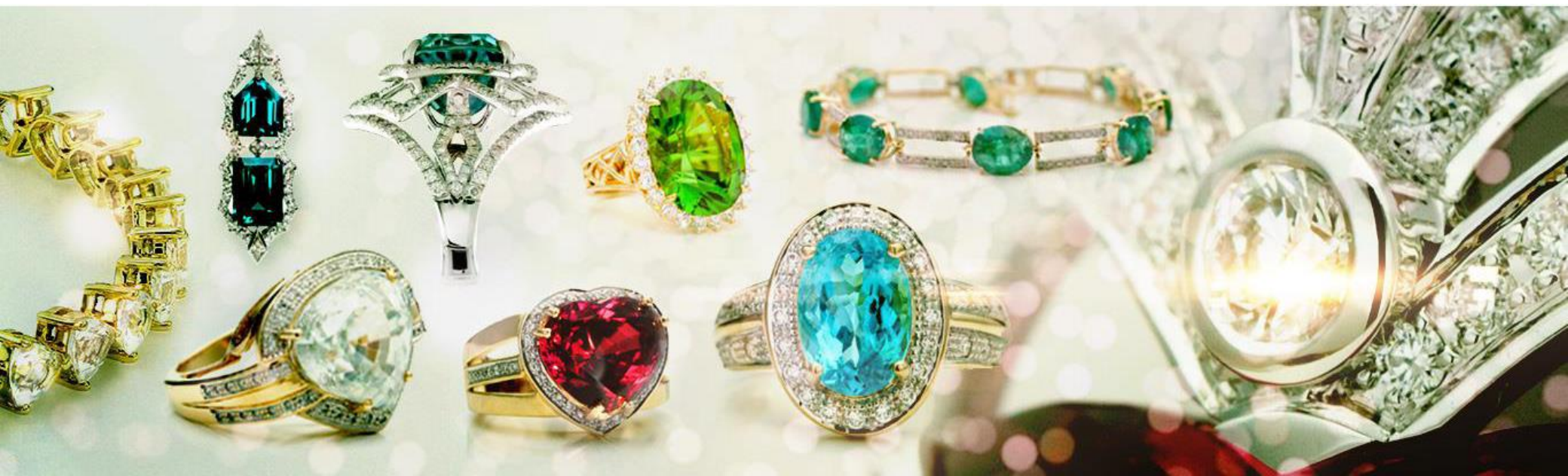


# eluméo

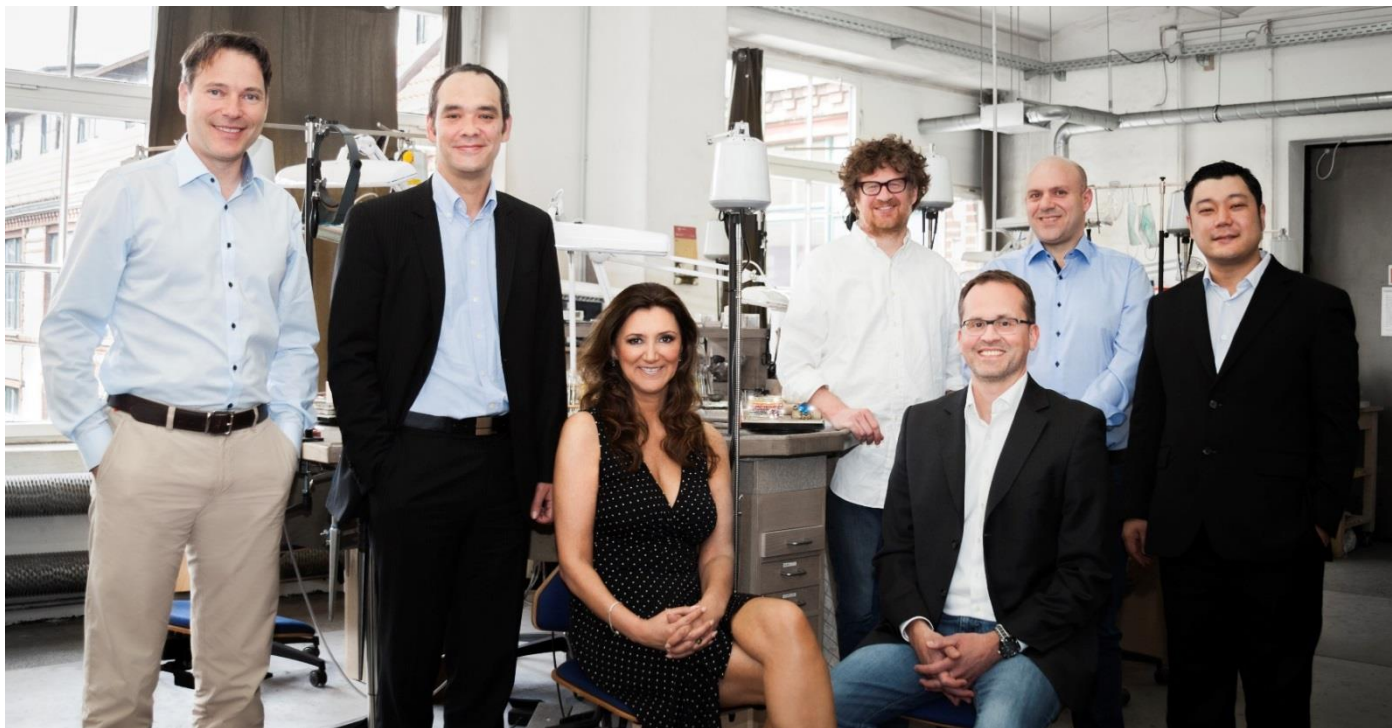
**Q1 2016 financial presentation**  
19 May 2016

**One of the leading electronic jewelers in Europe**



## Management team: more than 70 years of combined professional experience

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**Boris Kirn**

Chief Operating Officer  
CEO at K1010 and various management  
positions at Hewlett-Packard

**Deborah Cavill**

Non-executive Board member  
Experienced jewelry designer since  
2003

**Bernd Fischer**

Chief Financial Officer  
More than 10 years of  
management experience as CFO

**Mitsunari Yoshimoto**

Chief Production Officer  
Gemstone buyer with more than  
10 years of experience

**Thomas Jarmuske**

Chief Merchandising Officer  
15 years of media and TV experience  
6 years in gemstone merchandising

**Wolfgang Boyé**

Chairman of the Board  
10 years of electronic  
retailing experience

**Don Kogen**

Vice Chairman of the Board  
More than 20 years of experience in the  
gemstone and jewelry industry



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# elumeo at a glance

## Key facts

- elumeo is a manufacturer and electronic retailer of gemstone jewelry
- Our mission is to make fine jewelry an affordable luxury for everyone
- We are positioned as the price leader, selling one of the widest product ranges at the most competitive prices

## Key financials and key performance indicators

	2009 <sup>(1)</sup>	2015 <sup>(2)</sup>	CAGR 09-15
Revenues (€m)	19.2	72.6	24.8%
Products sold <sup>(3)</sup>	291k	919k	21.1%
Active customers <sup>(3)(4)</sup>	35k	97k	18.5%
Unique visitors	237k	2,015k	42.9%
Countries	1	12	

## elumeo's success story

2008

- Foundation of elumeo
- Germany launched
- Webshop Germany

2010/11

- UK acquired
- Italy launched

2012

- Webshop France

2014

- Formal merger<sup>(5)</sup> creating elumeo SE
- Webshop in Spain and the Netherlands
- Launch of Mobile App
- Launch of TV App

2015

- Webshop Belgium
- Webshop USA
- Webshop Italy
- Schmuck.de acquired
- Juwelo France S.A.S formed
- Cost leadership enhanced



(1) Juwelo Germany; (2) elumeo Group; (3) 2014 data shown post returns for Germany, UK and Italy; (4) Active customers defined as customers who purchased and did not return at least one product during the corresponding year; (5) Merger between the production, trading and distribution companies, which started their operations through a Joint Venture formed in 2008



# elumeo share price



- IPO on 3 July 2015 with an issue price of EUR 25.00 per share
- Drop to EUR 14.40 on 12 November 2015 after Ad-Hoc resulting from UK activities
- Recovery since then, in particular after publication of 9M figures

Source: Frankfurt Stock Exchange



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# eCommerce remains elumeos strategic focus

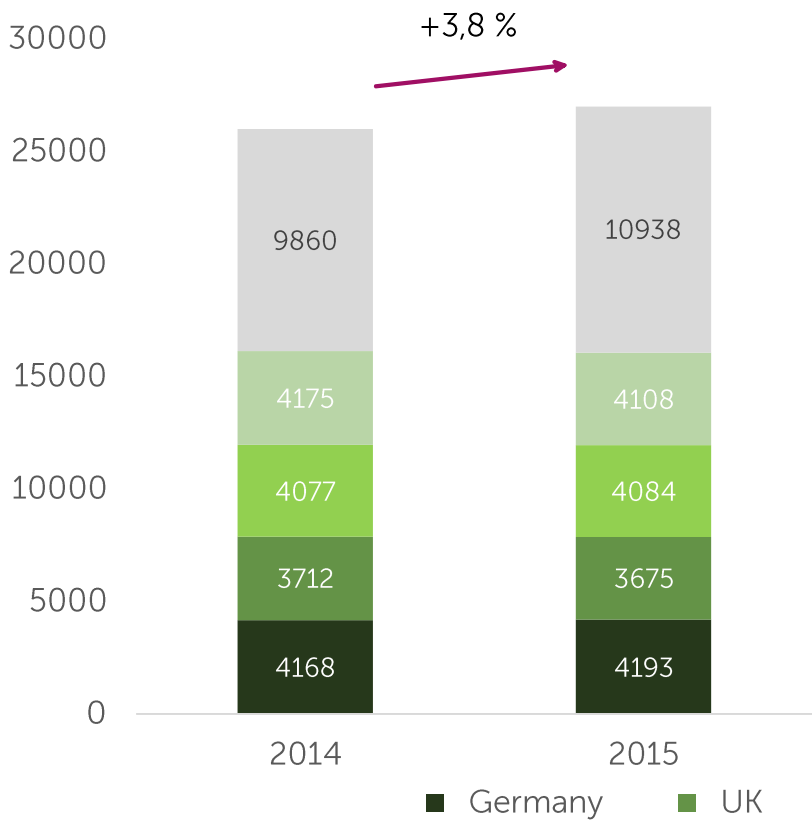
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- 1 Online jewelry market in the EU grows 4 times faster than the overall jewelry market in the EU
- 2 elumeo already in a strong position in Europe
- 3 Web only customers show continued strong growth
- 4 New sales initiatives start to show positive impact

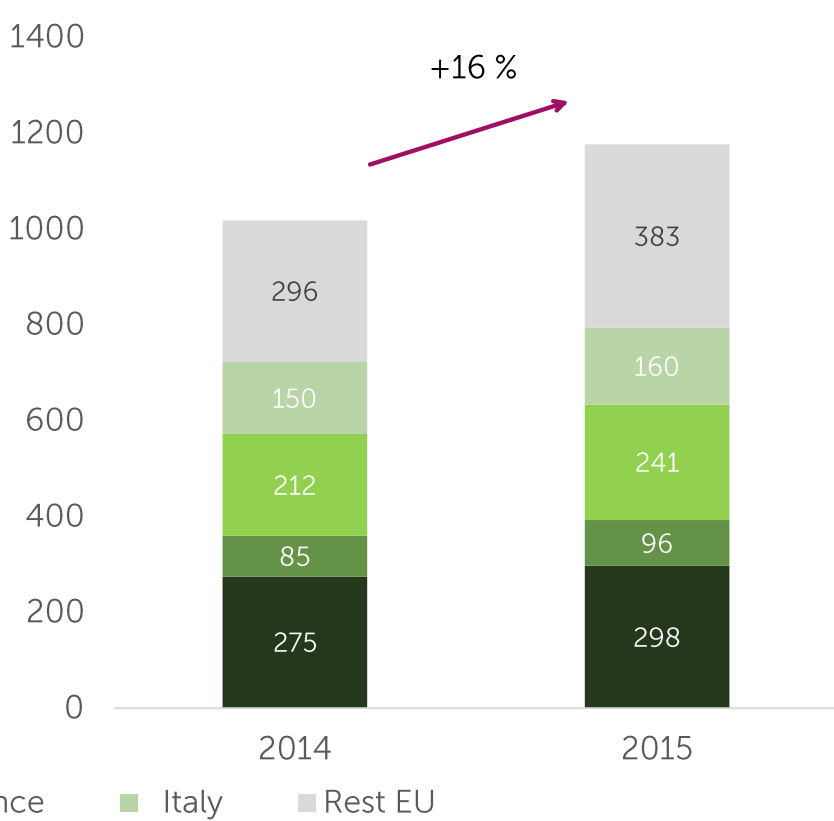


# EU: Online grows 4 times faster than overall jewelry market

Market Size EU EUR million 2014 – 2015



Online Sales EU EUR million 2014 - 2015

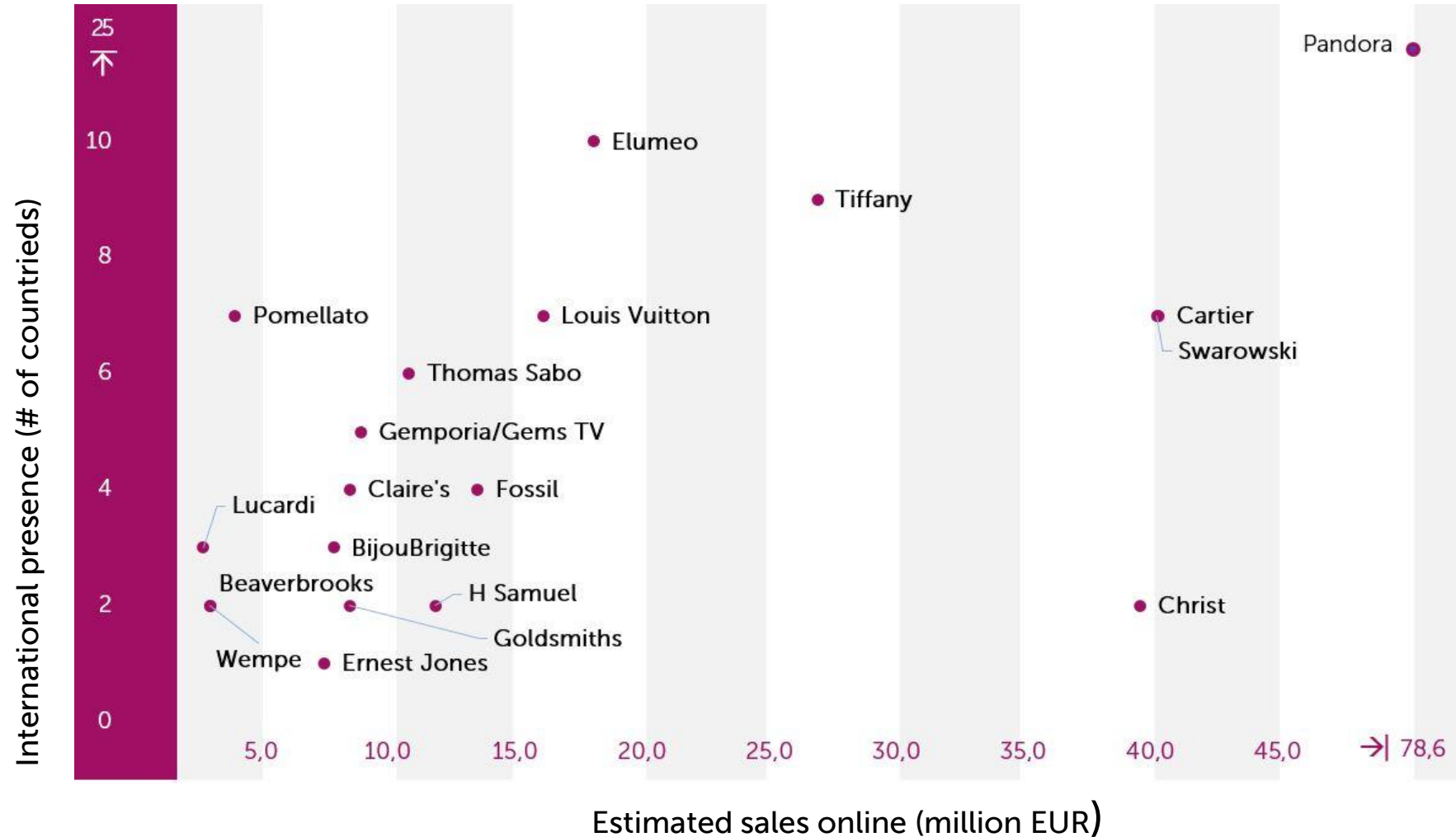


Source: Euromonitor International Passports 2012/2013





# elumeo already with a strong position in Europe

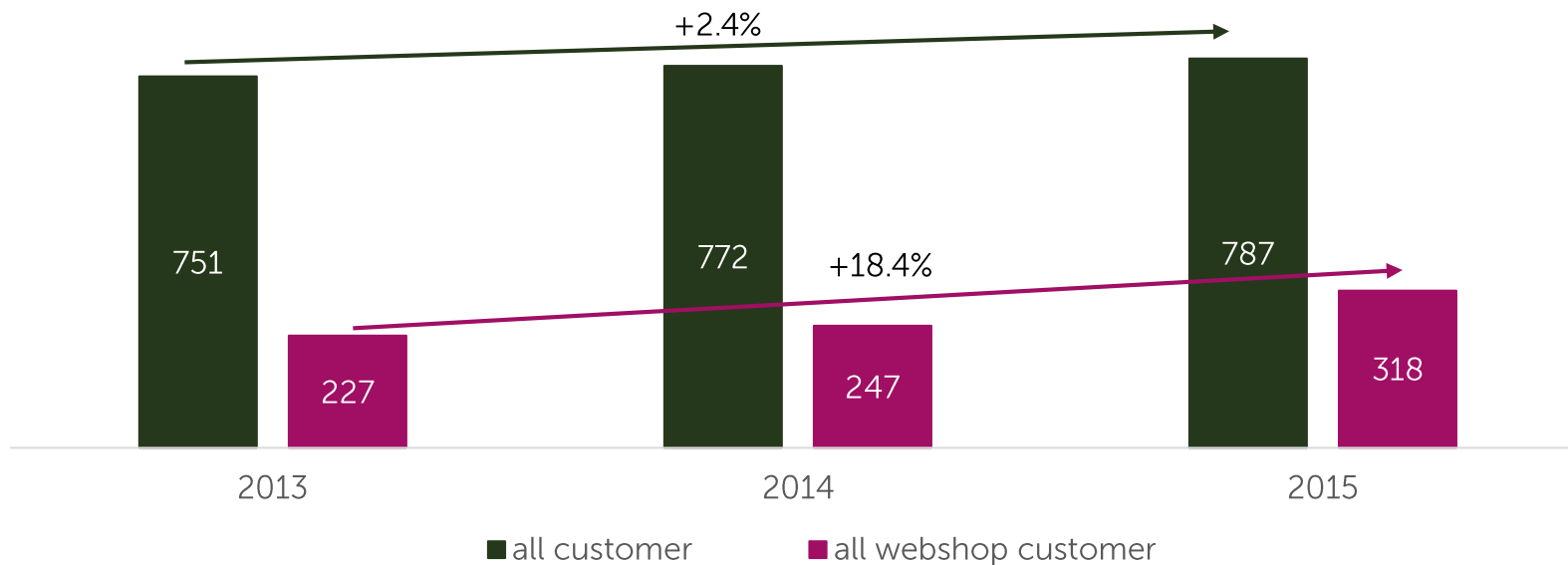


Source: elumeo's research - Online sales are estimated taking into account annual reports, company data, press, market share and online traffic



# Juwelo Germany: Web customers 8 years younger and growing fast

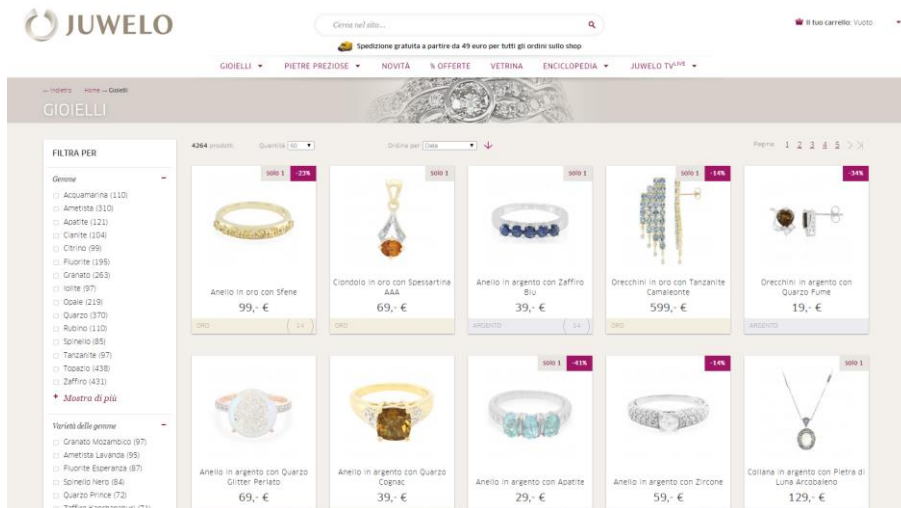
Average revenue per customer per year (€)



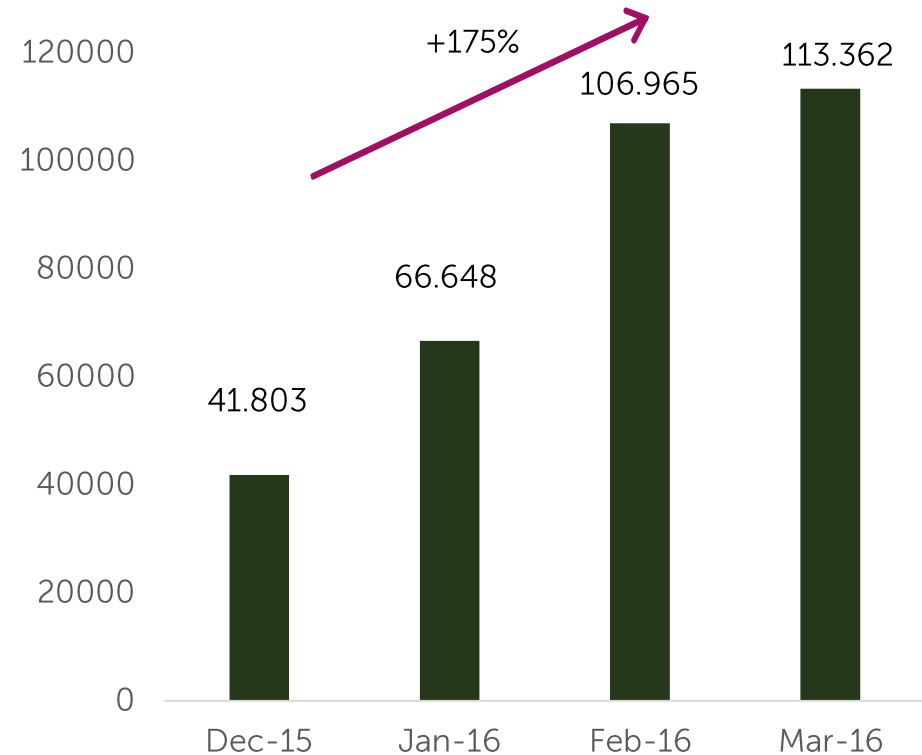
Average age of customers



# Juwelo.it has enjoyed healthy growth rates since the launch



## Web sessions



Source: Google Analytics

elumeo|11



# Kat Florence & Sarah Jessica Parker are increasing Juwelo's visibility

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KAT FLORENCE



- Kat Florence has developed an exclusive collection together with Sarah Jessica Parker
- The collection has been launched exclusively on Juwelo and Rocks & Co in Q2 2016
- elumeo will launch Kat Florence's web shop later in 2016



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# Summary of Q1 2016 results

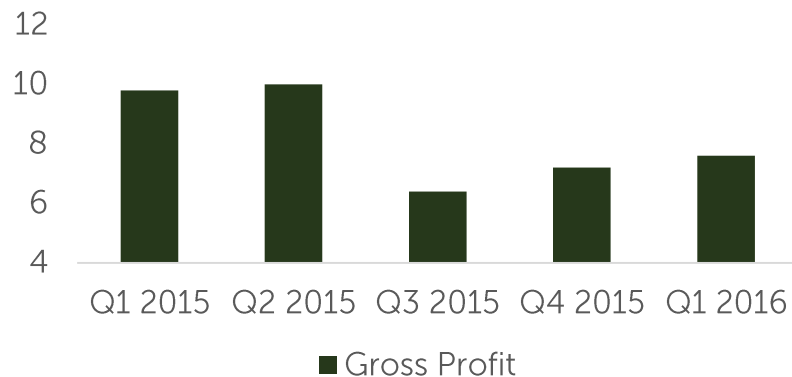
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- Q1 2016 development reflects further focus on margin generation
- Focus on increased gross margin that went to 50.7% (50.0% in Q1 2015) after 43.7% in Q3 2015 and 38.9% in Q4 2015
- Revenue decreased by 23.3% from EUR 19.5 million in Q1 2015 to EUR 14.9 million in Q1 2016 due to the considerably longer lasting and more intensive winter sales in the same period of the previous year and driving %-Margin
- In Q1 2016, the increase in sales in the area of eCommerce amounted to approximately 27.5% compared with the previous year's period.
- Gross profit in absolute terms EUR 7,6 million was higher than in the two previous quarters (Q4 2015: EUR 7,2 million, Q3 2015: EUR 6,4 million).
- Gross profit declined by 23.0% to EUR 7.6 million (Q1 2015: EUR 9.8 million).
- losses were reduced quite considerably compared to the second half of 2015 (Q3 2015: EUR -3.1 million, Q4 2015: EUR -3.4 million). Adjusted EBITDA was EUR -2.3 million in Q1 2016 after EUR 0.7 million in Q1 2015

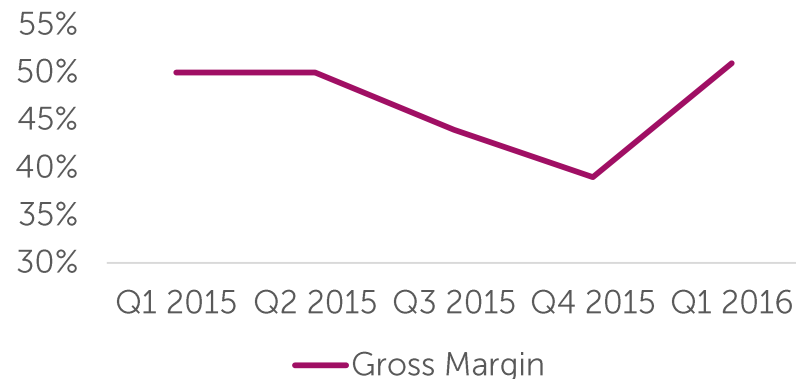


# Gross Profit and -Margin back on track after challenging second half 2015

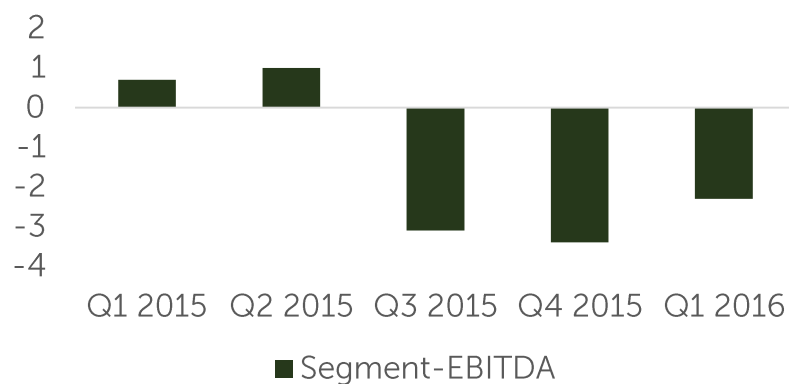
## Gross Profit (EURm)



## Gross Margin (%)



## Segment EBITDA (EURm)



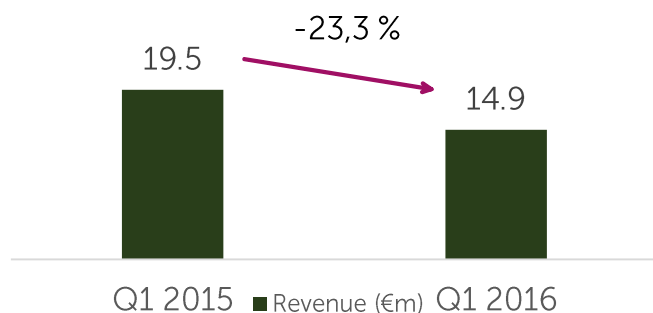
## Comments

- Gross Profit increased by 18.6% in Q1 2016 compared to Q3 2015 and 5.6% compared to Q4 2015
- Gross Margin recovered and back on 50% level
- Losses reduced

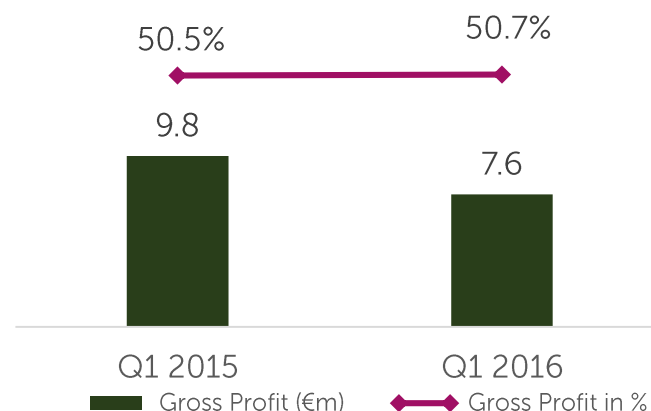


# Q1 2016 vs. Q1 2015 performance – Overview

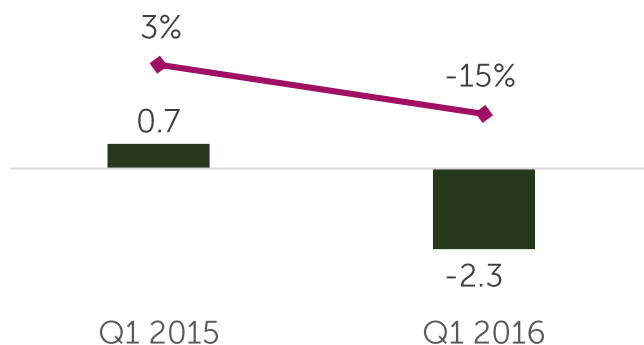
## Revenues



## Gross profit



## Adjusted EBITDA and margin



## Comments

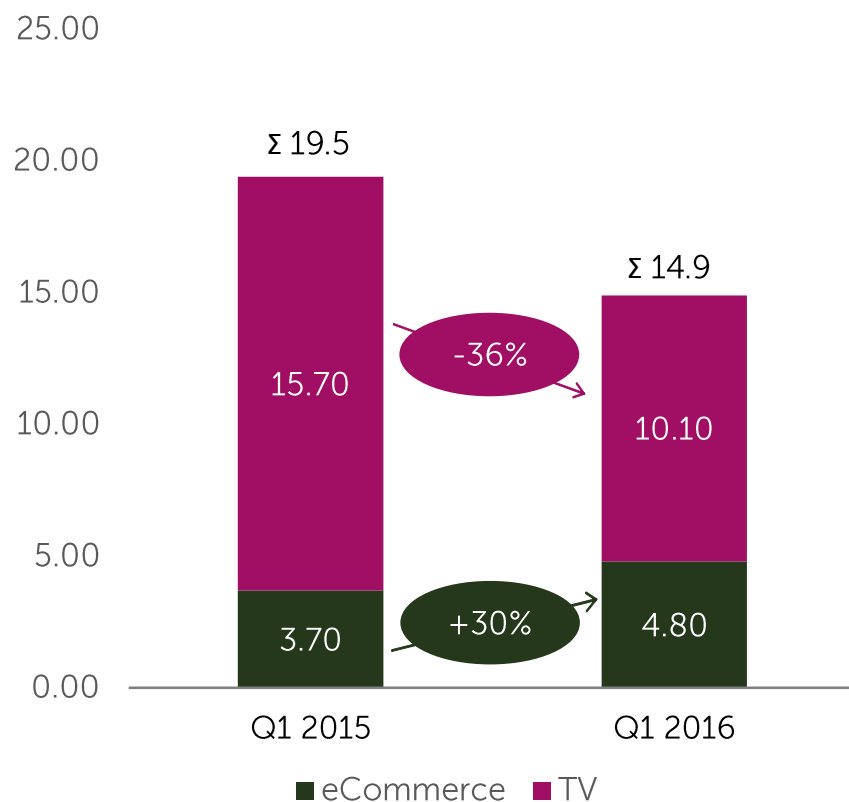
- Revenues down mainly due to considerably longer lasting sale in Q1 2015 and reflects focus on margin recovery
- Gross margin is back on 50% level after weak pre Quarters
- Development after Q1 2016 shows revenue growth against prior year

■ Adjusted EBITDA ◆ EBITDA % of rev. Gross Profit in %  
Source: derived from unaudited figures



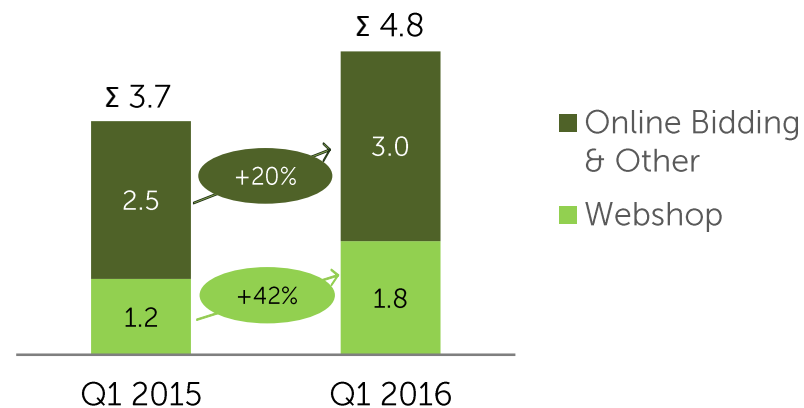
# eCommerce continues to show highest growth-rates

## Revenue in EURm



Source: Quarterly Release, unaudited

## Development of eCommerce (EURm)



## Key facts

- Classic Web-shop still has fastest growth in Revenues and Margin
- Share of web-only new customers for Germany increased from 29% in Q1 2015 to 45% in Q1 2016
- Share of Webshop revenues grew from 6.4% Q1 2015 to 11.8% Q1 2016
- Share of Webshop gross margin grew from 5.3% Q1 2015 to 9.3% Q1 2016



# Consolidated Income Statement

	01.01. - 31/03/2016	01.01. - 31/03/2015
Revenue	14,930	19,478
Cost of goods sold	7,360	9,648
<b>Gross profit</b>	<b>7,570</b>	<b>9,830</b>
Selling expenses	7,363	7,224
Administrative expenses	3,639	3,668
Other operating income	11	40
Other operating expenses	0	62
<b>Earnings before interest and taxes (EBIT)</b>	<b>-3,420</b>	<b>-1,084</b>
Interest income	0	2
Interest and similar expenses	-140	-26
Financial result	-140	-24
<b>Earnings before income taxes (EBT)</b>	<b>-3,560</b>	<b>-1,108</b>
Income tax	-318	450
<b>Earnings for the period</b>	<b>-3,878</b>	<b>-658</b>
<i>Earnings of shareholders of elumeo SE</i>	-3,878	-658
<b>Earnings per share in EUR - basis and diluted</b>	<b>-0.71</b>	<b>-0.16</b>

## Selling expenses

- slight increase in reach costs
- Decrease in staff costs due to automated warehouse and lower revenues

## Administrative Expenses

- Staff costs increased mainly due to Head office development
- Costs of stock options programme 141k EUR
- Decline in other administrative expenses due to lower FX-losses

Source: Q1 2016 release, unaudited





	01/01-03/31/2016	01/01/2015 03/31/2015
Personnel expenses production	855	1,061
Personnel expenses selling	1,587	1,802
Personnel expenses administration	1,431	1,017
<b>Personnel Expenses</b>	<b>3,873</b>	<b>3,880</b>

Reduction in personnel expenses for production and selling due to reduced volumes and increased efficiency (new factory and automated warehouse)

# Segment Report

	Q1 2016		
	Revenue	Gross profit	Segment-EBITDA
Sales division Germany & Italy	11,912	5,656	-966
Sales division Others	3,018	1,232	-1,153
Group functions & eliminations	0	682	-178
<b>Total</b>	<b>14,930</b>	<b>7,570</b>	<b>-2,298</b>

	Q1 2015		
	Revenue	Gross profit	Segment-EBITDA
Sales division Germany & Italy	15,858	7,499	1,173
Sales division Others	3,620	1,723	-506
Group functions & eliminations	0	607	-16
<b>Total</b>	<b>19,478</b>	<b>9,830</b>	<b>650</b>

Source: Q1 2016 release, unaudited



# Balance sheet

## ASSETS

	31/03/2016	31/12/2015
<b>Non-current assets</b>		
Intangible assets	999	1,011
Property, plant and equipment	11,603	11,676
Other financial assets	413	420
Other non-financial assets	2,026	2,088
Deferred tax assets	2,387	2,645
<b>Total non-current assets</b>	<b>17,427</b>	<b>17,840</b>
<b>Current assets</b>		
Inventories	39,742	40,428
Trade receivables	1,610	2,216
Receivables due from related parties	491	574
Other financial assets	211	224
Other non-financial assets	2,469	1,282
Cash and cash equivalents	9,262	13,590
<b>Total current assets</b>	<b>53,785</b>	<b>58,313</b>
<b>Total assets</b>	<b>71,212</b>	<b>76,153</b>

- No significant change in non current assets
- Inventories slightly lower – further decrease expected during the year.
- Trade receivables lower due to end of period.
- Other non-financial assets: increased due to end of period (Import Tax)

Source: Q1 2016 release, unaudited



# Balance sheet

## EQUITY & LIABILITIES

	31/03/2016	31/12/2015
<b>Equity</b>		
Issued capital	5,500	5,500
Capital reserve	33,537	33,397
Retained earnings	6,237	10,115
Foreign currency translation reserve	1,628	2,045
<b>Total equity</b>	<b>46,903</b>	<b>51,057</b>
<b>Non-current liabilities</b>		
Financial debt	11,593	11,771
Other non-current financial liabilities	1,007	1,071
Provisions	491	466
Other non-financial liabilities	25	25
<b>Summe non-current liabilities</b>	<b>13,116</b>	<b>13,333</b>
<b>Current liabilities</b>		
Financial debt	2,575	1,198
Other financial liabilities	311	568
Provisions	51	42
Liabilities due to related parties	31	100
Trade payables	6,263	7,422
Tax liabilities	0	164
Other non-financial liabilities	1,962	2,269
<b>Summe current liabilities</b>	<b>11,193</b>	<b>11,762</b>
<b>Total equity &amp; liabilities</b>	<b>71,212</b>	<b>76,153</b>

Financial debt (current): short term financing overdraft. Payback in Q2 2016. No further drawdown of additional financing planned.

Other financial liabilities (current): short term component of Lease-agreements for the automated warehouses.

Trade liabilities decreased due to changed purchase model and due to end of period

Source: Q1 2016 release, unaudited



# Cash Flow Statement

	01.01. - 31.03.2016	01.01. - 31/03/2015
<b>Earnings before interest and taxes (EBIT)</b>	<b>-3,420</b>	<b>-1,084</b>
+/- Depreciation and amortisation on non-current assets	+415	+186
+/- Increase/decrease in provisions	+34	-81
+/- Equity-settled share-based remuneration	+141	0
+/- Other non-cash expenses/income	+16	+1,902
+/- Loss/gain on disposal of non-current assets	+11	0
+ Proceeds from interest income	+0	+0
- Interest expenses paid	-383	-4
+ Proceeds from income tax	0	+6
- Income tax paid	-164	0
-/+ Increase/decrease in inventories	+686	-16,565
-/+ Increase/decrease in other assets	-777	+77
+/- Increase/decrease in other liabilities	-1,535	+7,765
<b>= Cash flow from operating activities</b>	<b>-4,977</b>	<b>-7,797</b>

Operating cash flow driven by result for the period and Working Capital development

Source: Q1 2016 release, unaudited





# Cash Flow Statement

	01.01. - 31.03.2016	01.01. - 31/03/2015
- Payments for investments in intangible assets	-34	-15
- Payments for investments in property, plant and equipment	-512	-409
<b>= Cash flow from investing activities</b>	<b>-546</b>	<b>-424</b>
+ Proceeds from increase in financial debt	+1,782	+7,551
- Payments for the redemption of financial debt	-740	0
+ Proceeds from increase in financial liabilities	-54	+4
<b>= Cash flow from financing activities</b>	<b>+987</b>	<b>+7,555</b>
<b>= Cash and cash equivalents on end of reporting period</b>	<b>+8,901</b>	<b>+1,886</b>

Source: Q1 2016 release, unaudited



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# 2016 Outlook

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Following a large number of sales initiatives the outlook for 2016 is positive

- The cooperation with Kat Florence Jeweller and the usage of Sarah Jessica Parker as brand testimonial will increase visibility of Juwelo in many markets
- Relaunch of the webshop in the United Kingdom
- Launch of the new webshop in Italy
- Relaunch of schmuck.de
- Launch of Juwelo.com in the United States

In 2016 we expect a positive impact from our new purchasing model and an increase of group margin as the share of sales of these products increases.

- Currently the gross margin achieved with the new products is slightly above 57%
- We do not expect the exchange rate between the Euro and the Thai Baht to deteriorate further and therefore expect to retain these positive effects
- In the course of the rollout of our new purchasing model we expect the inventories to decrease

In 2016 we expect the groups EBITDA to improve significantly



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## Points of contact

**Executive Board:** Wolfgang Boyé, Don Kogen, Bernd Fischer, Boris Kirn, Thomas Jarmuske, Deborah Cavill, Anette Bronder, Roland Sand

**Investor Relations contact:**

Alexander Enge

Erkelenzdamm 59/61

10999 Berlin

E-Mail: [IR@elumeo.com](mailto:IR@elumeo.com)

Phone: +49 30 69 59 79-231

Fax: +49 30 69 59 79-650

