

eluméo

2023 FY Financial Earnings Call

April 30, 2024



Summary of key developments in 2023



Despite the challenging market environment, elumeo delivered on the 2023 guidance for revenue with EUR 45,4m (PY EUR 45,8m) and gross profit margin at 50% (PY 54,9%).

While webshop revenue growth was above our guidance, our Adjusted EBITDA went down to EUR -0,4m (PY EUR 2,2m) due to significantly increased investments.

Improvement of operating cash flow to EUR -94k (PY EUR -1.421k).

elumeo has invested heavily into optimization of its platform in 2023. This lays the basis for returning to profitable growth in 2024.

elumeo made significant progress with #Juwelo100, creating a new multi-language platform for lean & fast tech-driven internationalization.

jooli launches jooliPay in India successfully, increasing gross merchandise value from 27.366 INR in 10/23 to 407.122 INR in 03/24.

Outlook 2024: elumeo projects to return to profitable growth with revenue increasing by 4% - 8% YoY and adjusted EBITDA improving disproportionately to EUR 1,5m – EUR 4m.

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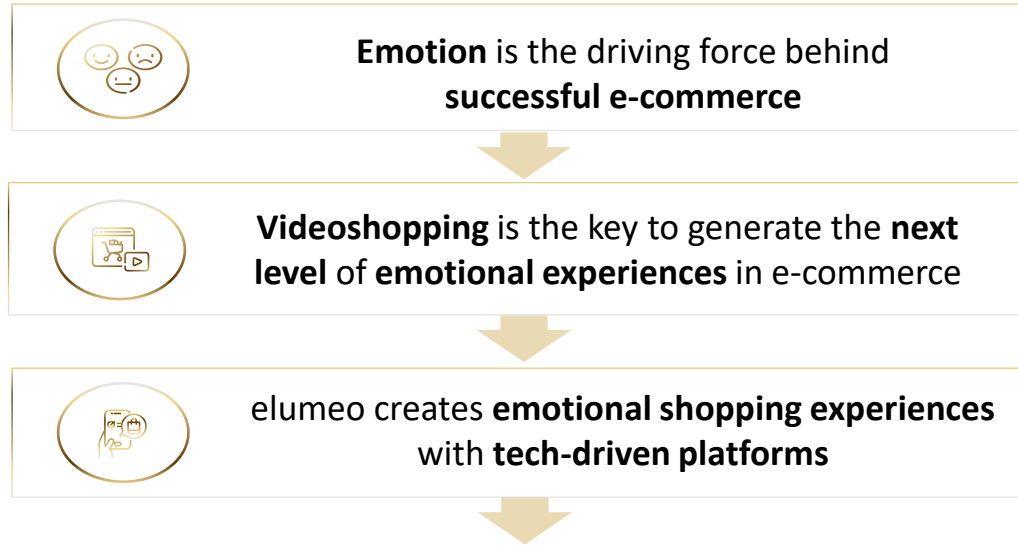
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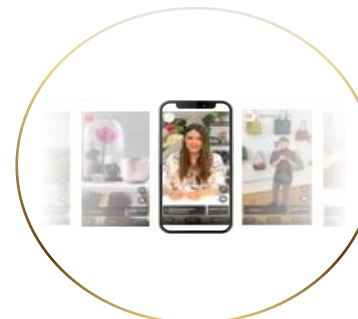
Next level emotional e-commerce



Europe's leading electronic retailer for gemstone jewelry



elumeo currently runs two videoshopping platforms



India's first instant leisure shopping app



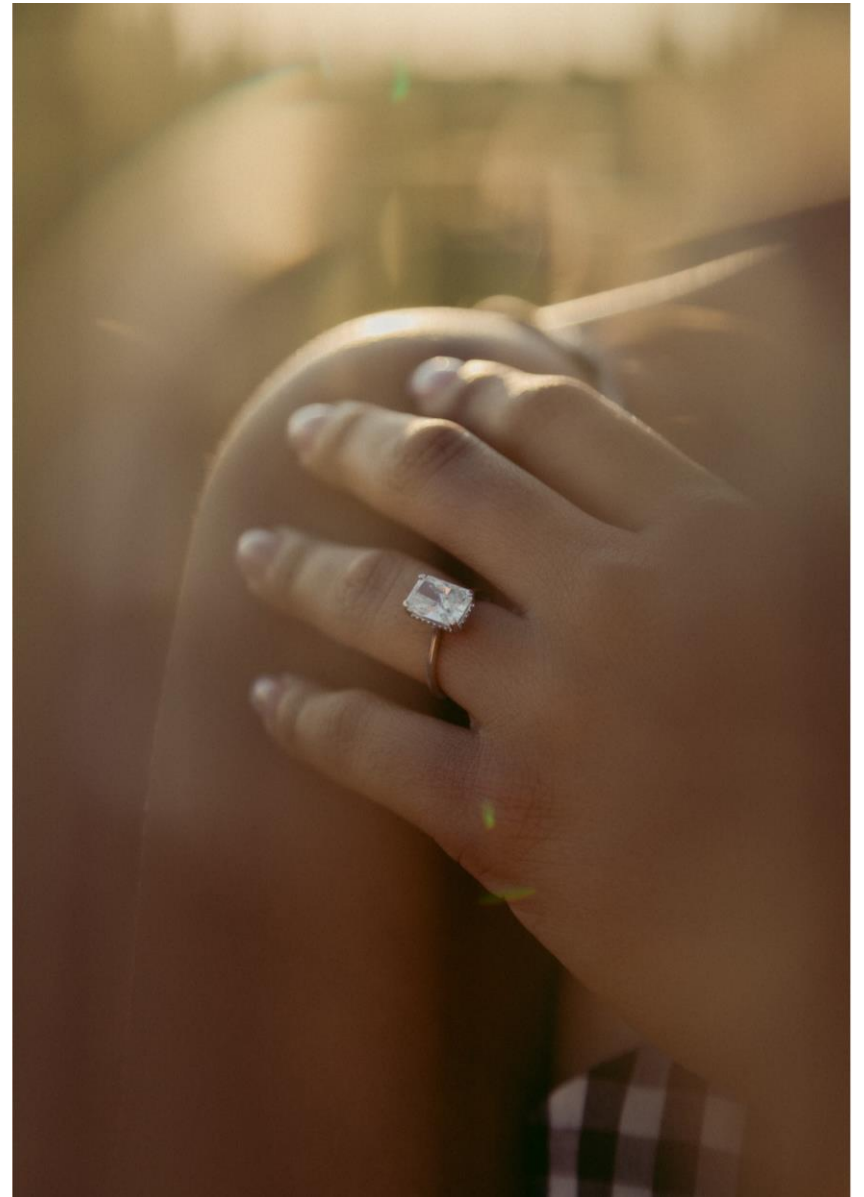
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Tech-driven internationalization from a position of strength

Key developments & strategic outlook



We are in a stable & strong position

Emotional video shopping

Video content transports both facts & emotion, resulting in entertaining jewelry shows

High Customer Lifetime Values

Videoshopping generates high customer buying frequencies and high customer lifetime values



Loyal customer base

Our business model generates loyal customers, who rate their shopping experience with 4,8 out of 5 stars

Integrated value chain

We offer superior value for money through our integrated value chain

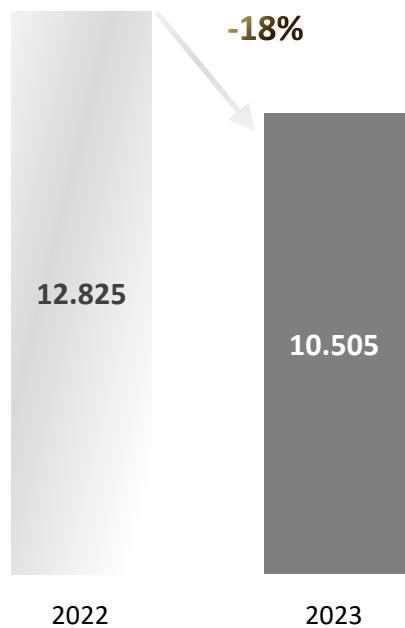
Non-linear & personalized shows

Interactive bidding and non-linear mobile phone swiping formats create interaction

We have outperformed the market in 2023

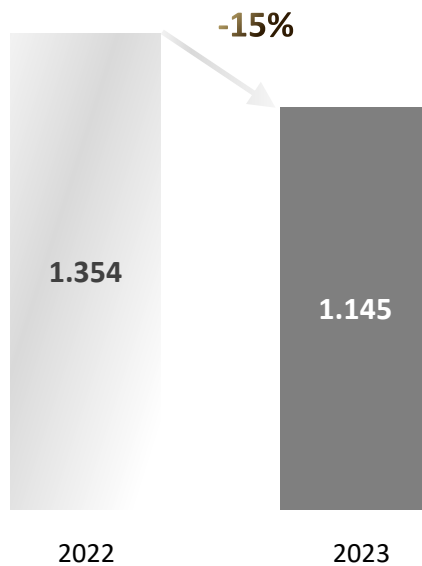
Revenue of Multichannel Market

Germany, in m EUR



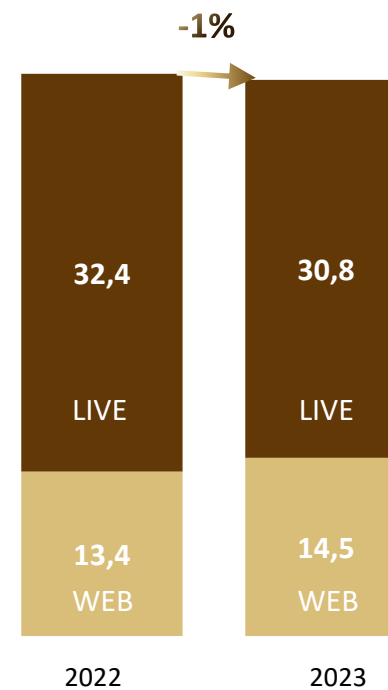
Revenue of Online Jewelry & Watches Market

Germany, in m EUR



Revenue of Juwelo Business

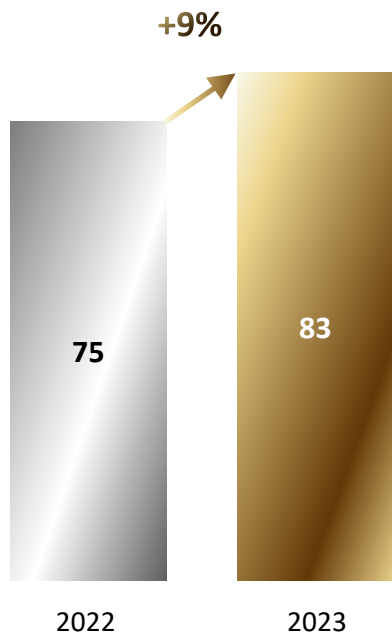
In m EUR



Juwelo has increased its customers by 9% in 2023 and sees a significant revenue potential once consumer sentiment improves

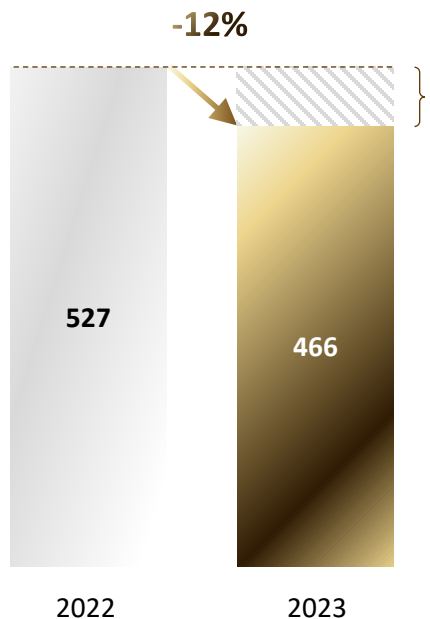
Growth of active customers

22 vs. 23



Revenue per customer

22 vs. 23



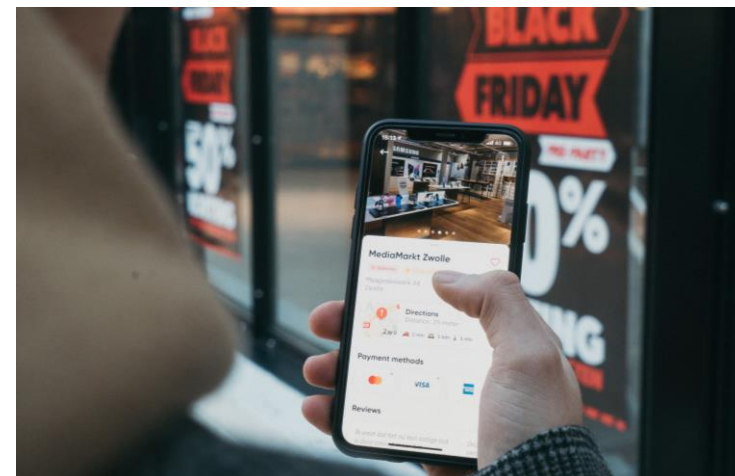
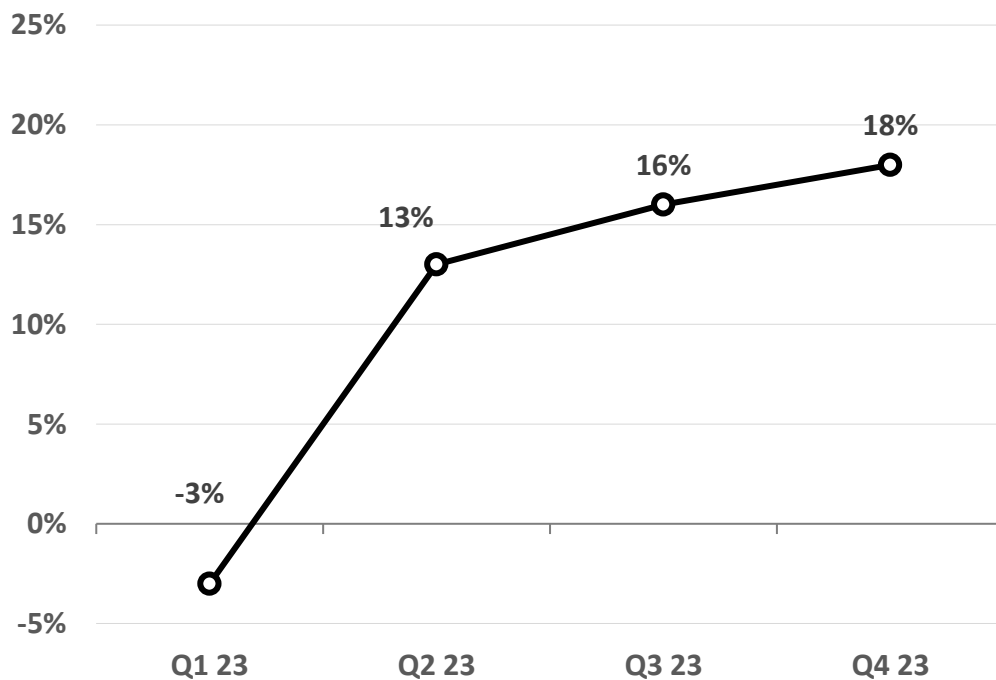
if active customers would have spent the same amount as in 2022.

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

Web returned to strong growth rates in 2023

Revenue growth rates Q1 – Q4 2023 YoY¹⁾

Static web shop, YoY growth rates in %

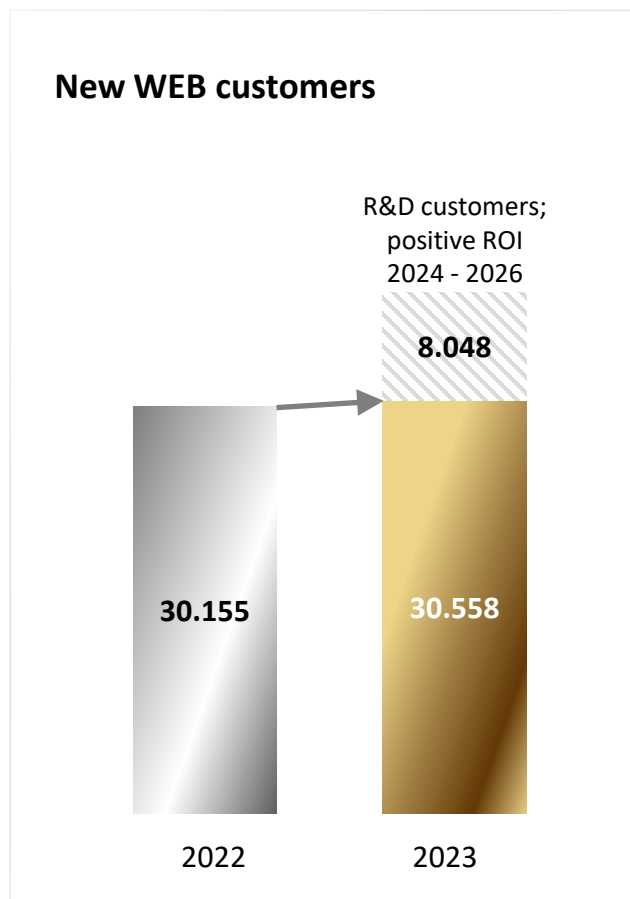
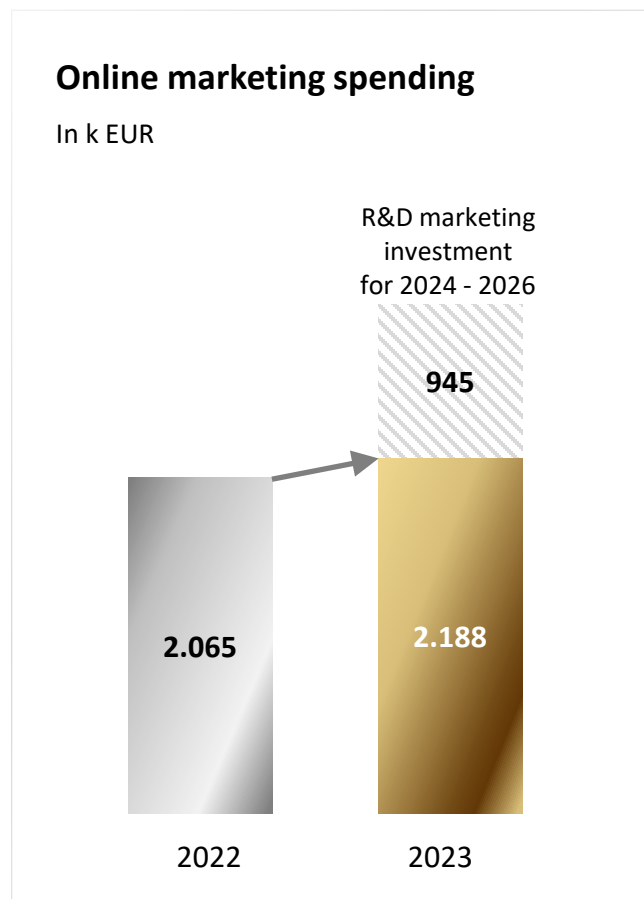


Web with strong revenue growth of 8,4% in 2023 YoY²⁾



Record in Black Friday season: We recorded the highest webshop revenue per day ever achieved

In Q4 2023, we made significant marketing investments for 2024-2026 to determine the most cost efficient and profitable campaigns



Investment in marketing optimization

We have significantly **increased our online marketing budget** (mainly in Q4) with the **goal to optimize the online marketing mix** and lay the foundation for **profitable growth in 2024** and the following years.

Thereof, **longer marketing amortization periods** of 2-3 years have been accepted for this customer cohort.

Juwelo continues in 2024 to make the platform more efficient



Process automation

- Reordering
- Automated checks
- Accounting

50k

Drop shipment

- Tests with Jooli
- Selected Creation product

50k

Optimization of shipping

- Warenpost
- Packing process consolidation

100k

Returns policy

- Restrictive & personalized rules
- Paid returns
- Reselling of expected returns

100k

Live programming optimization

- Full cost v. Margin orientation

200k+

Juwelo “Live from ...”

- Increased number of external Liveshows and Events, e.g. Bangkok, NYC, Tucson, Munich

100k

Customer service automation

- AI Service Bot
- Automated Variant Ordering

100k

Paid services

- Nachnahme
- Packaging
- Other services

150k

Current and planned projects to optimize and increase the efficiency of Juwelo processes and systems (“The platform”). All numbers are estimates of the annualized EBIT effect in EUR

Juwelo's new multi-language platform: AI is the catalyst for lean & fast tech-driven internationalization

German Live show



AI translation

AI translated international shopping shows



Using our **self-developed technical platform**, we can **translate** our German Juwelo live shows into **all foreign languages**



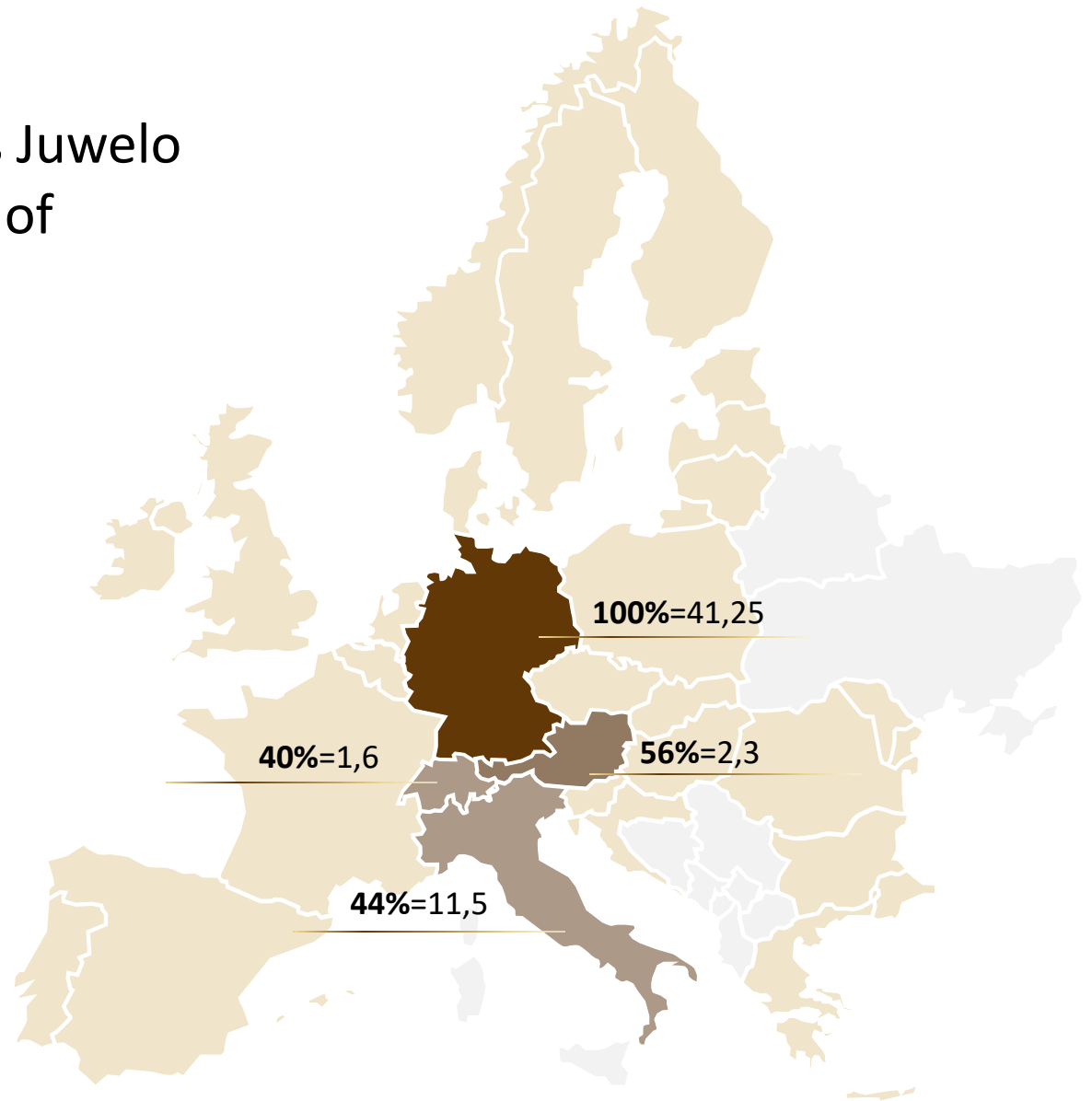
We will combine **AI translations** and our „Gamerobot“ for automated shows to create **fully automatized and AI translated shopping shows**



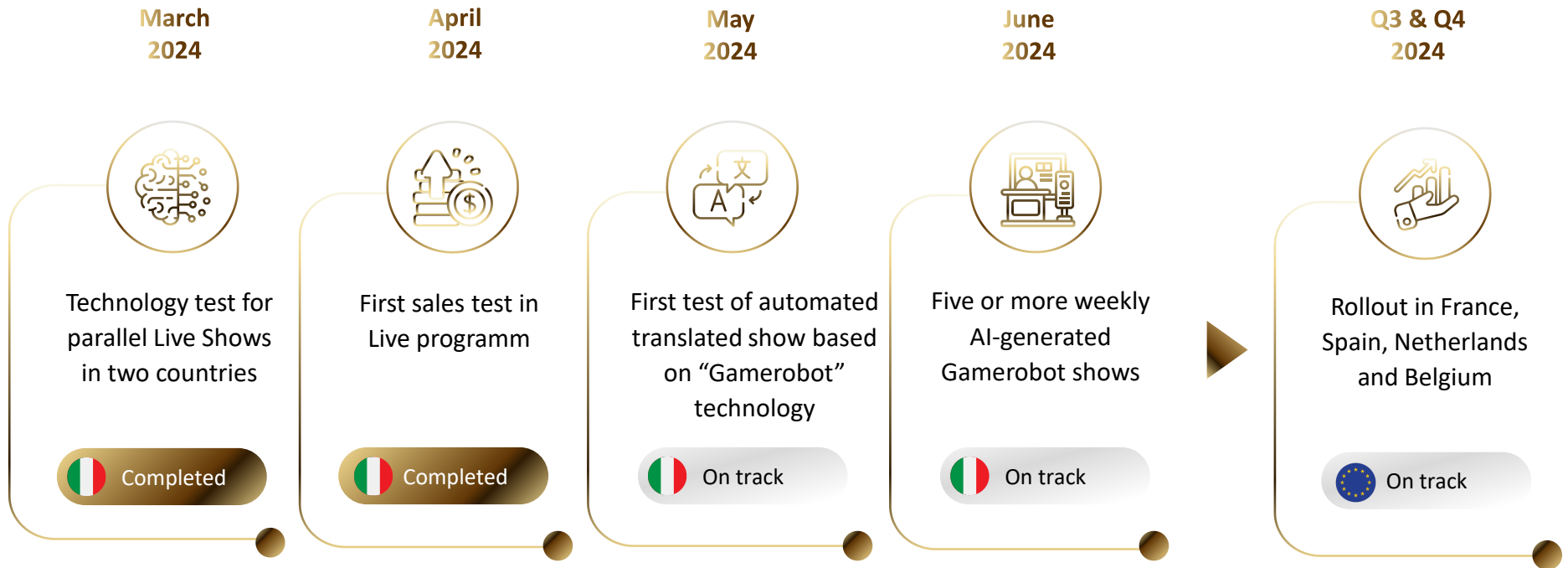
This will allow us to **leverage our video shopping material** that is being produced in our studio in Berlin and **distribute it internationally on any device at very low production cost**

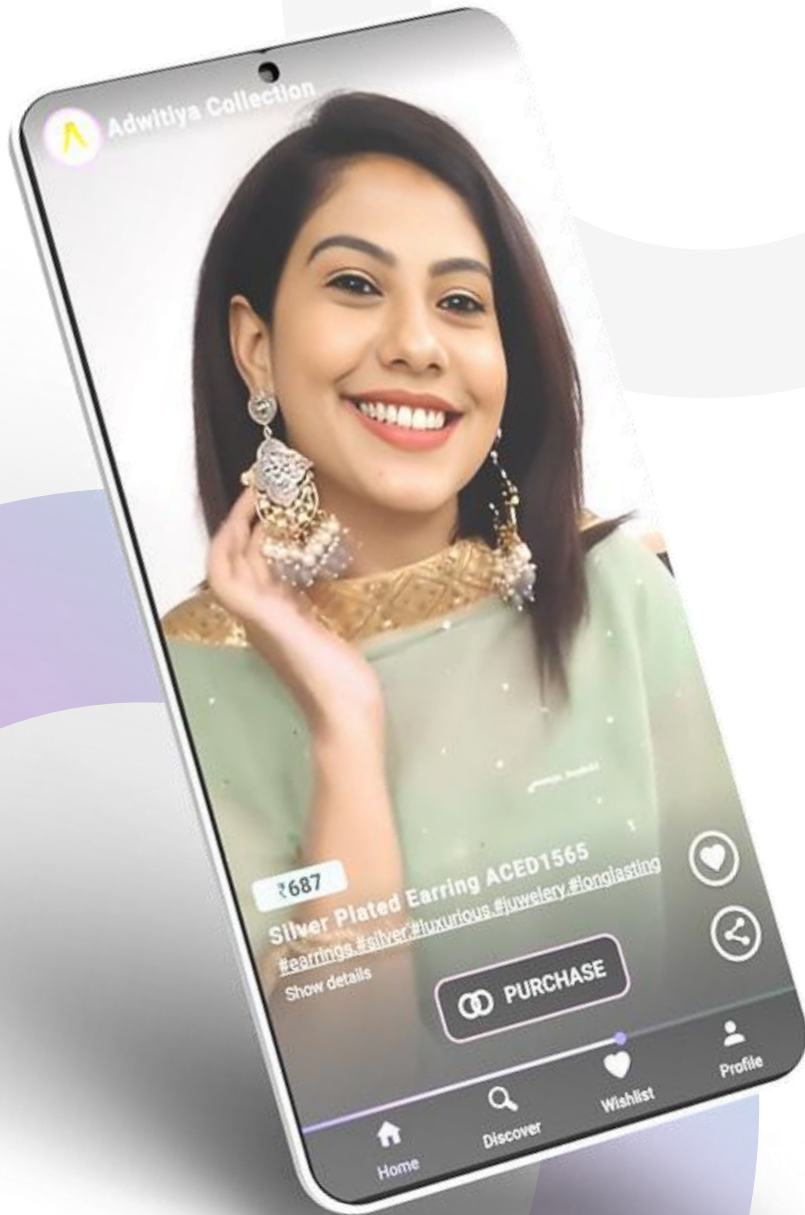
Significant growth potential as Juwelo is currently covering only 22% of European households

Out of a total of **259 million households** in Europe, Juwelo currently **reaches only 57 million households** with its video content offering, which corresponds to **22%**. Based on the existing revenue performance per household, the **growth potential is significant**.



Italy is our “friendly” test market for the Internationalization 2.0





jooli

INSPIRATIONAL
LEISURE SHOPPING

Jooli: The first app solely built for instant leisure shopping

Core features of jooli

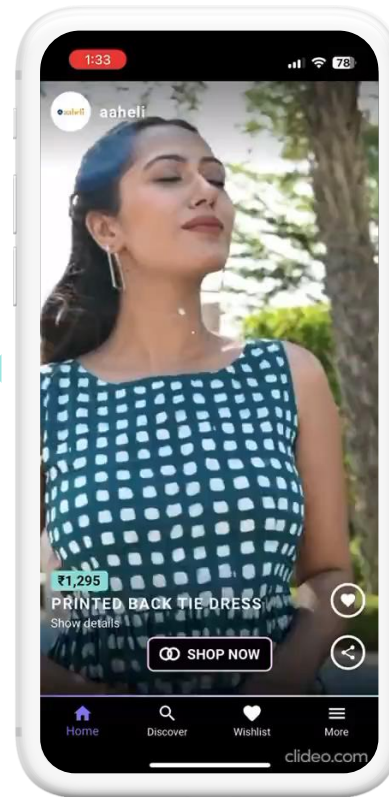
jooli is a video shopping marketplace

- Brands and merchants present lifestyle products in short entertaining videos
- Users switch between videos **by swiping**
- Personalized video feed curated by proprietary AI in real-time

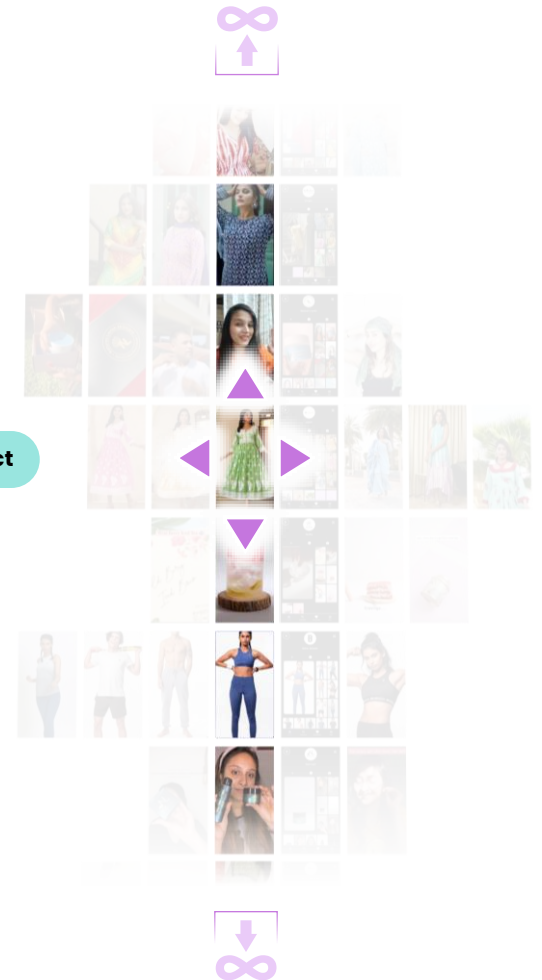
jooli's revenue model is commission based

- jooli generates revenue through a 7.5% commission on merchants' sales
- Merchants get a bonus as incentive to bring their own customers to the platform

Product



Product



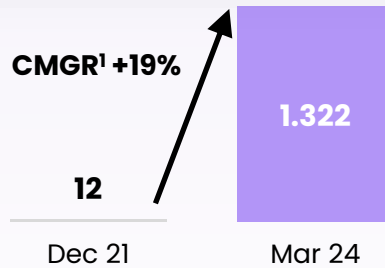
jooli has launched joolipay in Aug 2023 in India and is growing fast

India has huge potential

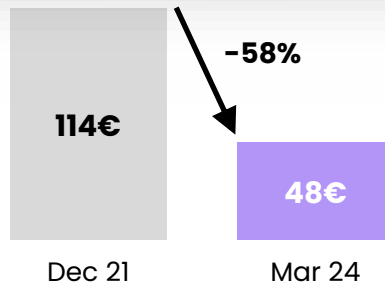
- Dynamic economy: GDP to grow 7.2% in 2023
- Young demographic: Almost 1 bn. Indians are below 35 years old (65%)
- Low competition: TikTok has been forbidden in India since 2020
- Easy and efficient to scale: Low user and channel acquisition cost

Fast scaling of merchants

Fast growth of channels in India

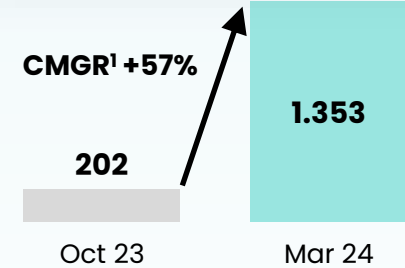


Reduced channel acquisition cost³ in India

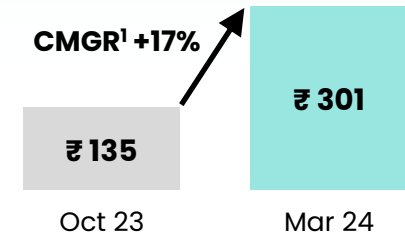


Fast growth of GMV

Development of Orders in India²



Average Order Value in India (INR)



Our vision is to **redefine leisure shopping** as a fully immersive digital experience beyond the smartphone

Static, picture-based eCommerce

Video, feed-based eCommerce

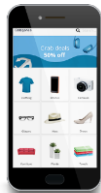
1990s



2000s



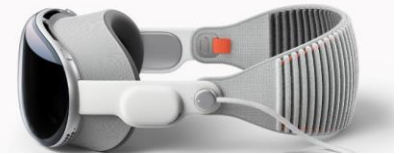
2010s



jooli



2020s



Catalog

Desktop

Mobile

VR

Search & Find

Leisure & Inspiration

Static, pre-defined product feeds

AI-based real time video

Real time 3D experience

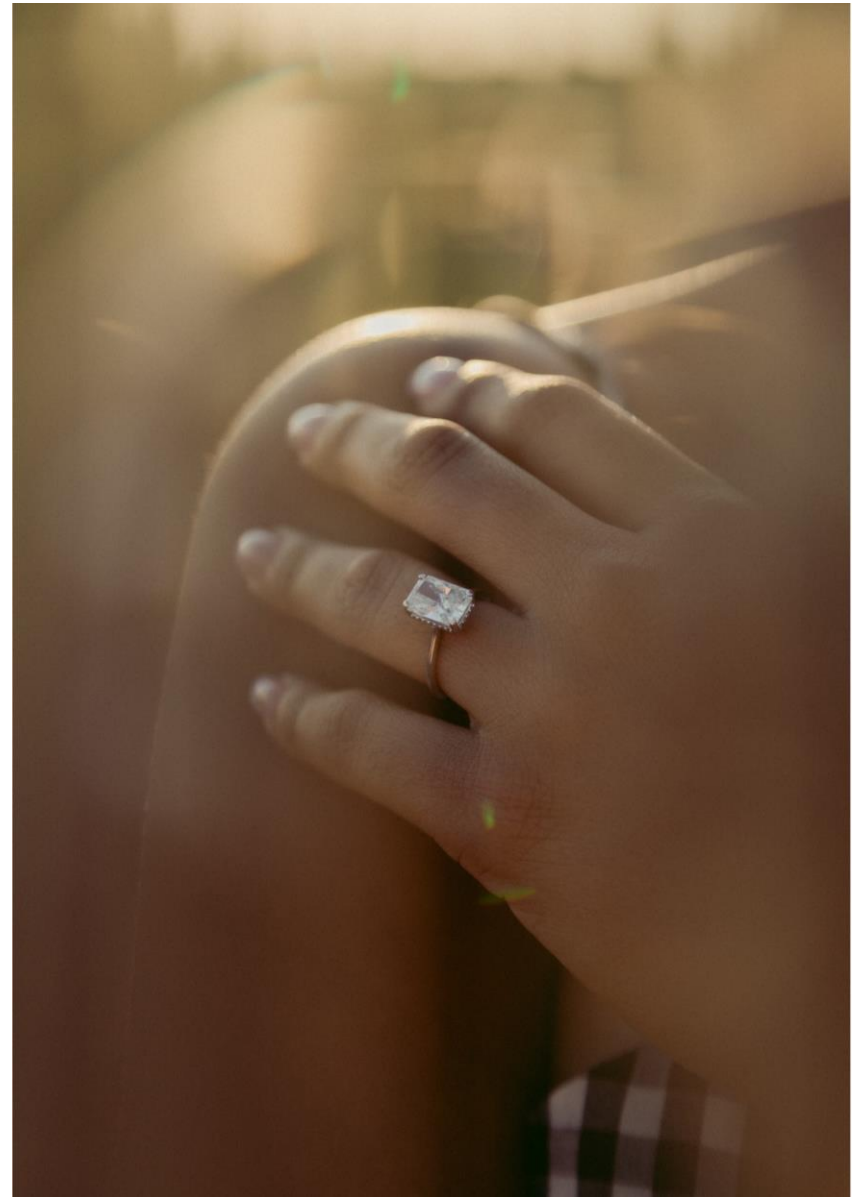
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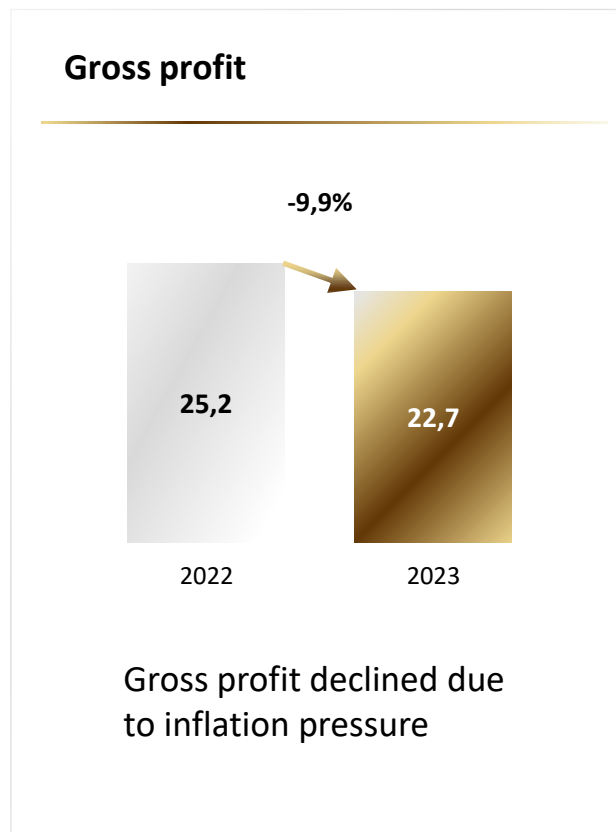
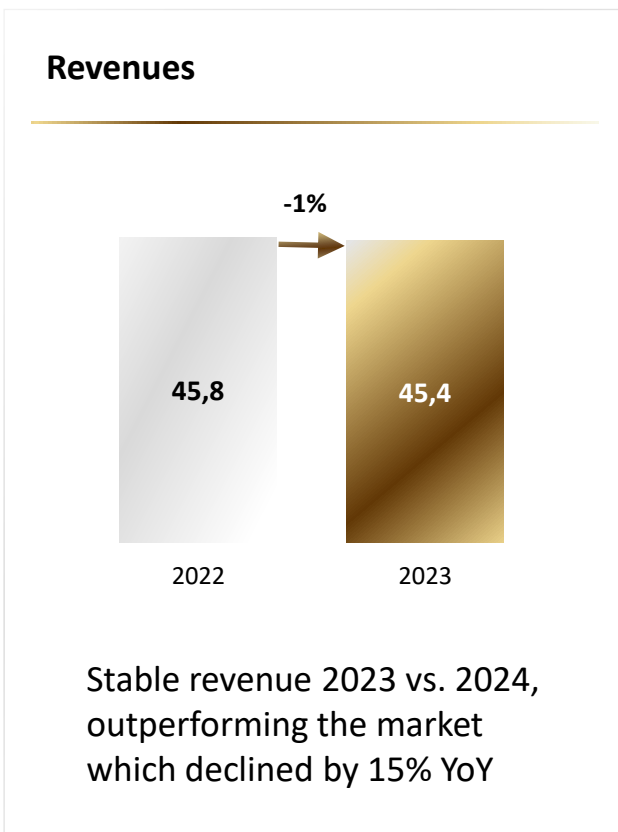
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Stable revenue, decline in gross profit

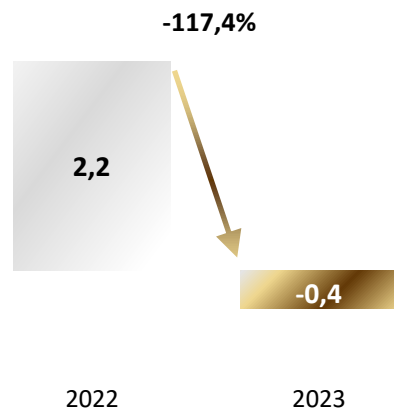
2023 vs. 2022 – performance overview (in m€)



Reduced Adjusted EBITDA and improved operating cash flow

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

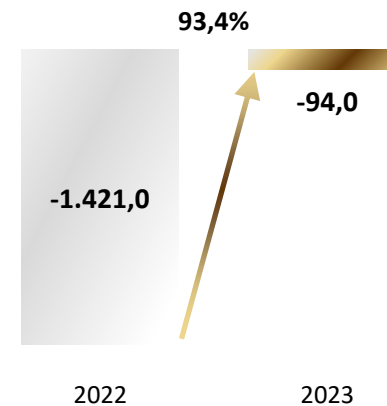
Adjusted EBITDA



Adjusted EBITDA decreased due to:

- Investments in marketing optimization
- Investments in multi-language platform
- Reduced gross profit margin

Operating cash flow



Operating cash flow improved thanks to optimized working capital management

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Selling and administrative expenses reduced by 3,3%

Key performance indicators (I)

EUR thousand (unless indicated otherwise)	FY 2023		FY 2022		YoY In %
Revenue	45.388		45.844		-1,0%
Gross profit	22.705	50,0%	25.187	54,9%	-9,9%
EBITDA	-1.965	-4,3%	-463	-1,0%	-324,7%
Adjusted- EBITDA	-383	-0,8%	2.203	4,8%	-117,4%
Depreciation and amortisation	889	2,0%	941	2,1%	-5,5%
EBIT	-2.854	-6,3%	-1.404	-3,1%	-103,3%
Selling and administrative expenses	25.850	57,0%	26.744	58,3%	-3,3%
Total assets	22.156		22.746		-2,6%
Total equity	8.069	36,4%	10.634	46,8%	-24,1%
Working capital	5.821	26,3%	7.328	32,2%	-20,6%
Net cash flow from operating activities	-94		-1.421		93,4%
Net cash flow from investing activities	-15		-60		-75,3%
Net cash flow from financing activities	50		131		-61,9%

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Accelerating increase in active customers

Key performance indicators (II)

EUR thousand (unless indicated otherwise)	FY 2023	FY 2022	YoY In %
Items sold [pieces in t]	623	568	9,7%
Number of active customers (in t)	83	75	9,3%
Average number of items sold per active customer [pieces]	7,5	7,6	-0,5%
Average sales price (ASP) [EUR]	73	81	-9,7%
Gross profit per item sold [EUR]	36	44	-17,8%
Average basket [EUR]	174	191	-8,9%
Share marketing expenses of revenue webshop	22%	19%	3,5 p.p
Customer Value after one year	267	314	-15,0%
Customer Value after five years	873	967	-9,7%
Web traffic breakdown			
[in % of channel]			
Organic	22,9%	21,4%	1,5p.p.
Direct	7,5%	11,4%	-3,9 p.p.
Paid	47,9%	42,0%	5,9 p.p.
Mail	9,8%	7,5%	2,3 p.p.
Other	12,0%	17,7%	-5,7 p.p
New customers breakdown			
TV	7.370	7.545	-2,3%
Web	38.598	30.153	28,0%

Effects – From EBIT to Adjusted EBITDA

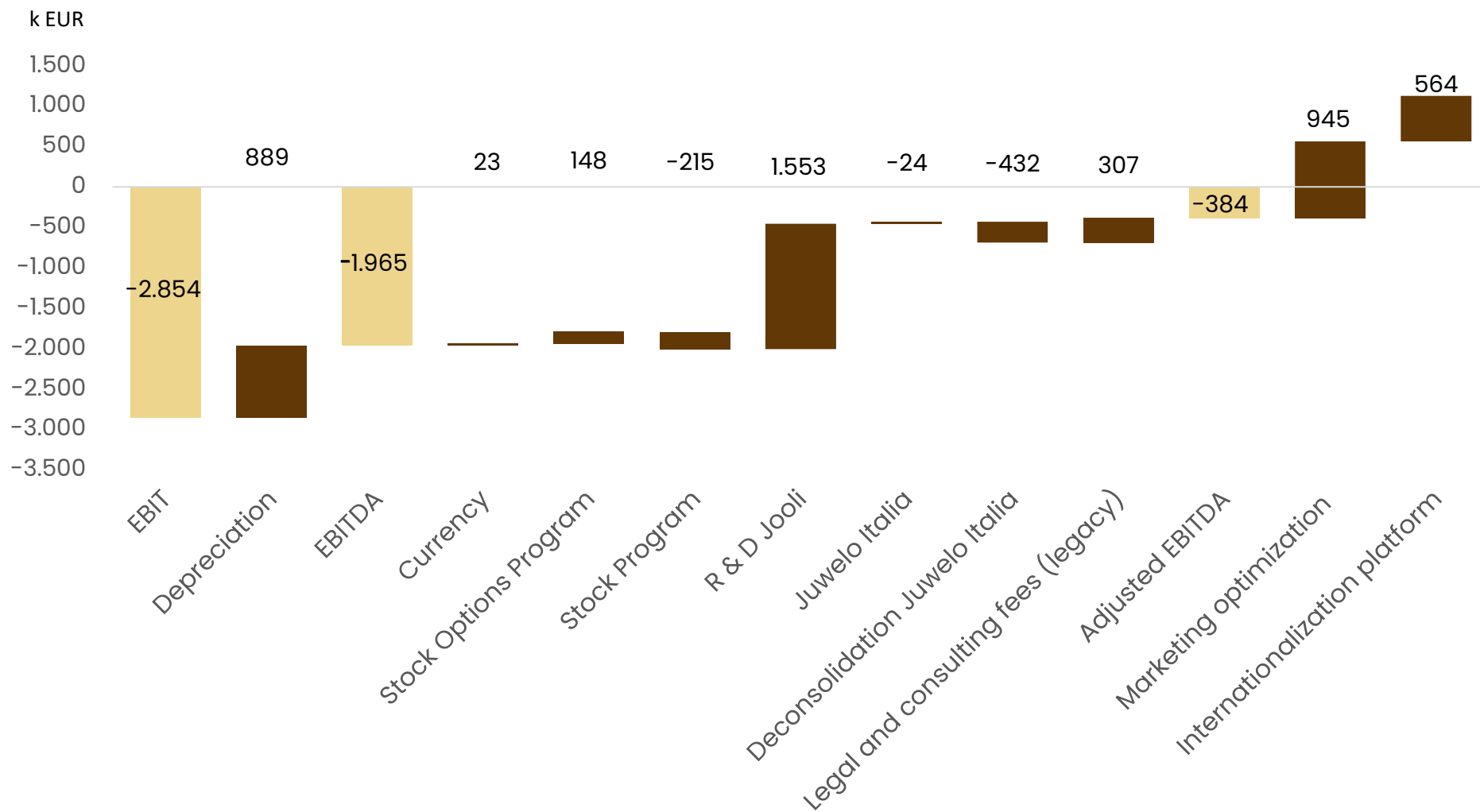


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Outlook 2024 – elumeo returns to profitable growth



Revenue growth

4% - 8%

Adjusted EBITDA

EUR 1,5m – EUR 3,5m

Gross profit margin

49 - 51%



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Executive Board

Wolfgang Boyé, Boris Kirn, Dr. Susanne Ries,
Christian Senitz

Managing Directors

Florian Spatz, Dr. Riad Nourallah, Boris Kirn

Investor Relations

Florian Spatz
Erkelenzdam 59/61
10999 Berlin
E-Mail: ir@elumeo.com
Phone: +49 30 69 59 790
Fax: +49 30 69 59 79-650