

elumeo SE publishes its figures for the first nine months of 2015

- Revenue growth of approximately 8%, eCommerce continues to drive growth
- Earnings and sales for the third quarter and for financial year 2015 impacted by one-off effects in the UK. Stock after inventory fully confirmed
- Positive effects on the gross margin due to the new purchasing model do not yet fully impact the quarterly results
- Growth can continue in 2016 thanks to the successful launch of important projects and collaborations

Berlin, 27 November 2015 – elumeo SE, a leading electronic retailer of gemstone jewelry in Europe, published its financial report for the first nine months of financial year 2015 today. Compared with the same period of the prior year, elumeo SE managed to increase its revenue by around 8%, although unforeseen one-time special effects by relocating its UK subsidiary Rocks and Co. to Birmingham from its previous site in Leamington Spa had a negative impact on the operated business in the third quarter. This effect will have an impact on the consolidated net income and revenue in financial year 2015 as a whole.

“The reason for these difficulties was mainly of a technical nature. We experienced delays in storage while moving to the new warehouse in Birmingham. Our products were therefore not available for sale, which is why sales and therefore earnings were significantly lower in the third quarter. The regions of Germany and Italy were not affected significantly by this, however,” explained Wolfgang Boyé, Chairman of the Executive Board of elumeo SE.

CFO and Spokesman for the Executive Board of elumeo SE, Bernd Fischer, added, “In the meantime, all of these products have now been stored. There are no differences in inventory. We already succeeded in increasing our sales figures to the usual levels in November 2015. We do not expect any after effects on the next financial year 2016 now that we have finished looking into this matter.”

Revenue in the reporting period increased by 8.2% to EUR 54.1 million compared to the same period of the prior year (first nine months of 2014: EUR 50.0 million). Here, the eCommerce segment was once again the growth driver. Revenue from eCommerce sales rose by 62.8% to EUR 12.8 million from EUR 7.9 million the prior year. Group revenue from TV sales declined slightly to EUR 41.3 million in the reporting period compared to EUR 42.2 million for the same period last year. This represents a slight decrease of 2.1%. Due primarily to the non-recurring items related to the move in the UK in the third quarter of 2015, adjusted EBITDA for the first nine months of 2015 was impacted and amounted to EUR -1.1 million (prior-year period: EUR 2.8 million). Non-recurring items during the reporting period were mainly related to administrative expenses caused by losses from

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currency translation of EUR 0.3 million (prior-year period: EUR 0.9 million) from the IPO and restructuring costs of EUR 0.7 million (prior-year period: EUR 0.3 million), as well as extraordinary expenses in connection with relocating the headquarters of the British subsidiary in the amount of EUR 0.2 million (prior-year period: EUR 0 million).

“For 2015 as a whole, we expect consolidated sales to be slightly above last year’s figure of EUR 70.8 million and a positive adjusted EBITDA. Negative group result cannot be ruled out, however. Several important projects and measures have already been initiated that should have a positive impact on the business as early as financial year 2016. We therefore see elumeo continuing on its grow course,” Bernd Fischer emphasized.

One of these measures was the implementation of a new model for procuring raw materials, gemstones, in particular. This model could be realized thanks to elumeo SE’s IPO in July 2015, also the implementation has already been largely completed. Here, the existing warehouse has been enhanced by adding a dynamic system that can process incoming and outgoing goods in higher volumes faster. The products that have been sourced and produced under the new model have a gross margin of around 57%. By implementing it to an even greater extent, the share of products that are manufactured based on this model will be continuously increased. This should also gradually increase the Group’s gross profit margin.

elumeo SE made significant progress with other projects as well. For example, the domain schmuck.de that elumeo acquired was successfully integrated with effect from 1 October 2015. elumeo SE has thus not only increased its online presence in Germany, but also now offers an extended product range designed to appeal to the younger generation, in particular. Its subsidiary Juwelo Deutschland’s cooperation with the gemstone jewelry line JAHDO is yet another project aimed at sustainably strengthening awareness of Juwelo and should therefore contribute positively to the business. Fully automated warehouses at the sites in Germany, Italy and Great Britain were also put into operation just recently. This should increase the efficiency of internal logistics processes and thus sustainably improve the Group’s profitability. Furthermore, a new factory opened and was put into operation in Thailand in mid-November. elumeo SE expects more efficient workflows in the area of jewelry production, which should have a positive impact on the gross margin due to higher capacity and by implementing the most modern technological standards.

The complete report on the third quarter and the first nine months of 2015 is available for downloading starting today on the company’s website <http://www.elumeo.com> in the Investor Relations / Financial Reports section.

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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 produces 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 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, 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 will now also be offering 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.

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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