

Corporate News

elumeo SE releases 2022 consolidated financial statements: Revenue declines due to Ukraine conflict and inflation - Adjusted EBITDA remains positive - Videoshopping app Jooli continues to grow rapidly.

- Revenue decreased by 9.5% to EUR 45.8 million (previous year: EUR 50.7 million)
- Adjusted EBITDA of EUR 2.2 million (previous year: EUR 4.9 million) after eleventh consecutive positive quarter (Q4/2022)
- Positive operating cash flow of EUR 149k in H2 2022
- Profitable results in Italy business after restructuring
- Outlook for revenue and adjusted EBITDA stable in 2023
- Videoshopping app Jooli grows to over 1,200 channels and more than eight million videos played - series of product improvements planned in 2023

Berlin, April 28th, 2023 - elumeo SE (ISIN DE000A11Q059), the leading online retailer for gemstone jewelry in Europe, has successfully completed a challenging fiscal year 2022 - despite the lingering effects of the Covid-19 pandemic, negative impacts of the Ukraine conflict along with rapidly increasing inflation and customer reluctance to purchase. Compared to the previous year, revenue declined by 9.5% to EUR 45.8 million (previous year: EUR 50.7 million). As a result, the adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) also fell lower than the previous year. The central financial metric of the company dropped to EUR 2.2 million (previous year: EUR 4.9 million, -54.6%), but remained positive for the eleventh consecutive quarter. After generating a group result of EUR 9.3 million in the previous year, the result now fell to EUR -3.3 million, partly due to significantly lower active deferred taxes.

The fiscal year 2021 was one of the best in elumeo's history, making the bar particularly high for the following year. "The declining revenue development in 2022 can also be partially explained by the exceptionally strong growth of 19.5% in the previous year, when many European countries were in lockdown due to Covid-19 and customers increasingly shopped from home. In addition, several macroeconomic effects in 2022 had a negative impact on our business," commented Wolfgang Boyé, Chairman of the Board of Directors of elumeo SE, on the development of the past fiscal year. Boyé also noted that the foreign exchange markets did not play in the company's favor. The weaker performance of the Euro against the Indian Rupee, US Dollar, and Thai Baht led to a decrease in gross margin.

Florian Spatz, CEO of the group, adds: "After the decline in sales in the second half of the first quarter due to the outbreak of war in Ukraine, we were able to quickly adapt our product offering to the changed purchasing behavior of our customers. This enabled us to support inventory and the percentage gross profit margin in the fourth quarter and stabilize sales in the second half of the year in our core live business compared to the strong previous year." As a result, elumeo had a positive operating cash flow of EUR 149k in the second half of 2022.

The extensive cost optimization measures initiated in the first quarter of 2022 have had the desired sustainable effect. This was particularly due to the reduction in reach costs in Italy and lower

marketing expenses. Although the reduction of the broadcast window in Italy from 24 to four to seven hours per day caused a decline in sales of about 50% of the Italian live business, this was accompanied by an over-proportional saving in reach costs. Overall, the Italian business was able to make a positive contribution to EBITDA.

For 2023, elumeo expects sustained high volatility due to the war in Ukraine and continued high inflation. Consequently, the company's forecast is based on a cautious approach to future development and takes into account possible further negative influences from demand slumps and supply bottlenecks. Overall, management expects sales and adjusted EBITDA to develop stably. Sales development is expected to be in a middle positive to middle negative single-digit percentage range. Growth in the low single-digit percentage range is expected for the webshop. The gross profit margin is expected to continue to stabilize at >50% in 2023. Adjusted EBITDA is expected to be in the low single-digit million range.

The independent, wholly-owned subsidiary jooli.com GmbH continues to be on a growth trajectory. It develops and operates the video shopping platform Jooli in the German and Indian markets. From December 2021 to March 2023, the platform grew by an average of 90 channels per month to currently 1,237 channels. In India in particular, with now 1,074 channels and more than seven million videos played, there is a very wide range on offer. In total, over eight million videos have already been played since the app was launched in April 2021. Expenses of EUR 1.3 million were incurred in 2022 for the further development of Jooli. These were not capitalized but were adjusted in the group's adjusted EBITDA.

Boyé: "We will continue to actively promote the development of the app in 2023. A number of product improvements are planned, such as AI-based real-time control in the second quarter and the start of monetization of the app in the second half of 2023." In addition, a cooperation with the Laboratory for Virtual Studio and Virtual Reality at the University of Applied Sciences Düsseldorf will be launched to further develop and make the Jooli metaverse prototype ready for production.

About elumeo SE:

The elumeo Group, headquartered in Berlin, is the leading European company in the electronic direct sales of high-quality, gemstone jewelry. Through a variety of electronic sales channels (TV, Internet, Smart TV and a smartphone app), the listed company offers its customers, in particular, colored gemstone jewelry at attractive prices. The elumeo Group operates home shopping TV channels in Germany and Italy as well as web shops in Germany, the UK, Italy, France, the Netherlands, Spain and Belgium. With its wholly owned subsidiary, the elumeo Group operates the AI-controlled video shopping app jooli.com.

Contact

elumeo SE/ Investor Relations

Erkelenzdamm 59/61

10999 Berlin, Germany

Phone: +49 30 69 59 79-231

Fax: +49 30 69 59 79-650

ir@elumeo.com

www.elumeo.com