

# eluméo

The leading electronic retailer for  
gemstone jewelry in Europe

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**Q3 2023 Financial Earnings Call**

2023 November 10th



## Summary of key developments in Q3 2023



In Q3, elumeo with slight growth of 1% to EUR 11.0 m, outperforming the market

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elumeo is on track with its sales and cost performance program, Adjusted EBITDA at EUR +526 k

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Active customers with accelerated growth, reaching +16% in Q3 YoY. WEB new customers grew by 45%

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jooliPay has been successfully launched in August 2023. Almost all channels have been converted to the new checkout procedure. Jooli will now focus on optimizing customer acquisition.

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Progress with #Juwelo100 with the target to increase revenue of the core jewelry business to EUR 100m

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Outlook 2023 confirmed

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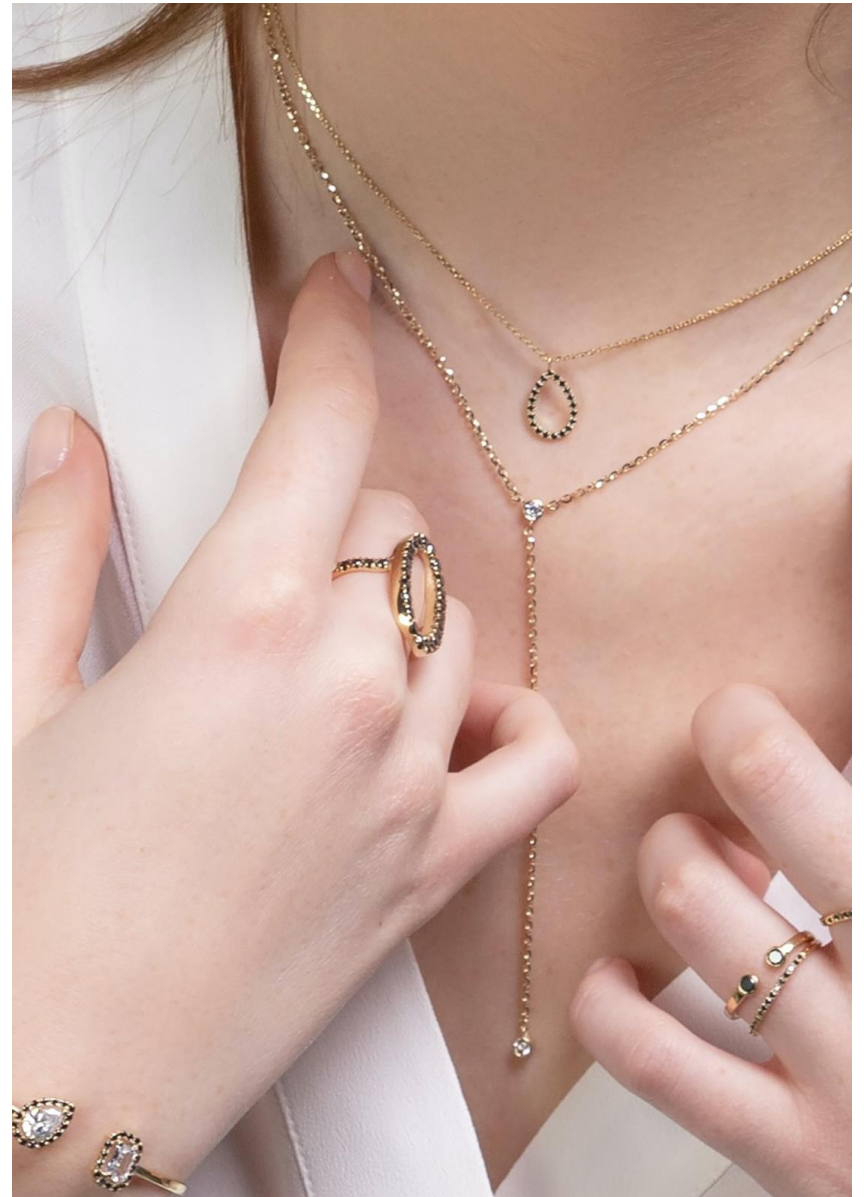
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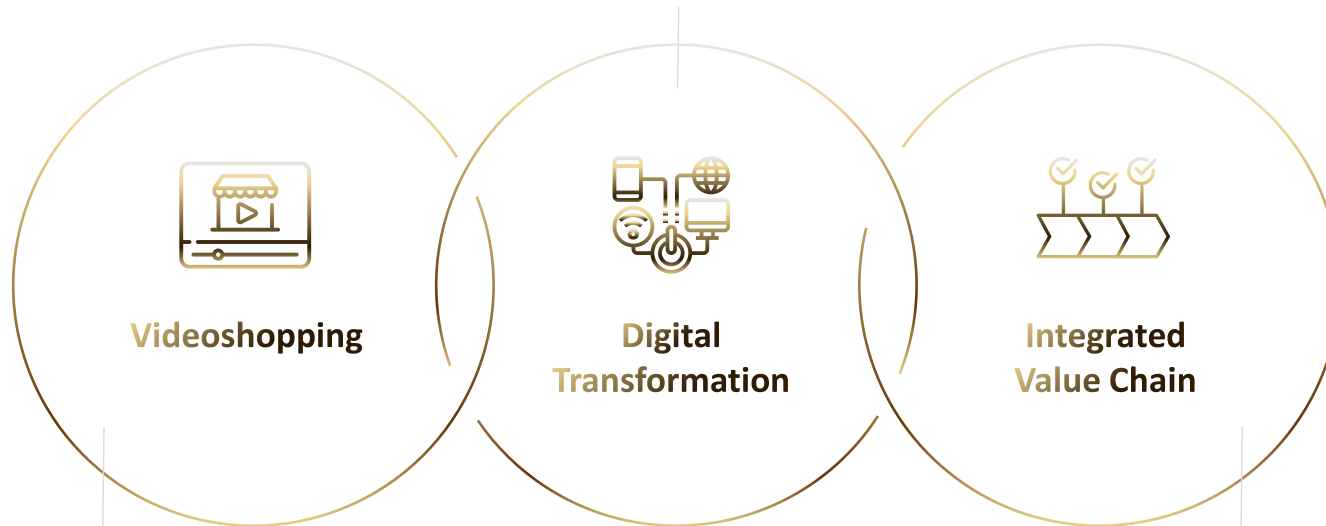
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# elumeo's business model is founded on three pillars

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



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

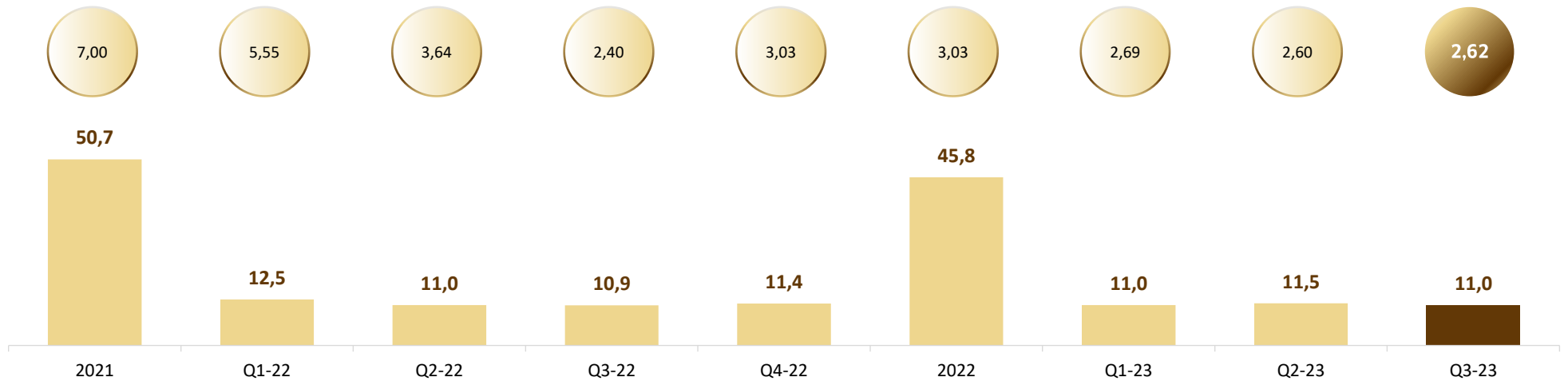
- Huge variety of gemstones thanks to more than 30 local manufacturies
- Low level of production cost, strong price advantage
- Fast reaction times

# Elumeo company presentation video

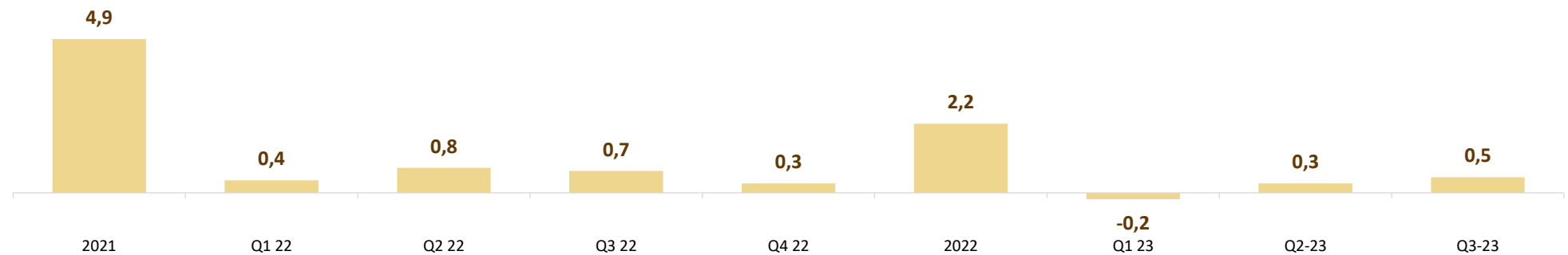


# Elumeo continues to be profitable also in Q3

Stock price and Revenues (m€)



Adjusted EBITDA (m€)



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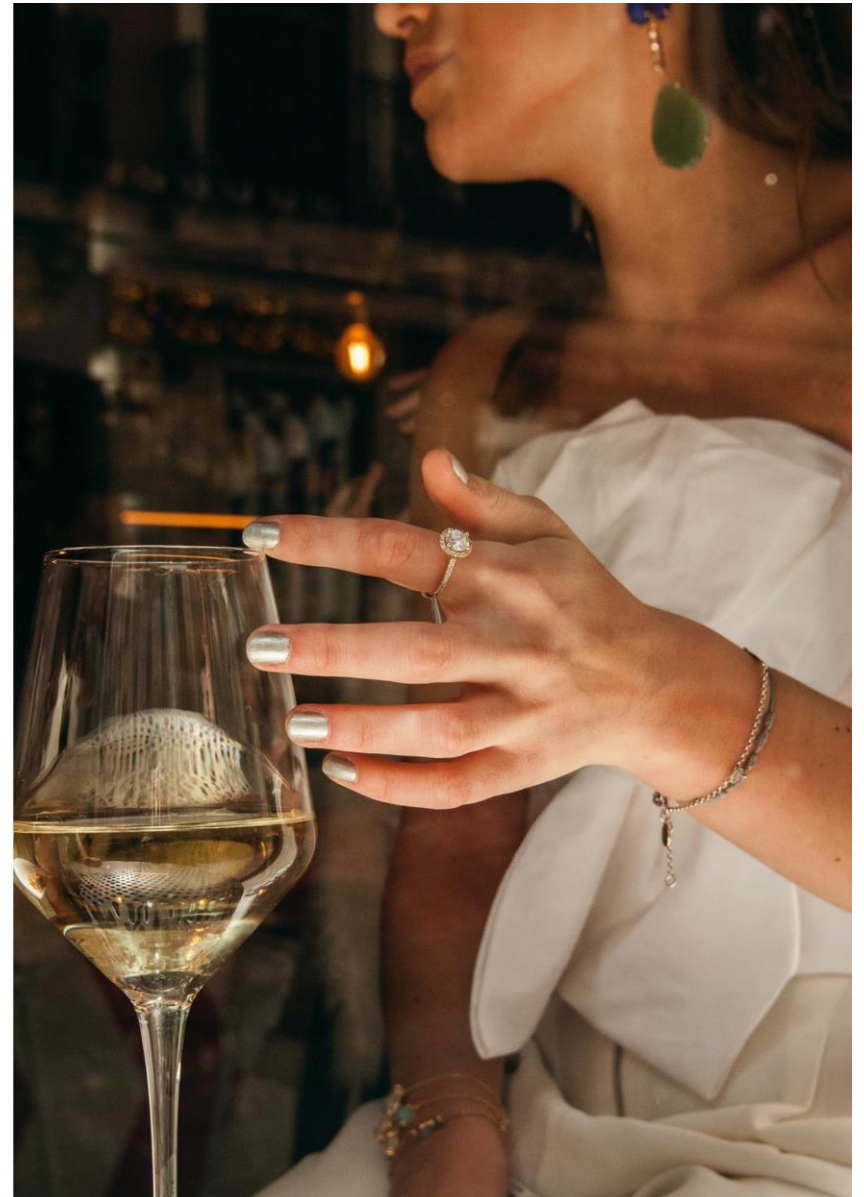
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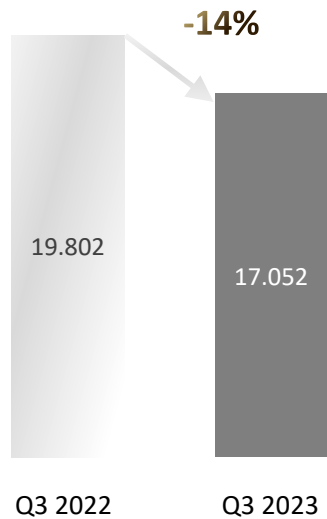
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# While market continues to face significant revenue declines, elumeo outperforms its competitors

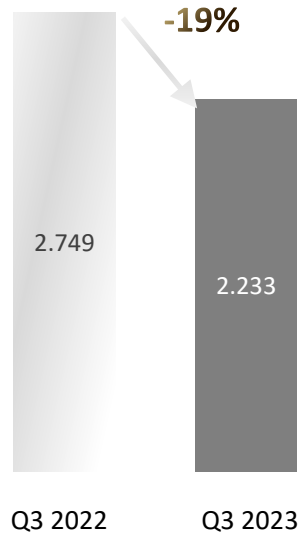
Revenue of Total German eCommerce

Germany, in m EUR



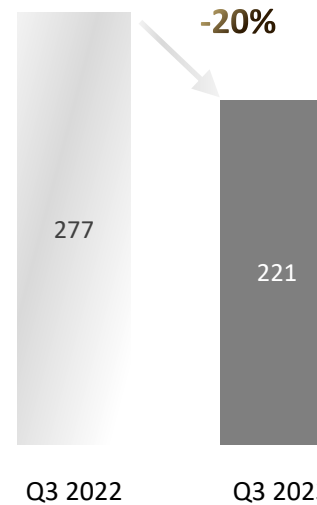
Revenue of Multichannel Market

Germany, in m EUR



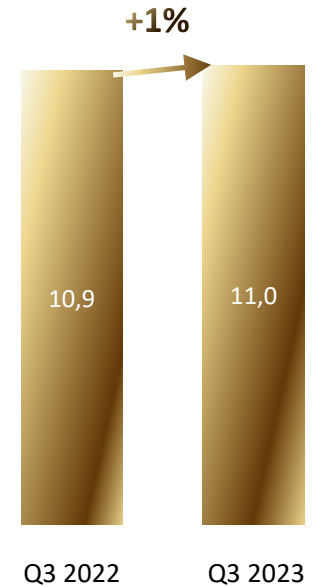
Revenue of Online Jewelry & Watches Market

Germany, in m EUR



Revenue of elumeo Business

In m EUR

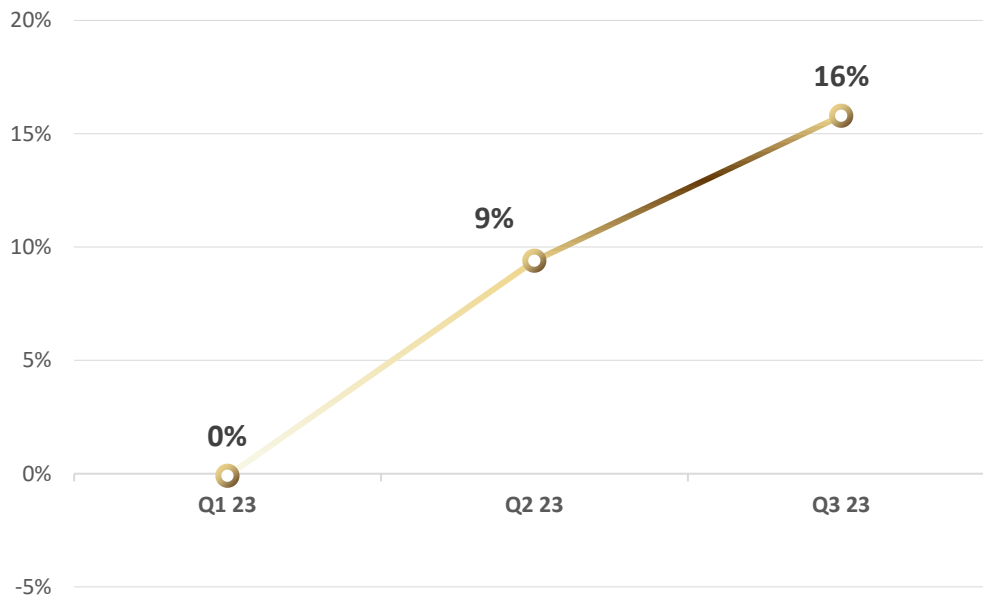




# Accelerated active customer growth, reaching 16% in Q3 YoY

## Active customer growth rate by quarter

All channels, YoY in %

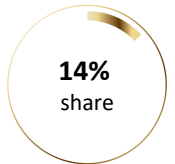


**16% customer growth of Q3 coming from LIVE and WEB:**



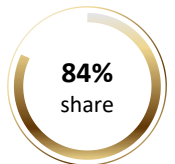
**LIVE with 2,2% Points**

**2,2%P (=14% share)** of the active customer growth comes from the increase of active LIVE customers



**WEB with 13,6% Points**

**13,6%P (=84% share)** of the Q3 active customer growth comes from the increase of active WEB customers

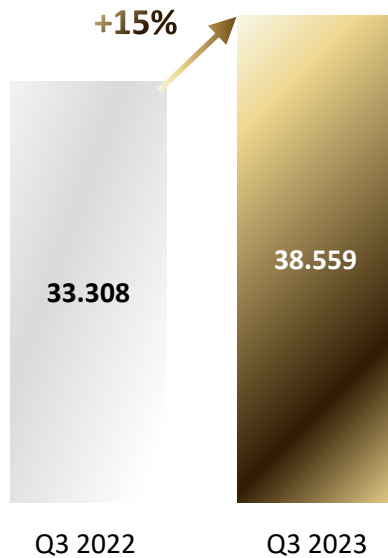


## CUSTOMERS

elumeo sees a significant revenue growth opportunity once consumer sentiment improves

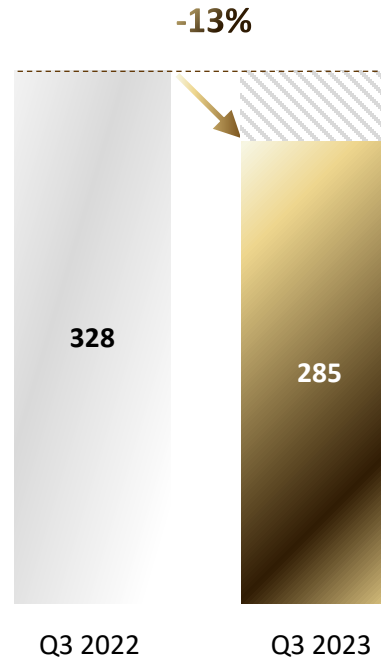
### Growth of active customers

Q3 22 vs. Q3 23



### Revenue per customer

Q3 22 vs. Q3 23

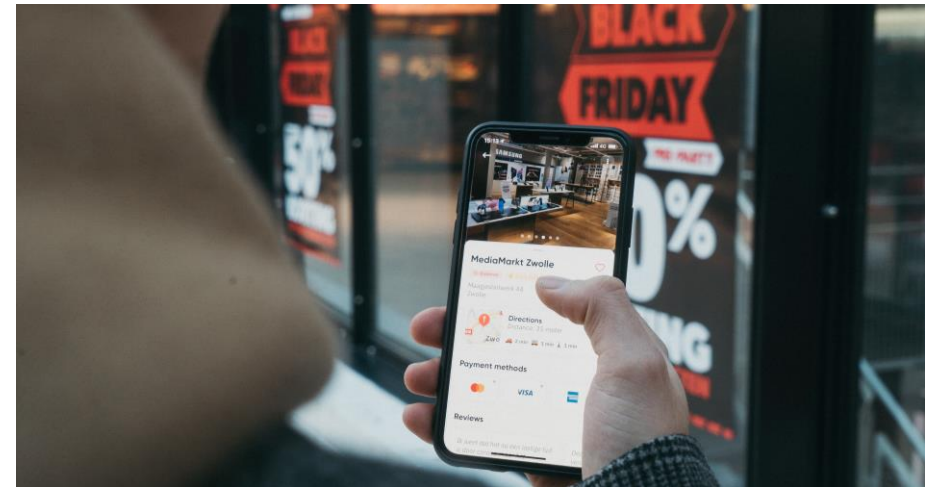
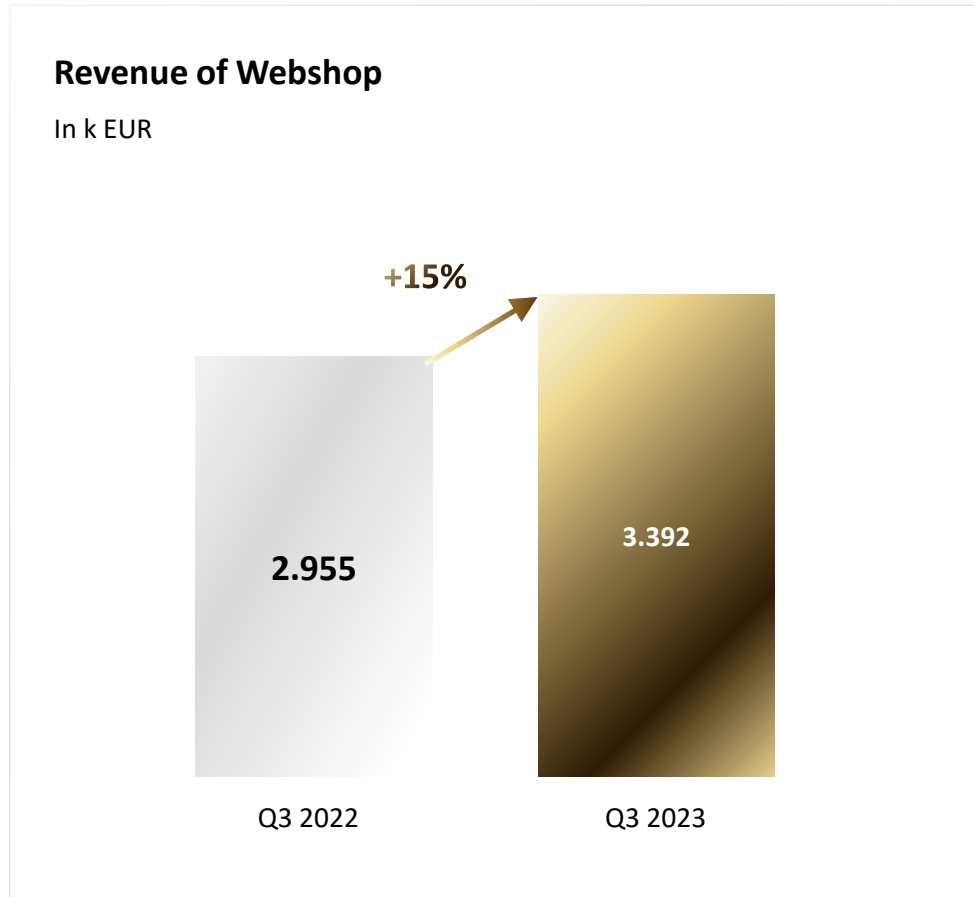


Revenue potential of  
**EUR 1.7 m**

if active customers would spend same amount of EUR as last year.

Once consumer sentiment improves, we expect revenues of customers to improve.

# Web continues its growth in Q3, increasing revenue by 15%



Web revenue with strong revenue growth of 15% in Q3 YoY



Successful start into Black Friday season: On 1<sup>st</sup> of November, we recorded the highest webshop revenue per day ever achieved

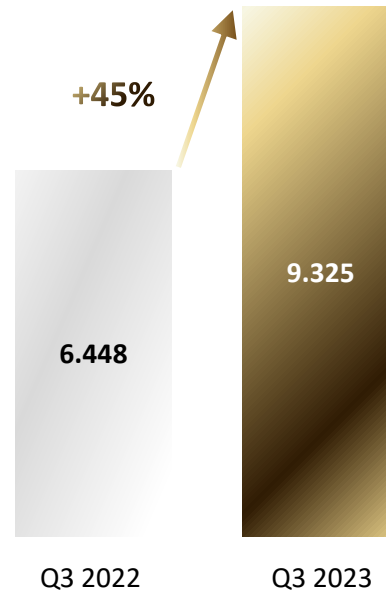
# New customers increased by 45% thanks to successful scaling of online marketing acquisition campaigns

## Scaling of online marketing spending

In k EUR



## Growth of new WEB customers



**Optimized online marketing campaigns** on Google, Social Media and Criteo, using AI algorithms to improve targeting of potential new customers

**Improved landing pages** for better new customer experience

With “#juwelo100”, we have launched a growth program with the target to reach EUR 100m by 2030



## Example 1:

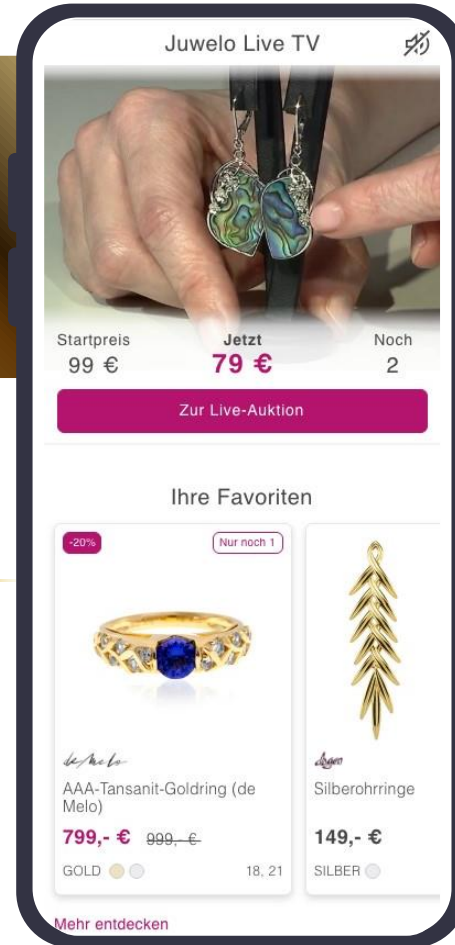
# Launch of new interactive mobile jewelry shopping app



> EUR 15m

Revenue potential in 2030

We will be able to **market the app internationally**, allowing us to expand also our **cross-border commerce**



Strategic **new positioning of the mobile app**, allowing us to market the app separately from our LIVE TV show, **focussing on new customer acquisition**.



The mobile app will become an interactive and **fully personalized video shopping app** for Jewelry, making use of the smartphone sensors and its camera for **augmented and virtual reality features**

## Example 2:

AI translated automated shopping shows will leverage our video shopping content internationally



> EUR 15m

Revenue potential in 2030



We will combine **AI translations** and our „Gamerobot“ for automated shows to create **fully automatized and AI translated shopping shows**



This will allow us to **leverage our video shopping material** and distribute it internationally on any device at **very low production cost**

# Jooli's successfully launched Joolipay in August

## More payment options to be added in Q4 2023

### Q3 2023



#### Joolipay launched

Joolipay has been launched in late August 2023 with Cash on delivery as first payment option



#### Onboarding improved

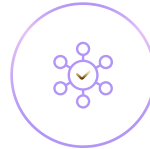
After developing a more user centric onboarding process jooli tested this approach in focus-groups across India and started to roll this out in October 2023



#### Merchants stable

After moving the checkout process into the app some merchants decided to leave jooli while others joined the platform. Overall the number of merchants stayed stable from June to September 2023

### Q4 2023 and 2024



#### Customer acquisition cost

Going into 2024 jooli will optimize the marketing mix across all channels and launch the ambassador program in India in order to significantly reduce CAC (Customer Acquisition Cost)



#### Customer Lifetime Value

Improve Customer Lifetime Value by:

- More Payment Options
- Better onboarding
- Improved video feed through better recommendations



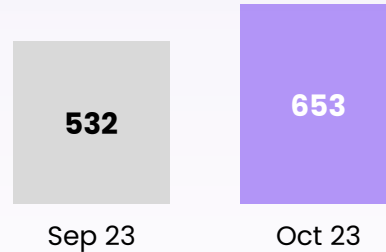
# Customer order volume with a promising development

## Order development

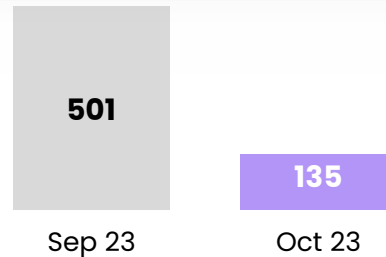
- After launching Joolipay in late August jooli converted the whole offer to a direct checkout in the app
- Most merchants stayed on the platform with still a total of 1.530 channels as of September 30<sup>th</sup> 2023
- Order volume has been growing very fast at highly discounted prices for promotional products

## Average order value

### Gross Average Salesprice (INR)

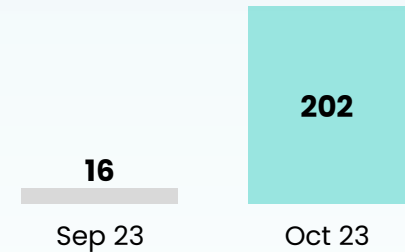


### ASP after discounts (INR)

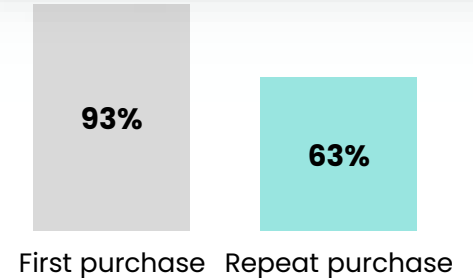


## Order volume

### Total order Volume



### Share of discount orders in October



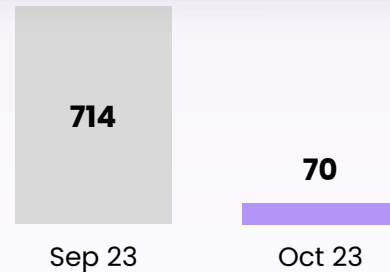
# Further significant improvement for customer acquisition cost foreseen

## New customer acquisition

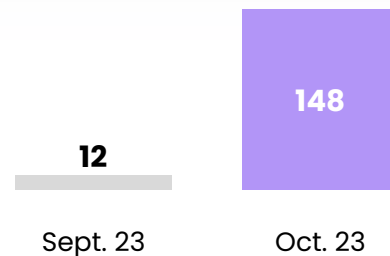
- Jooli has launched Joolipay with a limited advertising budget of 5.000€ in September and 10.000€ in October
- The campaign has started to show traction quickly but still needs significant optimization
- For the remainder of 2023 and the first months of 2024 jooli will focus on optimizing the marketing mix with a limited marketing budget

## Customers and Customer Acquisition Cost

### Customer acquisition Cost (€)

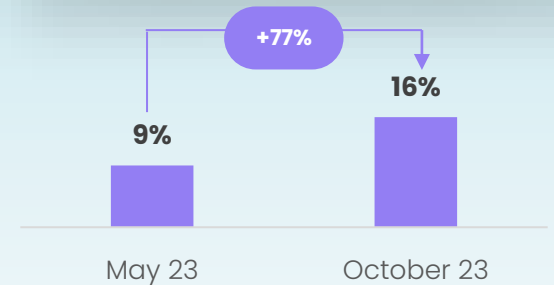


### Total number of customers

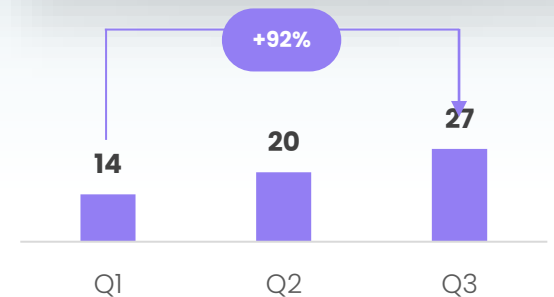


## Customer and User Retention

### Daily user retention in India<sup>1)</sup>



### AVG impressions per user



1) Daily retention: First day to next day retention of new customers

2) Channel acquisition cost: Accumulated cost of salesforce for the acquisition of channels divided by accumulated number of channels

3) Total end-user marketing spent/number of active users in the month

Source: jooli ERP System

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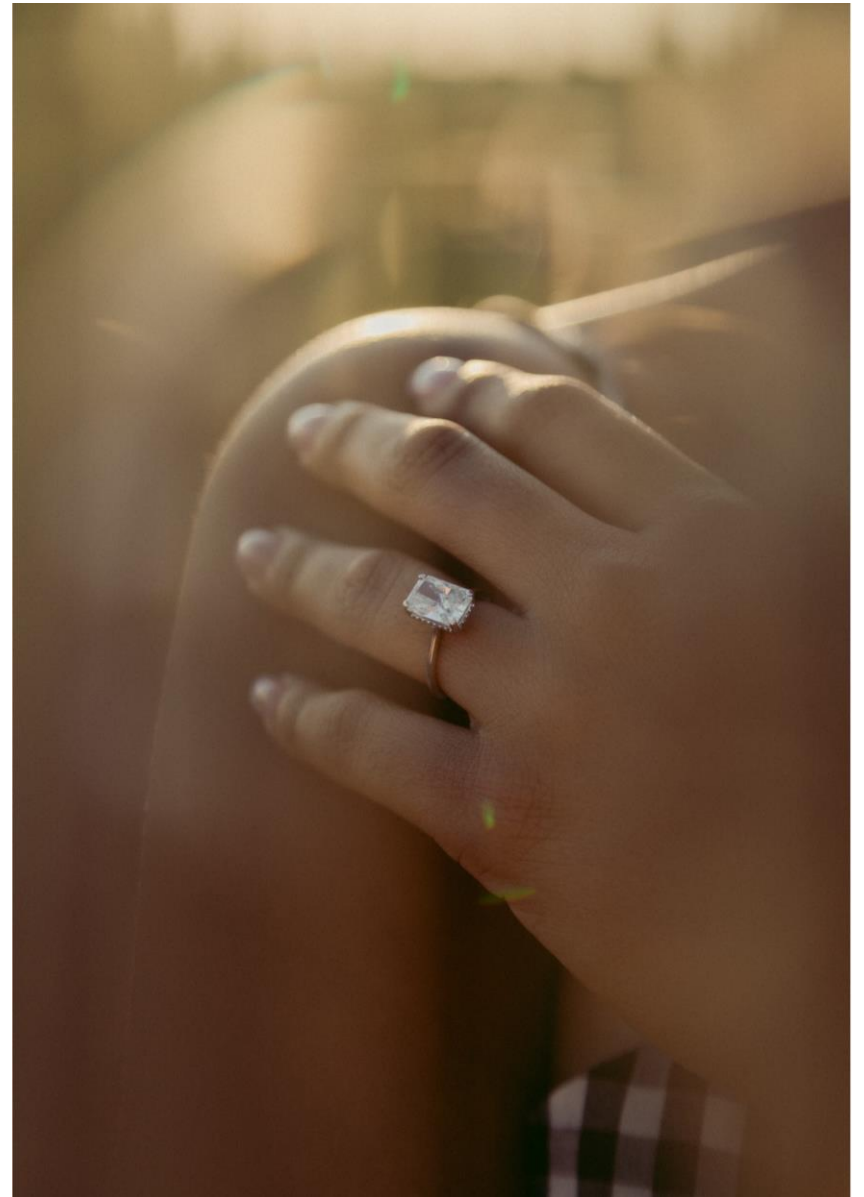
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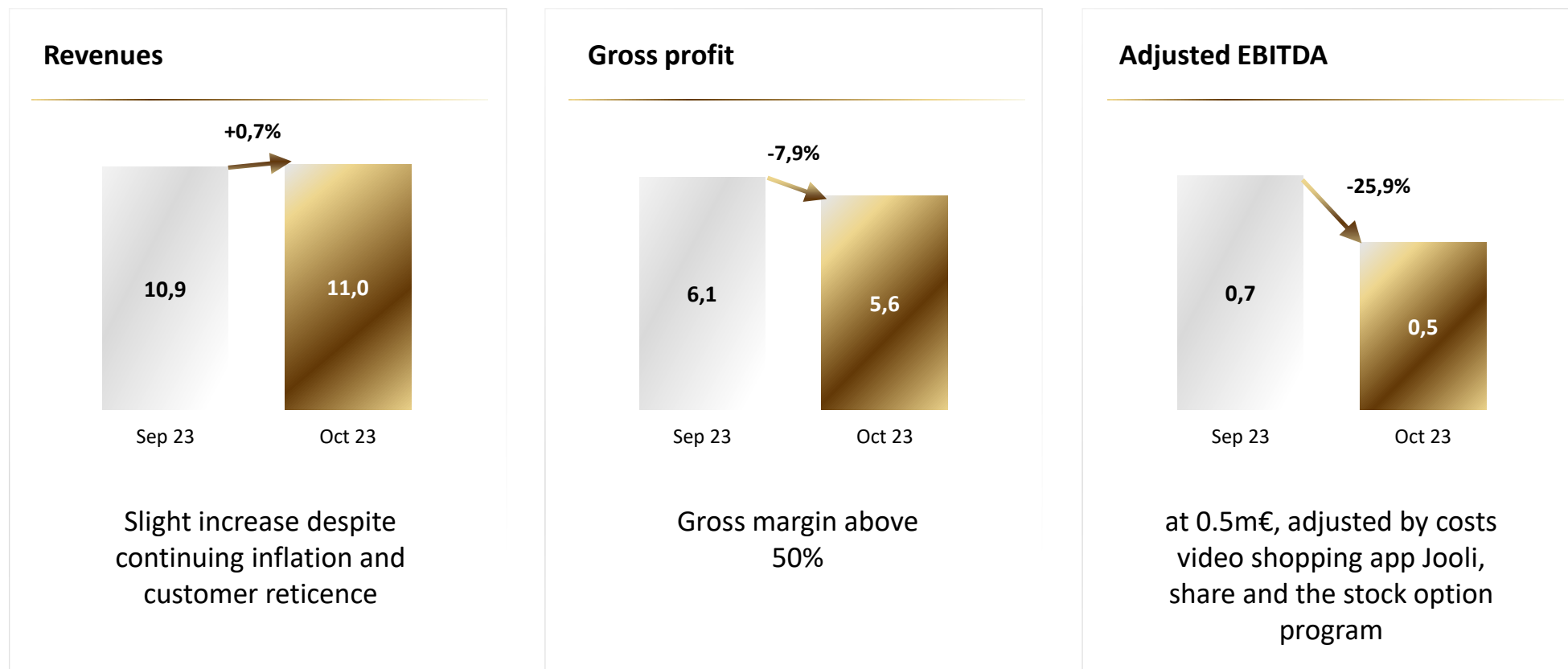
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# Decrease in gross profit driven by customer reticence in inflationary environment

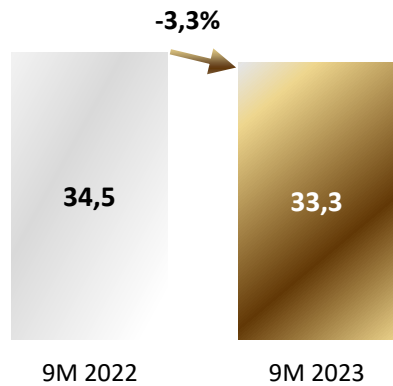
## Q3 2023 vs. Q3 2022 – performance overview (in m€)



# Outperformance of market, Adjusted EBITDA on track

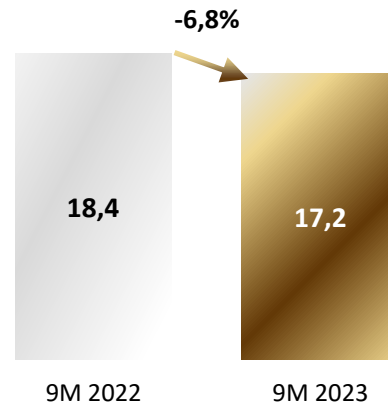
## 9M 2023 vs. 9M 2022 – performance overview (in m€)

### Revenues



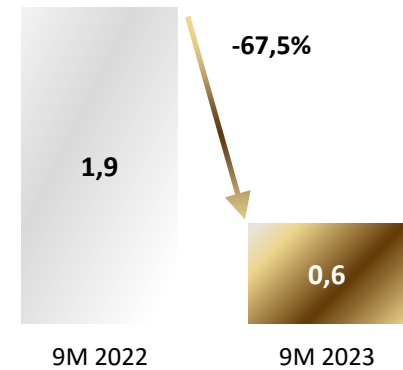
Slight decline, Q1 2022 impacted by lockdown and Italian TV business

### Gross profit



Gross margin above 50%

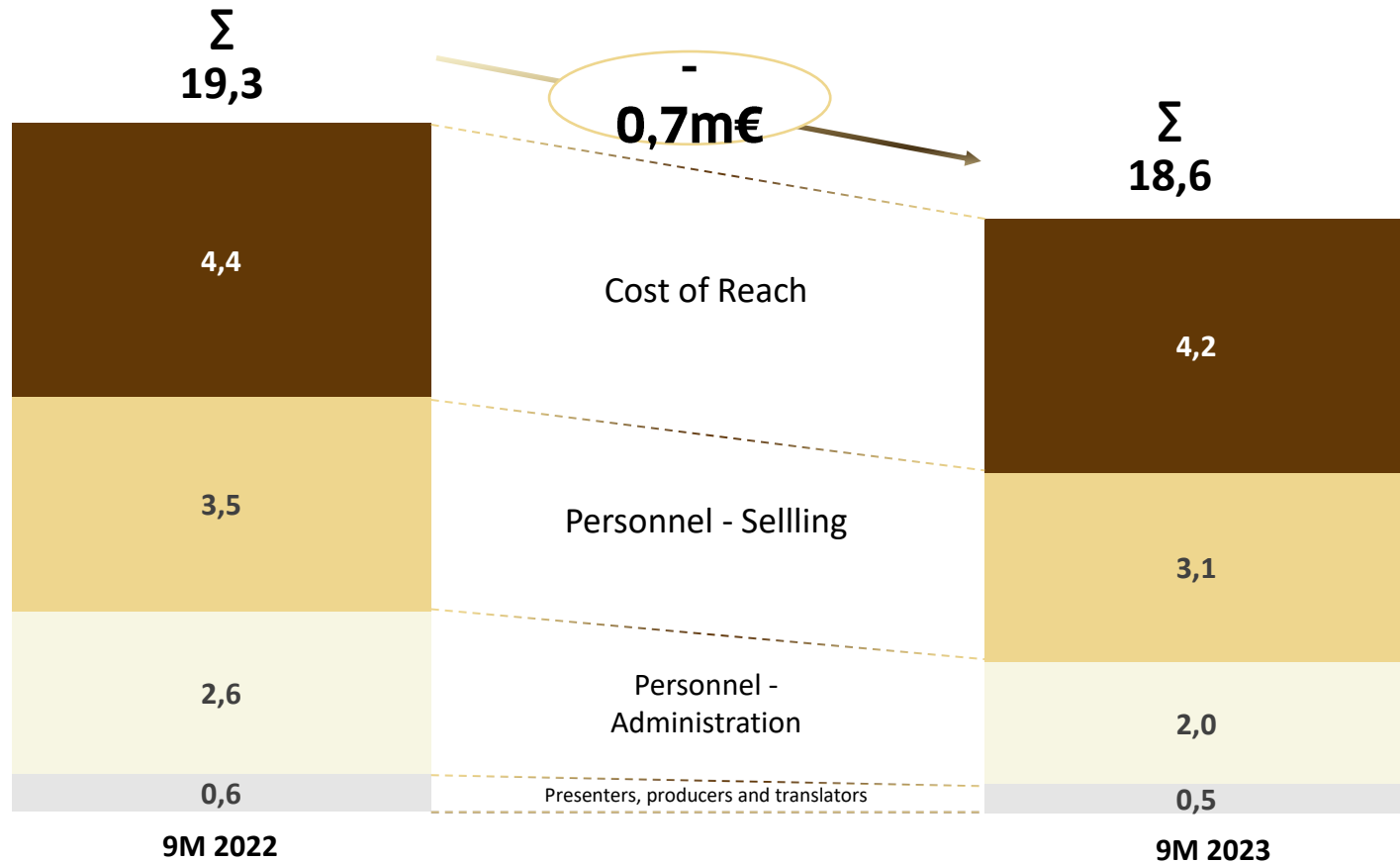
### Adjusted EBITDA



On track

# Successful implementation of cost saving program

9M 2023 vs. 9M 2022 – cost overview (in m€)



# Decrease in costs driven by saving program

## Key performance indicators (I)

EUR thousand (unless indicated otherwise)	Q3 2023		Q3 2022		QoQ In %	9M 2023		9M 2022		QoQ In %
Revenue	11.003		10.930		0,7%	33.323		34.453		-3,3%
Gross profit	5.572	50,6%	6.050	55,4%	7,9%	17.165	51,5%	18.420	53,5%	-6,8%
EBITDA	-53	-0,5%	326	3,0%	-116,1%	-340	-1,0%	421	1,2%	-180,7%
Adjusted- EBITDA	526	4,8%	710	6,5%	25,9%	607	18%	1.868	5,4%	-67,5%
Depreciation and amortisation	224	2,0%	215	2,0%	4,2%	689	2,1%	668	1,9%	3,1%
EBIT	-227	-2,5%	110	1,0%	351,5%	-1.029	-3,1%	-247	-0,7%	-316,6%
Total comprehensive income	-292	-2,7%	116	1,1%	351,5%	-1.091	-3,3%	-343	-1,0%	-218,1%
Selling and administrative expenses	6.145	55,8%	6.058	55,4%	1,4%	18.580	55,8%	19.290	56,0%	-3,7%
Total assets	22.834		25.919		-11,9%					
Total equity	10.193	44,6%	13.422	51,8%	-24,1%					
Working capital	7.192	31,5%	8.318	32,1%	-13,5%					
Net cash flow from operating activities	-129		82		-257,3%	-456		1.498		-130,4%
Net cash flow from investing activities	-50		-13		-284,6%	-3		-36		91,6%
Net cash flow from financing activities	135		-93		245,7%	129		-276		147,0%

# Accelerating increase in active customers

## Key performance indicators (II)

EUR thousand (unless indicated otherwise)	Q3 2023	Q3 2022	QoQ In %	9M 2023	9M 2022	QoQ In %
Items sold [pieces in t]	162	139	16,9%	477	411	16,1%
Number of active customers (in t)	39	33	15,8%	72	66	9,3%
Average number of items sold per active customer [pieces]	4,2	4,2	0,9%	6,6	6,2	6,2%
Average sales price (ASP) [EUR]	68	79	-13,8%	70	84	-16,7%
Gross profit per item sold [EUR]	34	44	-21,2%	36	45	-19,7%
Average basket [EUR]	172	184	-6,5%	176	194	-9,3%
Share marketing expenses of revenue webshop	21,0%	19,5%	1,5 p.p.	20,9%	18,8%	2,1 p.p.
Customer Value after one year	310	309	0,3%			
Customer Value after five years	814	892	-8,7%			
<b>Web traffic breakdown</b>						
[in % of channel]						
Organic	16,7%	21,4%	-4,7 p.p.	16,8%	22,5%	-5,7 p.p.
Direct	10,4%	12,5%	-2,1 p.p.	10,4%	11,3%	-1,0 p.p.
Paid	47,7%	41,4%	6,3 p.p.	48,5%	39,9%	8,6 p.p.
Mail	6,2%	8,3%	-2,2 p.p.	6,0%	7,9%	-1,9 p.p.
Other	19,0%	16,4%	2,6 p.p.	18,3%	18,4%	-0,1 p.p.
<b>New customers breakdown</b>						
TV	1.802	1.746	3,2%	5.437	5.326	2,1%
Web	9.325	6.448	44,6%	25.124	20.983	19,7%



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## Outlook 2023

### Stable development Adjusted EBITDA low single-digit million



Management continues to expect high volatility in 2023 due to the economical effects caused by the war in Ukraine and in Middle East.

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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.

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The first two months of 2022 were still marked by positive COVID effects before the outbreak of the war in Ukraine.

# Outlook 2023 confirmed – Stable development

## Adjusted EBITDA low single-digit million



Management expects sales to develop between a mid-positive and mid-negative single-digit % corridor.

For the webshop, sales growth in 2023 is expected to be in the low single-digit percentage range.

Adjusted EBITDA is expected to be in the low single-digit million range.

The gross profit margin is expected to remain stable at > 50%



# elumeo

## **Executive Board**

Wolfgang Boyé, Boris Kirn, Dr. Susanne Ries,  
Christian Senitz, Deepa Gautam-Nigge

## **Managing Directors**

Florian Spatz, Dr. Riad Nourallah, Boris Kirn

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