

Positive trend continues for elumeo in second quarter of 2017

- Significantly improved result in first half of 2017
- Revenue growth with significant increase in revenues in Germany and Italy
- Positive development of gross profit margin in second quarter of 2017
- Reduced inventory

Berlin, 10 August 2017 – elumeo SE, the leading electronic retailer of gemstone jewelry in Europe, publishes its half year financial report for the first half of 2017 today, in which the return to profitability continued to be the focus. Cost-cutting measures are proving successful and are making a significant contribution to the improvement in earnings. Selling and administrative expenses adjusted for net results from foreign currency translation were reduced by 10.3% (EUR 2.1 million) from EUR 20.6 million in the first half of 2016 to EUR 18.5 million in the first half of 2017. Positive revenue growth in the second quarter of 2017 in Italy (+11.3% compared to the second quarter of 2016) as well as continually strong growth in Germany (+11.0% in the second quarter of 2016) are yet other important factors that allowed for very positive earnings growth.

The operating business of the subsidiary Rocks & Co. UK Ltd. in the United Kingdom was adjusted in view of the difficult market conditions, as reported. The revenue share in the first half of 2017 fell to 11.6% (first half of 2016: 19.1%). The impact in the second quarter of 2017 was even more pronounced, as the reduction in the scope of coverage took full effect. The revenue share of total group revenues in the second quarter of 2017 fell to 8.9% (second quarter of 2016: 19.9%).

Overall, sales revenues rose significantly by 10.8% from EUR 17.2 million in the first quarter of 2017 to EUR 19.1 million in the second quarter of 2017. Growth was mainly achieved in Germany with EUR 11.7 million in the first quarter of 2017 and EUR 13.8 million in the second quarter of 2017 as well as in Italy and in the B2B business segment in the USA. Compared to the very high second quarter of 2016, revenues were lower as a result of the decline in sales in the UK as well as in the B2B segment, where a one-time spot deal with business customers was recorded in the previous year period.

In the second quarter of 2017, the gross profit margin improved to 42.5% compared to both the same period of the previous year (second quarter of 2016: 40.4%) and the previous quarter (first quarter of 2017: 38.4%). The gross profit margin decreased to 40.6% in the first half of 2017 (first half of 2016: 44.7%) mainly due to the very strong gross profit margin in the first quarter of 2016. Compared to the same period of the previous year, gross profit fell by 6.6% from EUR 15.8 million to EUR 14.7 million in H1 2017. The significantly positive development of gross profit in Germany and Italy totalling EUR 12.2 million (first half of 2016: EUR 11.3 million) was clearly offset by the reduction in business scope in the United Kingdom and in the B2B area (one-time spot deal in the previous year). Total segment

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EBITDA also developed positively. Here, the loss of EUR -3.7 million in the first half of 2016 was reduced to EUR -2.4 million in the first half of 2017 (+36.0%).

Overall, earnings per share of EUR -0.64 were generated in the first half of 2017 versus EUR -1.32 in the first half of 2016.

Bernd Fischer (CFO and Speaker of the Executive Board of elumeo SE) comments: "The cost reduction measures and the restructuring of the TV business have been successfully carried out."

The complete half-year financial report 2017 is available for download from the company's website <http://www.elumeo.com> in the Investor Relations / Financial Reports section as of today.

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 mainly produces itself in Thailand. The publicly traded company elumeo offers its customers in Europe coloured 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 exclusively on direct sales. For instance, the elumeo Group operates home-shopping TV channels in Germany, the UK and Italy, and online stores in Germany, the UK, Italy, France, the Netherlands, Spain, Belgium and the USA. Lower cost items are marketed to customers worldwide via the US based "New York Gemstones" online stores. Furthermore, the company now also offers a full line of jewelry on schmuck.de.

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 high-end gemstone jewelry with its premium brand AMAYANI and sells the KAT FLORENCE jewelry line.

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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