

elumeo SE publishes quarterly release for the first quarter of 2017

- Significant increases in revenues and total segment EBITDA
- Sales in Germany again on a stable growth path
- First-time strong sales growth in Italy in March
- elumeo on track to reach operational break-even in the first half of the year

Berlin, 11 May 2017 – elumeo SE, the leading electronic retailer for gemstone jewelry in Europe, today announced its quarterly results for the first quarter of 2017. Revenues increased 15% in the first quarter of 2017 over the first quarter of 2016 from EUR 14,930 thousand to EUR 17,232 thousand. Sales growth was predominantly achieved in Germany (30.1%). Sales in the United Kingdom decreased by 7% from EUR 2,699 thousand in the first quarter of 2016 to EUR 2,522 thousand in the first quarter of 2017. The changed reach structure in the United Kingdom took effect on 1 March 2017 and has thus not yet been fully reflected in a clear reduction in sales with a disproportionate decrease in range costs. In Italy, sales of EUR 2,366 thousand in the first quarter of 2017 were 19% down from the previous year comparison period (Q1 2016: EUR 2,933 thousand). Meanwhile, measures such as new show programs and enhanced brand presentation are having an effect. In March 2017, for the first time, sales growth of approx. 10% compared to the same month last year was achieved.

With sales of EUR 10,322 thousand, the TV business performed slightly more positively compared to the previous year's quarter by posting an increase of 1.8%. eCommerce sales rose by 31% to EUR 6,260 thousand in the first quarter of 2017 (Q1 2016: EUR 4,774 thousand). Sales of EUR 634 thousand (Q1 2016: EUR 0) from B2B business were generated by cooperation with a TV station in the US. Continuation of this cooperation is planned in the second and third quarter of 2017.

At 38.4%, the gross profit margin in the first quarter of 2017 was well below the level of the previous year's comparison period (Q1 2016: 50.7%). This is mainly due to three factors: (i) an intensive sell-off in the United Kingdom in the months of January and February due to stock optimisation before the reach was adjusted, (ii) a higher share of revenues from higher priced products from third parties and (iii) B2B sales.

The key performance measure total segment EBITDA improved in the first quarter of 2017 by 14% to EUR -1,975 thousand after EUR -2,298 thousand in the same period of the previous year. The loss mainly resulted from the first two months of the quarter with very low margins from sales from the sell-off in the United Kingdom, in particular. March was already positive with a result of EUR 30 thousand. The main reason for the positive overall development was the development of costs due to extensive cost-cutting measures in all operational areas. Compared to the same period of the previous year, sales costs were reduced by 10% from EUR 7,363 thousand to EUR 6,655 thousand while administrative costs of EUR 3,639 thousand were reduced by 7% to EUR 3,387 thousand. In the first quarter of

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2017, a total Group result of EUR -2,159 thousand was generated after EUR -4,295 thousand in the first quarter of 2016 (+50%).

Bernd Fischer, CFO and Spokesperson of the elumeo SE Executive Board, comments: "The cost-cutting measures and the restructuring of the TV business are beginning to bear fruit, and we are assuming that this effect will continue to strengthen into the future. While sales in the United Kingdom may drop to under 50% of the figure from last year, reach costs will be even disproportionately lower. This leads us to expect a significant increase in segment EBITDA for the Other Sales business segment (United Kingdom, Asia, USA)."

Wolfgang Boyé (Chairman of the elumeo SE Executive Board) adds: "We expect total segment EBITDA to be positive in the remaining quarters of financial year 2017."

The full quarterly release for the first quarter of 2017 is now available on the company's website <http://www.elumeo.com> in the Investor Relations / Publications/ Financial Reports section.

About elumeo SE:

The elumeo Group, which has its headquarters in Berlin, is a leading European online retailer of high-quality gemstone jewelry, which the Group mostly produces itself in Thailand. The publicly traded company elumeo offers its customers in Europe colored gemstone jewelry at comparatively low prices via a number of electronic distribution channels (including television, the Internet, smart TV and a smartphone app). Its distribution model relies mainly on direct sales. The elumeo Group has home shopping TV channels in Germany, the UK and Italy, as well as web shops in Germany, the UK, Italy, France, the Netherlands, Spain, Belgium and the USA. Lower cost items are marketed to customers worldwide via the Hong Kong-based "New York Gemstones" online stores. Furthermore, the company also offers a full line of jewelry on schmuck.de.

The elumeo Group was founded in Berlin, Germany, and Chanthaburi, Thailand, as a joint venture in 2008 and has grown very successfully ever since. In 2014, the companies that comprised the Group underwent a formal merger to bundle the operating business under the holding company elumeo SE. The elumeo Group employs approximately 1,100 people at five different locations worldwide.

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