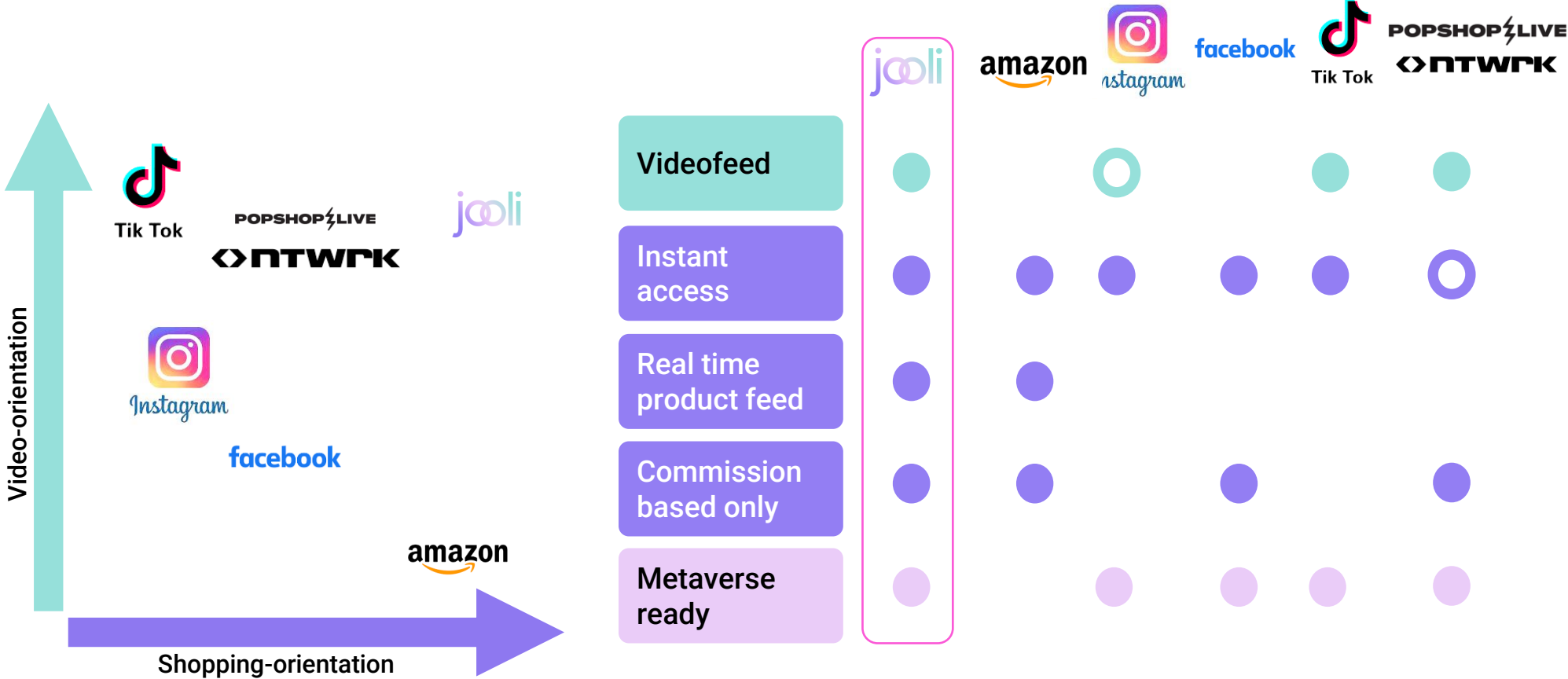
New Channel Acquisition in India at a fraction of the cost



Cost per new channel: Merchant Acquisition Cost defined as cumulated total cost of B2B marketing (direct labor cost and direct digital marketing cost/# of cumulated of channels)



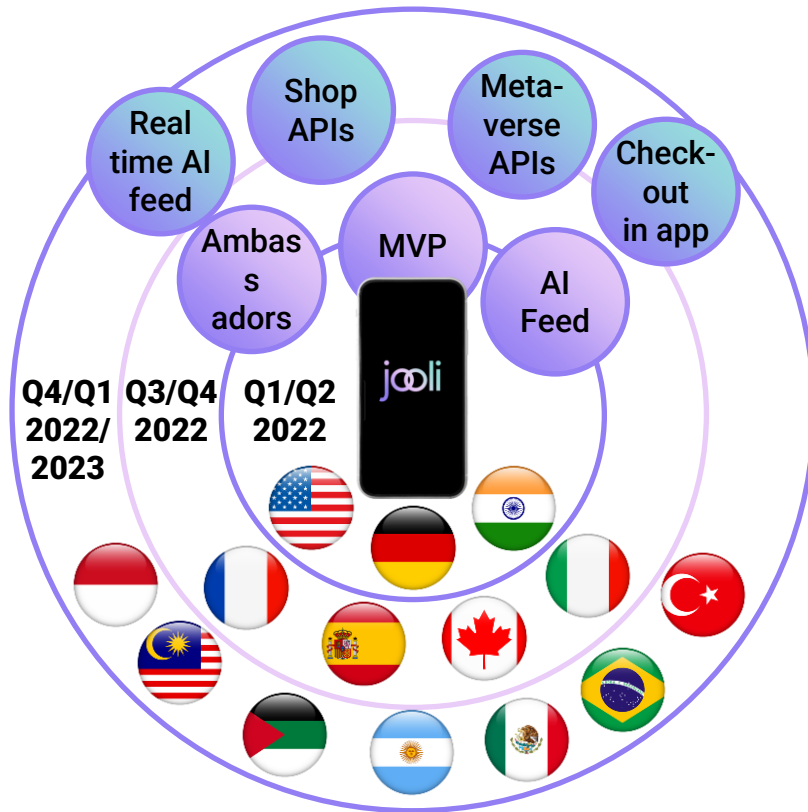
Competition: Jooli uniquely positioned to succeed



Source: Jooli Analysis



After investing 0.5m and committing another 1.2m for 2022 elumeo is now evaluating options for accelerated growth



- Q1/Q2 2022**
Expand MVP
 Focus on adding core features to the APP
 - Multi language
 - Improved real time product feeds
 - Ambassador program
- Q3/Q4 2022**
REVENUE
 Building the basis for revenue generation
 - Web sockets for performance tracking
 - Checkout integrated into platform
 - Introduce joolipay to channels
- Q4/Q1 2022/23**
SCALE
 Accelerate expansion
 - Vendor self-onboarding
 - Ambassador self-onboarding
 - Scale with improved MAC and CAC⁽¹⁾

(1) MAC: Merchant Acquisition Cost; CAC: Customer Acquisition Cost



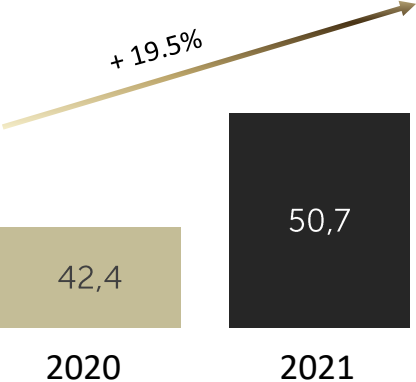
Table of contents

| | |
|---|--------------------------|
| 1 | elumeo at a glance |
| 2 | Key developments in 2021 |
| 3 | Presentation of jooli |
| 4 | Financials 2021 |
| 5 | Outlook |

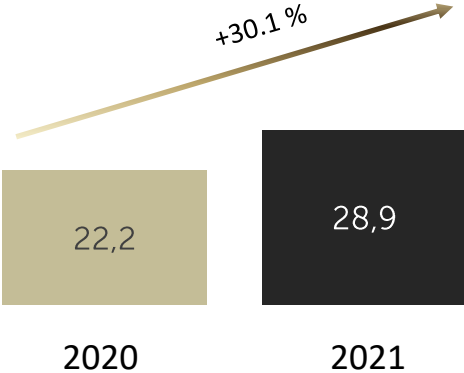


2021 vs. 2020 performance – Overview

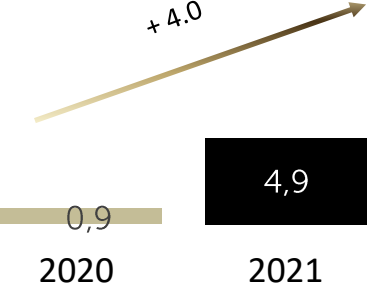
Revenues (m€)



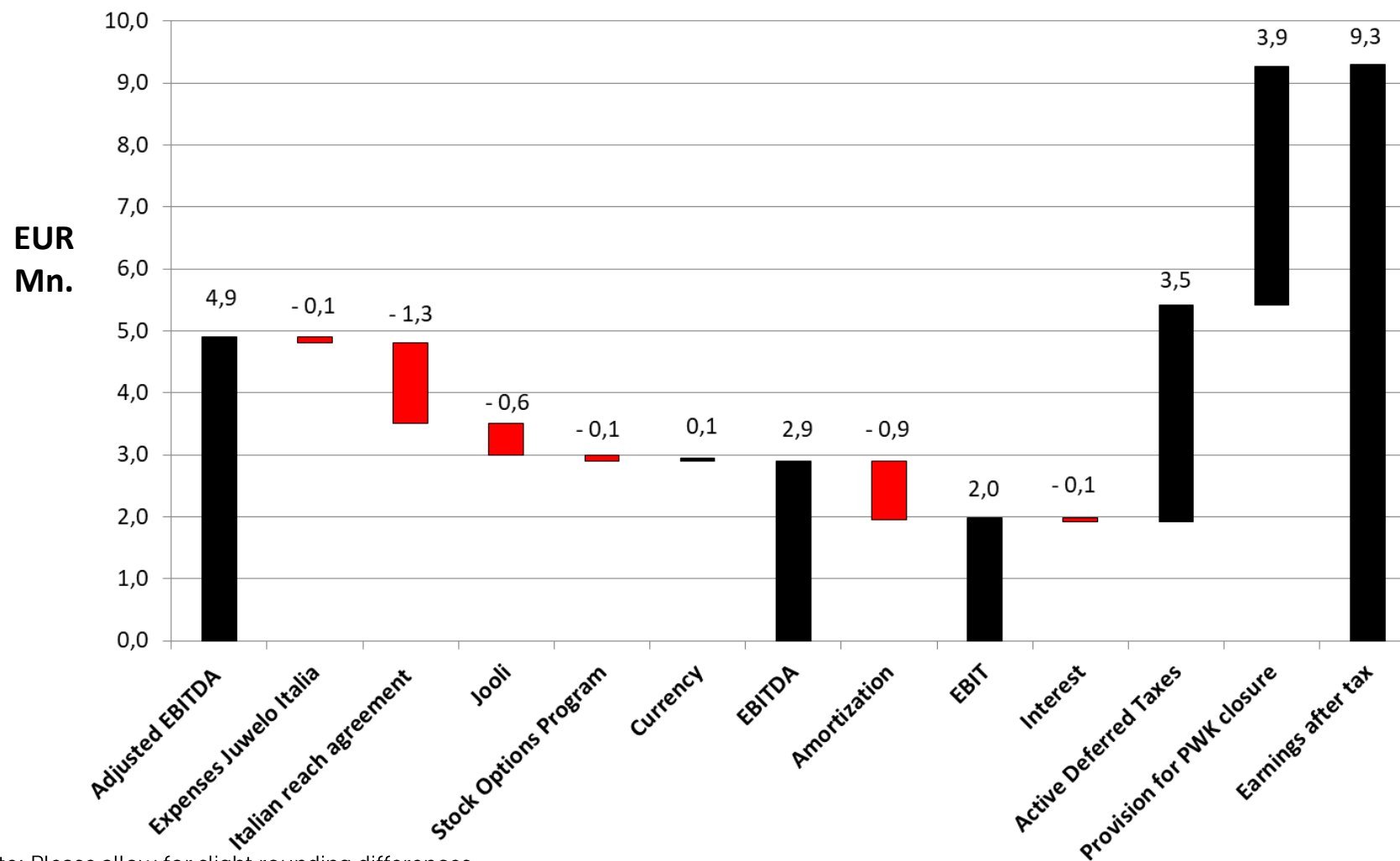
Gross profit (m€)



Adjusted EBITDA (m€)



Effects – From Adjusted EBITDA to Earnings after tax



Note: Please allow for slight rounding differences



Key performance indicators (I)

| EUR thousand [unless indicated otherwise] | 2021 | | 2020 | | YoY in % |
|---|---------------|--------|---------------|--------|-------------|
| Revenue | 50.677 | 100,0% | 42.418 | 100,0% | 19,5% |
| [The following disclosures represent: absolute values and in % of revenue] | | | | | |
| Gross profit | 28.875 | 57,0% | 22.202 | 52,3% | 30,1% |
| EBITDA | 2.928 | 5,8% | 1.223 | 2,9% | 139,4% |
| Adjusted-EBITDA | 4.853 | 9,6% | 877 | 2,1% | 453,4% |
| Depreciation and amortisation | 951 | 1,9% | 935 | 2,2% | 1,7% |
| EBIT | 1.977 | 3,9% | 288 | 0,7% | 586,5% |
| Total comprehensive income | 9.241 | 18,2% | 209 | 0,5% | >1.000% |
| Selling and administrative expenses | 27.237 | 53,7% | 22.596 | 53,3% | 20,5% |
| Total assets | 27.874 | | 21.394 | | 30,3% |
| Total equity | 13.714 | 49,2% | 4.346 | 20,3% | 215,5% |
| [absolutely and in % of balance sheet total] | | | | | |
| Working capital | 6.478 | 23,2% | 4.142 | 19,4% | 56,4% |
| [absolutely and in % of balance sheet total] | | | | | |
| Net cash flow from operating activities | 1.190 | | 2.428 | | -51,0% |
| Net cash flow from investing activities | -355 | | -222 | | -59,7% |
| Net cash flow from financing activities | -384 | | -777 | | 50,6% |



Key performance indicators (II)

| | 2021 | 2020 | YoY in % |
|---|---------|---------|-------------|
| [The following disclosures represent: KPIs of the internal controlling system] | | | |
| Items sold [pieces] | 594.730 | 538.019 | 10,5% |
| Number of active customers (rounded) | 81.328 | 58.821 | 38,3% |
| Average number of items sold per active customer [pieces] | 7,3 | 9,1 | -20,1% |
| Average sales price (ASP) [EUR] | 85 | 79 | 7,9% |
| Gross profit per item sold [EUR] | 49 | 41 | 18,4% |
| Average basket [EUR] | 191 | 210 | -9,5% |
| Share marketing expenses of revenue webshop | 16% | 9% | 6,6 p.p. |
| Customer Value after one year | 423 | 520 | -18,6% |
| Customer Value after five years | 1.015 | 1.104 | -8,0% |
| <u>Web traffic breakdown</u> | | | |
| [in % of channel] | | | |
| Organic | 24,7% | 31,2% | -6,4 p.p. |
| Direct | 10,4% | 14,1% | -3,7 p.p. |
| Paid | 36,3% | 23,0% | 13,3 p.p. |
| Mail | 6,8% | 6,2% | 0,6 p.p. |
| Other | 21,8% | 25,4% | -3,7 p.p. |
| <u>New customers breakdown</u> | | | |
| TV | 8.723 | 7.215 | 20,9% |
| Web | 38.867 | 22.192 | 75,1% |
| Sonstige | 135 | 144 | -6,3% |



Table of contents

| | |
|---|-----------------------|
| 1 | elumeo at a glance |
| 2 | Key developments 2021 |
| 3 | Presentation of jooli |
| 4 | Financials 2021 |
| 5 | Outlook |



Optimized LIVE broadcasting in Italy to 4 hours transmission window with improved contribution margin for the Italian market at lower revenue

Before 1st May 2022



- Own channel with 24 hours of broadcasting



- High cost and inflexible contract for 24h bandwidth



- After a restructuring of TV channel positions in ITA in January 2022, we have been assigned a weak LCN channel position (LCN 526)

After 1st May 2022



- Focus on digitalization of ITA customers via push to Mobile App



- Clear cost reduction due to termination of 24 hours bandwidth contract



- Instead, rent of a 4-hour-transmission window on LCN 134 for the good performing evening shows



Outlook 2022 – single-digit decrease

Adjusted EBITDA low single-digit million

- The management also expects high volatility for 2022 depending on the further development of the COVID-19 pandemic and the currently uncertain effects of the war in Ukraine on global economic development.
- As a result, the forecast is based on a cautious approach to future development and takes into account possible further negative influences from collapses in demand and supply bottle-necks.
- In the second half of the first quarter of 2022, Juwelo recorded an above-average decline in sales in the TV business in Italy. The management therefore decided to reduce the 24-hour broadcasting of Juwelo in Italy to a 4-hour transmission window. The resulting drop in sales is accompanied by overproportionately high savings in broadcasting range costs.



Outlook 2022 – single-digit decrease

Adjusted EBITDA low single-digit million

- Due to the development in the first quarter of 2022, the management assumes that in 2022 a drop in sales in the single-digit percentage range will be recorded.
- For the web shop, it is expected that the recent very strong growth will weaken in 2022 and will be in the low single-digit percentage range, still outgrowing the overall market for E-Commerce.
- The gross profit margin should continue to develop stably at >50%.
- Adjusted EBITDA is expected to be in the low single digit millions.



Points of contact

Executive Board

Wolfgang Boyé, Boris Kirn, Frank Broer, Gregor Faßbender, Claudia Erning

Investor Relations

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

