

Corporate News

elumeo SE lays the foundation for stable development in the current fiscal year despite a challenging environment in the first quarter of 2023.

- Revenue decline in Q1/2023 of 13.5% to EUR 10.8 million compared to strong prior-year quarter
- Adjusted EBITDA of EUR -169 K negative for the first time since Q2/2020
- Operating cash flow remains positive at EUR 47 K in Q1/2023
- Program initiated to increase operational performance by EUR 1.6 million in 2023
- Forecast for 2023 sees stable development in revenue and adjusted EBITDA
- Jooli achieves a significant milestone and launches Real-Time Feed

Berlin, May 12, 2023 - Despite a challenging market environment, elumeo SE (ISIN DE000A11Q059), Europe's leading e-commerce retailer for gemstone jewelry, has laid the foundation for solid development in the current fiscal year in the first quarter of 2023. After a good start in the first weeks of the year, the momentum of revenue noticeably decreased and remained subdued throughout the rest of the quarter. In total, revenue decreased by 13.5% to 10.8 million euros compared to the strong prior-year quarter (Q1/2022: 12.4 million euros). The Italian business, which was weaker due to reach optimization, had an above-average share in this development.

In addition to the revenue decline, an increase in purchasing prices, triggered by a weaker development of the euro against the Indian rupee, the US dollar, and the Thai baht, also contributed to the negative adjusted EBITDA, the key financial figure of the group, of EUR -169 K (Q1/2022: EUR 0.4 million) for the first time since Q2/2020. The operating cash flow remained positive at 47 K EUR (Q1/2022: EUR -1.008 million).

To increase competitiveness and quickly return to profitability, elumeo SE has launched a program to increase operational performance. First measures have already been implemented. The program includes a total of 38 individual measures and is expected to contribute EUR 1.6 million to earnings in 2023. EUR 980 K is attributable to cost savings, and EUR 620 K is attributable to measures to increase gross profit. Key individual measures include activities in marketing and sales, the introduction of new jewelry collections, renegotiations with suppliers, and the optimization of personnel costs.

Florian Spatz, Chief Executive Officer of elumeo SE: "In view of the current fiscal year's developments and the already initiated performance program, we confirm our forecast for 2023." This is based on a still cautious approach in view of the continuing high volatility resulting from the war in Ukraine and the heightened inflation and takes into account possible further negative effects from demand declines and supply bottlenecks. Spatz: "In total, we expect revenue and adjusted EBITDA to develop stably." The management also expects revenue development to be in a mid-single-digit positive to mid-single-digit negative percentage corridor. The gross margin is expected to remain stable at > 50% in 2023. The adjusted EBITDA is expected to be in the positive low single-digit million range.

The development of the video shopping app Jooli has been pleasing during the current fiscal year. As of May 2023, it now boasts 1,518 channels and 7,818 played videos in India. With the scheduled launch of the Real-Time Feeds in a phased rollout from May 10, 2023, the app has reached a significant milestone. Jooli expects this to further increase its user retention and lay the technical foundation for monetization in India in the second half of 2023.

**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.

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