

Corporate News

elumeo SE publishes half-year financial report as of 30 June 2019

- Strong improvement in the result of total segment EBITDA
- Cost reduction programme and gross profit better than expected
- Forecast for the year as a whole specified
- Web shop back on growth track
- Berlin Public Prosecutor's Office exonerates elumeo's management

(Berlin, 30 September 2019): elumeo SE, the leading electronic retailer for gemstone jewelry in Europe, one again significantly improved its results year-on-year in the second quarter of financial year 2019. Total segment EBITDA rose to EUR -0.1 million. As in the first quarter, the significant improvement is due to the consistent implementation of the cost reduction and restructuring programme. Significant savings were achieved above all with regard to distribution costs.

elumeo SE had already relocated production from Chanthaburi in Thailand to the capital of Bangkok and to Jaipur in India in November 2018. In addition, a comprehensive restructuring and transformation programme was approved at the time. "Our measures are now bearing fruit. Despite the very good development, we still see a great need for action, however. Especially the acquisition of new customers will challenge us in the coming periods," said Ingo Stober, CEO of elumeo SE.

In view of its previous planning, elumeo managed to slightly exceed its targets for cost savings and an increase in gross profit. By contrast, the revenue target had to be adjusted slightly downwards. elumeo SE had already announced in its report for financial year 2018 that the return to profitability was a priority for 2019. For this reason, elumeo attaches greater importance to increasing gross profit and the gross profit margin than to sales growth. All in all the earnings forecast for the full year therefore remains unchanged. Bernd Fischer, CFO of elumeo SE: "We owe the positive earnings development to the tireless efforts of our employees. However, due to the long summer, the third quarter developed somewhat weaker. Nevertheless, we expect significant improvements again in the fourth quarter. In particular, we will continue to focus on the development of the gross profit margins."

The increasing concentration on the digital transformation of the company also opens up further growth opportunities. elumeo thus aims to return to sustainable profitability. Ingo Stober: "The customer is moving more into the centre of attention and decides for himself which channels he uses to buy from us." After revenues for the company as a whole had fallen slightly year-on-year in the second quarter of 2019, elumeo's web shop business was already able to grow slightly again in the second quarter. This trend continued in the third quarter.

The ongoing legal disputes with the shareholder Ottoman Strategy Holdings (Suisse) SA (hereinafter referred to as OSH) and SWM Treuhand AG, Munich, also developed positively for elumeo SE. After the Regional Court of Berlin had already completely rejected OSH's appeal for annulment of the Annual General Meeting of elumeo SE on 9 December 2018, elumeo SE has now also received positive confirmation from the Berlin Public Prosecutor's Office. The office had received a criminal complaint, which was largely identical in wording to the civil complaint that SWM Treuhand AG filed against elumeo SE. In accordance with the law, the Public Prosecutor's Office had to conduct investigations, but discontinued them pursuant to Section 170, Paragraph 2 of the German Code of Criminal Procedure after having carefully considered the facts. Wolfgang Boyé, Chairman of the

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Executive Board of elumeo SE: "The last few weeks have not been easy, neither for the company nor for the employees of the elumeo Group, due to the massive smear campaign carried out by the attorney Roderich Schaetze via the media. It is therefore very reassuring for us that the case has now been dropped. We also do not see any prospects of success for the other side with regard to the other proceedings that attorney Schaetze and his supporters have instigated."

About elumeo SE:

The elumeo Group, headquartered in Berlin, is the leading European company in the electronic distribution of high-quality gemstone jewelry, mainly produced in India and Thailand. elumeo's goal is to make high-quality gemstone jewelry an affordable luxury for everyone.

Through a variety of electronic distribution channels (such as TV, the Internet, Smart TV and Smartphone App), the listed company offers its customers primarily colour gemstone jewelry at comparatively low prices. The company sells its jewelry predominantly through direct sales. For example, the elumeo Group operates home shopping television stations in Germany and Italy as well as web shops in Germany, the UK, Italy, France, the Netherlands, Spain, Belgium and the United States.

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