

Press Release



elumeo SE: Offer period for IPO starts on 18 June 2015

- elumeo is a leading European electronic retailer for gemstone jewelry with a production facility in Thailand
- Price range set at €25.00 to €33.00
- Total transaction size of €63.5 million to €83.8 million
- Gross proceeds for elumeo of €37.5 million to €49.5 million
- Offer period starts on 18 June 2015 and is expected to end on 1 July 2015; first trading on the Frankfurt Stock Exchange is expected on 3 July 2015

Berlin, 17 June 2015 – elumeo SE (“elumeo” or the “Company”), a leading electronic retailer of gemstone jewelry in Europe, announces details of its planned IPO on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. The German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)) has approved the corresponding prospectus today.

The offering consists of initial public offerings in the Federal Republic of Germany and the Grand Duchy of Luxembourg and private placements in certain jurisdictions outside these areas. The offer shares will not be offered or sold in the United States of America. Outside the United States of America, the shares will be offered and sold only in offshore transactions in reliance on Regulation S under the Securities Act under the Securities Act of 1933, as amended.

Offering Period will start on 18 June 2015

The period during which purchase orders for offer shares can be submitted will commence on 18 June 2015 and is expected to end on 1 July 2015 at 2:00 p.m. CEST. The final offer price will be determined based on a bookbuilding process.

Offers to purchase may be submitted within a price range between €25.00 and €33.00 per share. The offering consists of 2,540,000 ordinary bearer shares with no-par value comprising 1,500,000 newly issued shares from a capital increase against cash contributions, 708,696 existing shares from the holdings of the two largest shareholders of elumeo and a further 331,304 existing shares also from the holdings of the two largest shareholders for purposes of potential over-allotments (Greenshoe Option). Total transaction size adds up to €63.5 million to €83.8 million, gross proceeds for elumeo will be between €37.5 million and €49.5 million.

The Company's shares (entire share capital) are expected to be admitted to trading on the regulated market (Prime Standard) of the Frankfurt Stock Exchange on 2 July 2015. Trading in the shares is planned to commence on 3 July 2015 and settlement is expected on 6 July 2015. Société Générale Corporate & Investment Banking and Baader Bank AG are managing the IPO as Joint Global Coordinators and Joint Bookrunners. Co-Lead Managers are equinet Bank AG and M.M. Warburg & CO (AG & Co.) KGaA.

elumeo

Wolfgang Boyé, co-founder and Chairman of elumeo SE's Executive Board, explains the motives for the IPO: "Similar to the apparel industry 20 years ago, the jewelry market is in a state of transformation. And elumeo, as a leading electronic retailer for gemstone jewelry in Europe, is actively driving this change! We are convinced that we are already a major player in the European market today and thanks to our integrated value chain, we benefit from a quick and cost-efficient production process. This allows us to offer high-quality products at very attractive prices, which also implies a huge advantage compared to many of our competitors which are mainly smaller, national retailers. With the proceeds of the IPO we want to increase this competitive advantage and benefit from the various market potential."

Issue proceeds to finance international expansion strategy

elumeo intends to use the net proceeds from the sale of the new shares to broaden its product offering, to enhance its price leadership as well as to invest in digital and international expansion. Approximately half of the net proceeds shall be invested in working capital in order to increase revenues as the ability to grow further requires a broadened product inventory and product offering. Don Kogen, co-founder and Vice-Chairman of the Executive Board of elumeo, illustrates: "We are intending to move into a new and larger factory at the gemstone production hub Chanthaburi in Thailand by October 2015. Furthermore, we plan to increase the number of our employees there – buyers, cutters, setters, designers and of course goldsmiths – from currently over 750 to approx 1,100. This will allow us to raise our production level from 3,600 pieces of jewelry per day to 6,500." For this purpose, elumeo also plans to invest in more modern and additional production equipment.

These investments should help to increase efficiency and to enhance the current level of production costs. For the same reasons, the Berlin-based gemstone jewelry retailer aims to invest in an automated picking system for the Company's warehouses in Berlin and the UK. Moreover, elumeo plans to further develop its existing mobile and smart TV apps, to design smart TV apps for additional TV set manufacturers and to roll out its mobile app to all countries in which the Company currently operates and plans to operate in the future. In addition, elumeo intends to pursue further growth opportunities by expanding internationally and by increasing market activities (e.g. by launching a local TV station) in markets where the Company is only operating web shops so far.

"We believe that we have a proven business model that is ready for further international expansion. We plan to rollout our 'live commerce' offer through ten more local language websites under the Juwelo brand managed out of Berlin. At the same time we plan to open presences with local TV channels in two more territories until 2019, which means that we plan to set up a local TV channel as well as a local warehouse and administration", says Wolfgang Boyé.

Sustainable growth in the past and strong start into the fiscal year 2015

elumeo was founded in 2008 with an initial investment of approx. €4 million, at the end of the first quarter 2015, the consolidated equity of the Company stood at around €26.5 million. "Apart from two working capital loans, granted at the beginning of this year, there has been no other external financing so far. This proofs our successful and sustainable



business model", says Bernd Fischer, CFO of elumeo SE. Since 2009, elumeo generated an average annual revenue growth of around 30%. In 2014, Group revenue amounted to around €71 million (2013: around €53 million), the adjusted EBITDA stood at approximately €4.1 million (2013: approx. € 1.9 million). In 2014, the well-established German home market accounted for approx. 60% of total revenue and generated an adjusted EBITDA margin of 15 %; the remaining 40% were already generated internationally.

In the first quarter 2015, consolidated revenue increased by around 27% and amounted to €19.5 million (Q1 2014: €15.4 million). elumeo's consolidated adjusted EBITDA more than doubled compared to the same period in the previous year. From January to March 2015, it totaled approximately €0.7 million (Q1 2014: adjusted EBITDA was approximately €0.3 million).

Wolfgang Boyé concludes: "With our proven and scalable business model, the international orientation and the integrated value chain, we are well positioned to benefit from the possibilities of a transforming market. With the IPO, as a crucial step within our clearly outlined expansion strategy, we can further enhance the pace of our growth and thereby expand the advantages we have compared to many of our competitors. We, as the Management Board, founders, shareholder and employees are fully committed to our Company. That is why the current shareholders will remain the majority shareholders after the IPO."

The approved prospectus is available on elumeo's website www.elumeo.com under Investor Relations.

About elumeo SE:

The elumeo Group, which has its headquarters in Berlin, is a leading European online retailer of gemstone jewelry, which is produced by the elumeo Group in Thailand. Via a number of electronic distribution channels (including television, the Internet, smart TV and smartphone app), the group offers its customers in Europe colored gemstone jewelry at comparatively low prices. The distribution model used relies exclusively on direct sales made via the elumeo Group's home-shopping TV channels in Germany, the UK and Italy, and via online stores in Germany, the UK, France, the Netherlands, Spain and Belgium. Low-value items are marketed to customers worldwide via the Hong Kong-based "New York Gemstones" outlet channel.

The elumeo Group's product range includes jewelry made from a variety of different gemstones, with some of the pieces designed partly by the customers themselves. The Group is also represented in the market for exclusive gemstone jewelry by the premium brand AMAYANI.

The elumeo Group was founded as a joint venture in 2008 in Berlin and Chanthaburi, Thailand, and has subsequently expanded to other European markets. In 2014, the companies involved bundled the operating business under the holding company elumeo SE. The elumeo Group employs approximately 1,100 people in five different locations worldwide and in 2014 achieved a consolidated revenue of around €71 million. As well as elumeo SE, which is based in Berlin, Germany, the Group's subsidiaries include Juwelo TV Deutschland GmbH (also in Berlin); Juwelo Italia, s.r.l. in Rome, Italy; Rocks and Co Production Limited in Leamington Spa/Warwick, United Kingdom; Porn Wong Kitt Company Limited with sites in Chanthaburi and Bangkok, Thailand; and Silverline Distribution Limited, Hong Kong, China.

For further information, see our websites <http://www.elumeo.com>, <http://www.juwelo.de>, <http://www.amayani.de>, <http://www.rocksandco.com>, <http://www.juwelo.it>, <http://www.juwelo.fr>, <http://www.juwelo.nl>, <http://www.juwelo.es>, <http://www.juwelo.be> and <http://newyorkgemstones.com>.

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