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ANNUAL REPORT 2024

Financial Key Figures

Financial key figures of 11 88 0 Solutions Group at a glance

in EUR million	12M 2024	12M 2023	Variance absolute	Variance in percent
Revenues and earnings 11 88 0 Solutions Group				
Revenues	55.6	57.1	-1.4	-2.5 %
EBITDA[1]	3.9	2.6	1.3	47.6 %
Net income (loss)	0.4	-4.3	4.7	>100 %
Details segments				
Revenues Digital	44.2	44.8	-0.5	-1.2 %
EBITDA[1] Digital	3.8	2.6	1.2	45.5 %
Revenues Directory Assistance	11.4	12.3	-0.9	-7.1 %
EBITDA[1] Directory Assistance	0.1	0.0	0.1	>100 %
Statement of financial position[2]				
Total assets	20.0	20.9	-0.8	-3.9 %
Cash[3]	2.4	1.5	0.9	57.2 %
Equity	3.9	3.4	0.4	13.0 %
Equity ratio	19.5%	16.5%		
Cash Flow				
Cash Flow from operating activities	3.1	1.7	1.4	83.8 %
Cash Flow from investment activities	-0.5	0.1	-0.6	>-100 %
Cash Flow from financing activities	-1.7	-1.8	0.0	2.7 %
Net Cash Flow[4]	0.9	0.0	0.9	>100 %
Key figures for the 11 88 0 share				
Earnings per share (in EUR)	0.02	-0.17	0.19	>100 %
Share price (in EUR)[5]	0.82	0.72	0.10	13.9 %
Market capitalisation	21.5	18.9	2.62	13.9 %
Other KPIs				
Digital cancellation rate (in percent)	28.0	31.0	-3.0	-9.7 %
Revenue per call (in EUR)	5.1	4.86	0.24	4.9 %
Number of employees group[6]	485	514	-29	-5.6 %

1 Earnings before interest, tax, depreciation and amortisation
2 Comparison value as of 31. December 2024
3 Portfolio of cash
4 Operating cash flow plus cash flow from investing activities plus cash flow from financing activities
5 Xetra-closing prices as of last trading day 31 December 2024
6 Headcounts as of 31 Deccember 2024 closing date (excluding the Managment Board, trainees, „mini-jobs“ and dormant employment contracts)

For mathematical reasons, rounding differences amounting to +/- one unit (€, % etc.) may occur. In favour of a correct mathematical presentation, such differences are consciously accepted.

About us

Combined Management Report of the 11 88 0 Solutions Group and the 11 88 0 Solutions AG

Consolidated Financial Statements

Letter of the Management Board

Dear Shareholders, dear Customers and Friends of 11 88 0 Solutions AG,

We look back on an eventful fiscal year shaped by Germany's economic challenges. The weak economy and a record number of insolvencies in the small and medium-sized business sector—our core customer group in our Digital business—created difficult conditions. Against this backdrop, our focus in 2024 remained on consistent cost optimization and consolidation. One example is the successful optimization of rental costs at our central location in Essen: Over the next few years, we will save approximately EUR 1.5 million, which we will strategically invest in the growth of our company.

At the same time, we have laid important foundations for the future. In spring 2024, we successfully began monetizing werkenntdenBESTEN, our search engine for online reviews. With attractive and cost-effective packages, we have started to excite business customers about managing and marketing reviews.

The positive response to the commercialization of werkenntdenBESTEN highlights the growing importance of reviews in purchasing decisions and confirms the enormous potential of our search engine. In the second half of the year, we expanded the offering by integrating additional products such as Addressable TV (ATV) and Microsoft Advertising. This enables our customers not only to manage their reviews but also to promote them with high reach.

werkenntdenBESTEN provides consumers with access to over 100 million reviews from more than 50 online sources. This makes our rapidly growing search engine a unique offering, which we will continue to expand in the coming years for both our customers and consumers in Germany. By spring 2025, we will broaden our service offering: With the help of artificial intelligence (AI), customers will soon be able to perform content analyses of their reviews, maintain a presence on all relevant platforms, and respond to reviews quickly and efficiently. Furthermore, we will enable companies to directly compare themselves with regional and national competitors based on reviews.

Our established offerings, such as the business directory 11880.com and the associated search engine campaigns, remain a central success factor. We continue to observe positive developments in our Addressable TV campaigns (ATV). Our subsidiaries FAIRRANK and Ormigo expanded their services over the past fiscal year and reached new target groups, further underscoring their strategic importance within the group.

In the Directory Assistance business segment, we successfully achieved our internal plans in 2024 despite a challenging market. Deutsche Telekom discontinued its directory assistance number 11833 at the end of November. Through targeted marketing and PR measures, we effectively raised awareness that callers can still rely on 11880 for competent 24/7 support.

In the area of Call Center Services, we introduced the innovative 11880 Voice Bot in 2024, which has received positive feedback. Small businesses, in particular, are using this AI solution to improve customer interactions without additional staffing requirements. To better market our entire offering in call center services, we successfully tested new sales channels, which we plan to develop further in the coming year.

We are proud to have successfully concluded the 2024 fiscal year in a demanding environment and achieved the guidance set at the beginning of the year. The year 2025 will also bring challenges, but we remain optimistic and focused. In addition to strict cost discipline, our priorities will be on product expansions and innovations.

Thank you for your trust and support as we continue our journey into the future together!

Sincerely,

Christian Maar
Chief Executive Officer, 11 88 0 Solutions AG

Essen, 23 April 2025

Report of the Supervisory Board

on the financial year from 1 January 2024 to 31 December 2024

The 2024 financial year of 11 88 0 Solutions AG continued to be characterised by a challenging national and international economic environment. Characterised by the after-effects of global economic uncertainties, energy costs remaining at a high level, ongoing supply chain problems and high inflation rates in recent years, German SMEs were exposed to considerable burdens. Many small and medium-sized enterprises (SMEs) were forced to rethink their investments and focus more on cost efficiency and sustainable customer loyalty. These developments also influenced market dynamics and demand behaviour in digital services.

Nevertheless, 11 88 0 Solutions AG was able to successfully assert itself thanks to the strategic change of course initiated at the beginning of 2023. The measures to increase efficiency, profitability and sustainable customer relationships helped to ensure stability in a difficult environment and position the company as a reliable partner for SMEs.

In the area of Digital business, the online rating platform werkenntdenBESTEN.de, a key product of 11 88 0 Solutions AG, recorded further customer and sales growth. In addition, the valuation management offering was systematically developed and expanded. In 2024, the company remained true to its deliberate strategy of postponing the growth of its customer base in the Digital business in favour of comprehensive efficiency improvements.

As part of its statutory duties to advise and monitor, the Supervisory Board closely monitored the work of the Executive Board in the 2024 financial year and closely supported it in strategic decisions. The Supervisory Board always acted as a reliable advisor to the Executive Board.

Supervisory Board activities in the 2024 financial year

In the 2024 financial year, the Supervisory Board of 11 88 0 Solutions AG diligently fulfilled its legal and statutory duties. The activities of the Management Board Christian Maar were continuously and comprehensively monitored. The Supervisory Board was regularly informed in detail about general business developments, relevant key financial figures, geopolitical challenges and associated risks. The Supervisory Board also advised the Executive Board, particularly on sustainability issues, and was regularly informed about the environmental and social impact of business activities. Strategic corporate decisions were discussed in close dialogue between the Supervisory Board and the Executive Board. In addition, regular meetings of the Supervisory Board were held without the participation of the Executive Board to conduct internal consultations.

As in the previous year, the Supervisory Board's monitoring in 2024 focused on increasing efficiency and profitability, which were defined as key corporate objectives, as well as analysing the regulatory framework, particularly the influence of the Federal Network Agency. In the call centre's third-party business, the company continued to position itself as a high-quality provider through the targeted expansion of existing customer relationships. Nevertheless, market changes made themselves felt, particularly with one major customer, which led to a reduced order volume. On the other hand, the initial successes in the soft outbound business and the ongoing implementation of the voice bot, which complement the portfolio of services in the Directory Assistance segment, are positive.

The Audit Committee comprehensively monitored the company's accounting and examined the effectiveness of the internal control system, risk management and internal audit in addition to the accounting process. In addition, the audit for 2024 and the sustainability report, which included economic, environmental and social aspects, were reviewed. Due to the suspension of the legislative process for the CSRD Implementation Act following the end of the traffic light coalition, a non-financial report was prepared outside of the management report for the 2024 financial year, as in the previous year.

The Supervisory Board dealt intensively with the efficiency of the company's internal compliance processes, pending legal disputes and the associated potential risks. The Audit Committee reported regularly and comprehensively to the Supervisory Board on its findings and recommendations.

Following a careful review of the independence and qualification of services and fees provided to date, the Supervisory Board commissioned PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Essen, to audit the annual financial statements and consolidated financial statements for 2024 and to audit the remuneration report.

Organisation of the Supervisory Board's work

A continuous and reliable flow of information forms the basis for the effective fulfilment of the Supervisory Board's duties. The Audit Committee, the Nomination Committee and the Personnel Committee regularly inform the full Supervisory Board about relevant topics.

The Audit Committee plays a central role by monitoring the accounting, the internal control system and the audit of the company's financial statements. It also prepares the basis for decisions and resolution recommendations for current Supervisory Board issues.

To ensure the independence of the auditor, the Supervisory Board of 11880 Solutions AG introduced an approval process in 2016. This process regulates the approval of permissible non-audit services by the auditor in accordance with EU Regulation 537/2014, which came into force on 17 June 2016.

Composition and personnel Supervisory Board

The Supervisory Board of 11880 Solutions AG is formed in accordance with the legal requirements of Sections 96 (1), 101 (1) AktG in conjunction with Sections 1 (1), 4 Drittelbeteiligungsgesetz (German One-Third Participation Act). In accordance with section 4.1 (1) of the Articles of Association, the Supervisory Board consists of a total of six members, four of whom are elected by the Annual General Meeting and two of whom are delegated by the employees.

The aim of the Supervisory Board is to effectively support the company on its path to becoming a leader in the field of online marketing for small and medium-sized companies in Germany. When composing the Supervisory Board, special attention was therefore paid to ensuring that the members have extensive personal experience and expertise in the areas of business and digitalisation. This ensures that the Supervisory Board is very familiar with the business environment of 11880 Solutions AG.

In the 2024 financial year, the Supervisory Board of 11880 Solutions AG consisted of the following members Dr Michael Wiesbrock (Chairman), Michael Amtmann (Deputy Chairman), Dr Silke Feige, Ralf Ruhrmann, Sandy Jurkschat and Leonard Kiedrowski.

Both Dr Michael Wiesbrock and Ralf Ruhrmann have expertise in the areas of accounting and auditing and therefore fulfil the legal requirements.

The Audit Committee, chaired by Dr Michael Wiesbrock, also included Ralf Ruhrmann and Sandy Jurkschat.

Dr Michael Wiesbrock and Michael Amtmann were members of the Nomination Committee.

The Personnel Committee was made up of Dr Michael Wiesbrock and Michael Amtmann.

Meetings and attendance

The Supervisory Board of 11880 Solutions AG held a total of four ordinary meetings in the 2024 financial year, which took place on a quarterly basis.

All meetings, including the committee meetings, were held as hybrid events. Members were given the opportunity to participate both in person and virtually via telephone or video conference.

One Supervisory Board member did not attend two of the four ordinary meetings. Dr Feige was absent from the meeting on 25 April

2024 and Mr Ruhrmann was absent from the meeting on 18 September 2024. The members of the Supervisory Board were present in full at almost all meetings of the committees on which they are represented. In addition, four resolutions were passed by way of circulation in the reporting year, in which all members were involved. There were no conflicts of interest.

The Audit Committee met a total of four times in the 2024 financial year. It was fully staffed at all meetings, except for one meeting at which Mr Ruhrmann was unable to attend. The Nomination Committee, which consists of two members, met once. The Personnel Committee, on the other hand, met five times.

Corporate governance and Executive Board remuneration

On 25 March 2025, the Supervisory Board unanimously adopted the joint declaration of compliance by the Management Board and Supervisory Board of 11 88 0 Solutions AG in accordance with Section 161 of the German Stock Corporation Act (AktG). The Management Board and Supervisory Board of 11 88 0 Solutions AG declare that all recommendations of the German Corporate Governance Code of 28 April 2022 published in the Federal Gazette on 27 June 2022 have been and are being complied with, except for the deviations stated in the declaration of compliance, which are in the interests of the company. The current declaration of compliance is permanently available to the public on the company's website at https://ir.11880.com/corporate-governance/entsprechenserklaerung.

The Executive Board remuneration system approved by the Annual General Meeting in 2022 and the Supervisory Board remuneration system are also available on the company's website at https://ir.11880.com/verguetung-vorstand-und-aufsichtsrat. Together with the Executive Board, the Supervisory Board prepared a remuneration report for the 2024 financial year in accordance with Section 162 of the German Stock Corporation Act (AktG), which was formally audited by the company's auditor and issued with an audit opinion in accordance with Section 162 (3) AktG. Following approval of the prepared and audited remuneration report of the Executive Board and Supervisory Board by the 2025 Annual General Meeting, this report will also be made available at the above Internet address.

Audit of the annual and consolidated financial statements 2024

Based on the resolution of the Annual General Meeting on 19 June 2024, the Supervisory Board commissioned PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Essen, with the audit. The annual financial statements under commercial law, the summarised management report and the IFRS consolidated financial statements for the 2024 financial year of the company were audited by PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Essen.

The annual financial statements of 11 88 0 Solutions AG and the summarised management report were prepared in accordance with German legal requirements. The consolidated financial statements were prepared in accordance with the International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRIC) and the interpretations of the Standing Interpretations Committee (SIC), as applicable in the European Union (EU), and in accordance with the supplementary provisions of commercial law applicable under Section 315e (1) of the German Commercial Code (HGB). The annual financial statements consolidated financial statements and combined management report as at 31 December 2024 were each issued with an unqualified audit opinion. The financial statement documents and audit reports were made available to the members of the Audit Committee and all members of the Supervisory Board in good time. The annual financial statements under commercial law, the IFRS consolidated financial statements and the summarised management report as well as the auditor's reports were reviewed by the Audit Committee and the entire Supervisory Board and discussed in detail with the auditor in the Audit Committee. The Audit Committee continuously assured itself of the quality of the audit during the audit process and consulted with the auditor without the Management Board. The auditor took part in the final discussion of the company's annual financial statements and consolidated financial statements at the Supervisory Board's balance sheet meeting on 25 March 2025, which was held in a combination of face-to-face and video conference. He explained the audit process to all those present, presented the key audit findings, answered questions and was available to provide additional information during the discussions. The Chairman of the Audit Committee also reported to the plenary session on the audit of the financial statements by the Audit Committee.

The Supervisory Board examined the annual financial statements of 11880 Solutions AG in detail; the audit did not give rise to any objections. It noted and approved the auditor's findings.

The Supervisory Board also approved the company's annual financial statements for 2024 prepared by the Management Board, which are thus adopted.

The Supervisory Board also examined the IFRS consolidated financial statements of 11880 Solutions AG and the summarised management report in detail; the audit also did not give rise to any objections. It noted and approved the auditor's findings. The Supervisory Board approved the consolidated financial statements for 2024 of 11880 Solutions AG prepared by the Management Board.

Dependent company report
PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Essen, audited the report on relationships with affiliated companies in the 2024 financial year ('**Dependent Company Report**') prepared by the Executive Board in accordance with Section 312 of the German Stock Corporation Act (AktG). The dependent company report was issued with the following unqualified audit opinion in accordance with Section 313 (3) sentence 1 AktG

'Based on our audit and judgement in accordance with professional standards, we confirm that

1. the information in the report is correct,
2. the consideration paid by the company for the legal transactions listed in the report was not inappropriately high.'

The dependent company report was made available to the members of the Supervisory Board for review. The auditor was present during the Supervisory Board's discussion of the report. He reported on the performance of the audit and provided information. The Supervisory Board found the report to be accurate. Furthermore, it approved the auditor's findings and raised no objections to the final declaration of the Executive Board contained in the dependent company report following its final examination.

Early Risk Detection System / Control and Risk Management System
The Executive Board of 11880 Solutions AG has implemented a monitoring system in accordance with Section 91 (2) of the German Stock Corporation Act (AktG) to identify potential risks to the company and its subsidiaries at an early stage. The audit conducted by the external auditor confirmed that the Executive Board has fully complied with its legal obligations. The Supervisory Board shares this assessment and agrees with the audit findings.

In addition, the Executive Board has established an adequate and effective internal control system and a risk management system in accordance with Section 91 (3) AktG, which are designed in proportion to the company's business activities and risk situation. Furthermore, a compliance management system has been implemented, tailored to the specific risk profile of the company.

The Executive Board continuously monitors compliance with legal requirements and internal guidelines. As part of the regular monthly meetings (Jours Fixes), the Supervisory Board was comprehensively informed about key opportunities and risks as well as the functioning of the internal control and risk management system.

The effectiveness of the system was reviewed by both the Supervisory Board and the Audit Committee, which addressed these topics in depth during its quarterly meetings. No deficiencies were identified.

Summarized Separate Non-Financial Report (Corporate Social Responsibility)
11880 Solutions AG acknowledges its responsibility towards society and the environment and recognizes that its business activities have both direct and indirect impacts on people, the environment, and the economic landscape. Therefore, the company considers social and environmental factors as essential components of its corporate success.

As part of its Corporate Social Responsibility (CSR) reporting, the Supervisory Board thoroughly reviewed the summarized separate non-financial report for 11880 Solutions AG and the Group in the 2024 financial year.

Initially, this reporting was intended to align with the requirements of the German law implementing the EU Corporate Sustainability Reporting Directive (CSRD). The CSRD implementation law was expected to apply for the first time to the 2024 reporting year. However, due to political developments and associated delays in the legislative process, it became evident that a reporting obligation under the CSRD requirements would no longer apply for the 2024 financial year. Nevertheless, 11880 Solutions AG decided to maintain the investments and implementations already made

- such as a dedicated project team and a supporting tool - while postponing the decision on implementation until legal clarity is established. The company fulfills its CSR reporting obligations within the required legal framework.

The Supervisory Board has thoroughly examined the submitted report and has engaged in a detailed discussion of the information contained therein, particularly concerning environmental, social, and corporate governance matters. After careful consideration, the report was unanimously approved for publication. The full CSR report can be accessed at: https://ir.11880.com/corporate-governance/csr-bericht.

Final Statement

We have acknowledged the report of the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Essen, with approval. Following coordination with the Audit Committee and our own reviews of the annual financial statements, the consolidated financial statements, and the summarized management report of 11 88 0 Solutions AG, we have no objections. We concur with the results of the audit.

The annual financial statements prepared by the Executive Board as of December 31, 2024, have been approved, thereby finalizing them. Likewise, the IFRS consolidated financial statements prepared by the Executive Board as of December 31, 2024, have been approved.

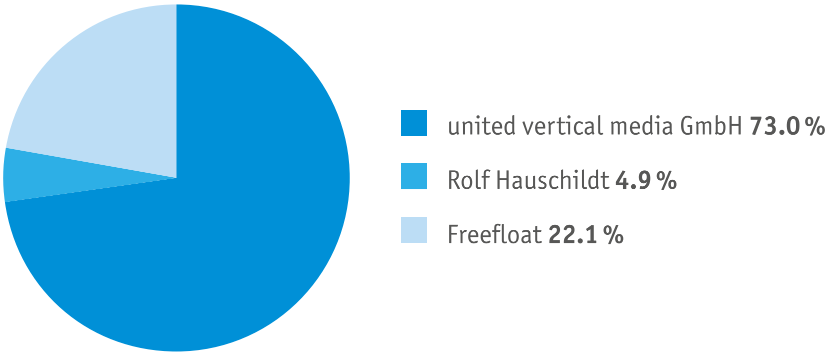
A special thanks from the Supervisory Board goes to the CEO, Christian Maar, for his forward-thinking and prudent leadership during what was undoubtedly a challenging financial year. Our gratitude also extends to all employees of 11 88 0 Solutions AG, whose dedication and unwavering motivation in executing the company's vision have been instrumental in its success today. They form the foundation of this company.

Essen, 23 April 2025

Dr. Michael Wiesbrock
Chairman of the Supervisory Board

11 88 0 Solutions AG on the capital market

Shareholder structure on 31 December 2024



The stock market year 2024 was extremely favorable from the perspective of Germany's leading index, the DAX: the DAX ended the year just shy of the impressive 20,000-point mark. However, small caps did not garner significant investor attention in 2024 either. Nonetheless, the stock of 11 88 0 Solutions AG achieved an impressive 8 percent increase on average over the year.

The stock began the fiscal year on January 26, 2024, at an annual low of EUR 0.62 and reached its peak of EUR 1.00 on May 3, 2024.

The ownership structure of 11 88 0 Solutions AG remained unchanged compared to the previous year. As of December 31, 2024, united vertical media GmbH held 73 percent of the shares, Rolf Hauschildt owned 4.9 percent, and the free float amounted to 22.1 percent.

Investor Relations Activities

The positive business performance of 11 88 0 Solutions AG and the application of proprietary AI solutions sparked significant interest in the capital market in 2024. The company's strategy and future prospects were thoroughly discussed in numerous one-on-one meetings with the Executive Board, the CFO, and the investor relations team, leading to the acquisition of new investors.

During the fiscal year 2024, the Executive Board and the CFO hosted analyst and investor conferences following the publication of the 2023 annual financial statements and for all quarterly results. These events included presentations on business performance, financial metrics, and the company's strategic direction, followed by extensive Q&A sessions addressing participants' concerns.

The virtual annual general meeting held on June 19, 2024, was a success, with nearly 100 percent approval for all agenda items.

Another highlight of the fiscal year 2024 was the participation of 11 88 0 Solutions AG in the German Equity Forum hosted by Deutsche Börse in Frankfurt. On November 26, 2024, CEO Christian Maar and CFO Dr. Michael Nerger presented the company and held numerous one-on-one meetings with potential and existing investors around the presentation.

Key figures for the 11 88 0 share		2019	2020	2021	2022	2023	2024
Number of shares	PCS	21,022,200	24,915,200	24,915,200	24,915,200	26,232,200	26,232,200
Share in capital	EUR	21,022,200	24,915,200	24,915,200	24,915,200	26,232,200	26,232,200
Share price at year-end[1]	EUR	1.56	1.56	1.57	1.09	0.72	0.82
Highest share price[1]	EUR	1.895	1.63	1.82	1.69	1.22	1.00
Lowest share price[1]	EUR	0.962	1.09	1.38	1.05	0.71	0.62
Market capitalisation at year-end	MIO. EUR	32.8	38.9	39.1	27.2	18.89	21.51
Earnings per share	EUR	-0.16	-0.10	0.03	-0.14	-0.17	0.02

1 Xetra closing prices

Combined Management Report of the 11 88 0 Solutions Group and the 11 88 0 Solutions AG

Combined Management Report of the 11 88 0 Solutions Group and 11 88 0 Solutions AG, Essen, for the 2024 financial year

1. Introductory remarks

This management report consolidates the management report of the 11 88 0 Solutions AG Group and the management report of 11 88 0 Solutions AG. It provides an overview of business developments, including financial performance, as well as the current situation and expected future development of both the Group and 11 88 0 Solutions AG. Information specific to 11 88 0 Solutions AG is presented in Chapter 6, "Annual Financial Statements of 11 88 0 Solutions AG (HGB)," along with the relevant details. The consolidated financial statements, including the Group management report, as well as the annual financial statements of the parent company, 11 88 0 Solutions AG, are disclosed jointly in accordance with § 298 (2) sentence 2 in conjunction with § 315 (5) HGB.

This report has been prepared in accordance with the German Accounting Standard 20 (DRS 20) "Group Management Report".

2. Fundamental Information about the Group

For internal reporting and corporate management purposes, the 11 88 0 Solutions Group divides its activities into two business segments: Digital and Directory Assistance. The business activities of both segments are primarily focused on the German market.

As the parent company of the 11 88 0 Solutions Group, 11 88 0 Solutions AG not only serves as a holding company but also operates its own business activities within the Directory Assistance segment.

In the Digital segment, the 11 88 0 Solutions Group offers online packages for a broad and efficient Internet presence for small and medium-sized enterprises (SMEs). In addition to the entry in the 11880.com business directory and the entry in a suitable 11 88 0 specialist portal, such a package also includes the offer of entry services in other information portals, Google Ads and Microsoft Advertising and the production of websites. We also offer packages for active review management via our search engine for online reviews werkenntdenBESTEN.de. The product portfolio also includes Addressable TV (ATV). ATV delivers customized TV advertising targeted at customer-specific viewers. The core services of search engine optimization (SEO), online advertising, search engine advertising (SEA) and usability optimization are offered via the subsidiary FAIRRANK GmbH. Ormigo GmbH strengthens the pay-per-lead business of the 11 88 0 Group.

For larger companies, the 11 88 0 Solutions Group also offers stand-alone or network solutions for access to the current database of the digital telephone and branch directory.

In its second division, the directory assistance segment, the 11 88 0 Solutions Group offers directory assistance services. With one call to the service number, the consumer receives telephone numbers, addresses in Germany and the world as well as further information on timetables or flight schedules, share prices, cinema programs, hotel bookings and much more by telephone, e-mail or SMS. On request, the caller can also be transferred directly to the desired subscriber. The so-called classic directory assistance business is declining.

In the directory assistance segment, the employees of the 11 88 0 Solutions Group also provide customer services as part of the third-party call center business. Their goal is to address problems, handle inquiries efficiently, and continuously improve the quality of services in order to meet the growing demands of the market. In addition, a telephone secretarial service is offered.

Basis of reporting

The 11 88 0 Solutions Group uses a system of decision-relevant key figures for management purposes within its Digital and Directory Assistance business segments. In order to be able to react promptly to current developments and changes in the operating business, the Group uses monthly, weekly and daily reporting tools in all business areas. In the financial area, these are key performance indicators such as sales, profitability (EBITDA) and cash position. All of these key figures are calculated and managed at Group level.

Various key figures are used in the non-financial area: In the Digital segment, the non-financial key figures "new" and "existing customer development" and "churn rate" are used. These key figures allow conclusions to be drawn about the degree of customer loyalty and customer satisfaction. In the Directory Assistance segment, the non-financial key figures of call volume and revenue per call play a central role. Furthermore, employee satisfaction is measured as a non-financial indicator but is not used for management purposes.

Financial key figures

Revenue

Revenue at Group level is one of the key performance indicators. Group sales are made up of the sales of the Digital and Directory Assistance segments.

Within the Digital segment, revenue is generated for the media business in both new and existing customer business. The basis for sustainable revenue growth is an efficient sales team in the new customer business and existing customer management geared towards customer retention with a focus on products specially optimized for customers. In addition, the software solutions product area offers digital telephone and business directories on DVD and intranet solutions as well as database solutions. FAIRRANK GmbH primarily serves SME customers with solutions, particularly in the areas of search engine optimization and search engine advertising. Ormigo GmbH offers services as part of the pay-per-lead business.

In the directory assistance segment, sales in both the traditional business area and the third-party call center business are essentially determined as a product of call volume, call duration and price per minute. The call volume is made up of calls from the fixed-line network and the networks of mobile phone operators, whereby the tariffs can differ depending on the network operator and call center third-party business customers.

Profitability

The Group's key indicator for managing profitability is EBITDA (earnings before interest, taxes, depreciation and amortization). The 11 88 0 Solutions Group uses this indicator to manage Group profitability.

Cash position

The analysis of this key figure makes it possible to assess the financial stability of the entire Group, among other things. With the help of this information, the 11 88 0 Solutions Group is able to assess, manage and optimize its financial position and net assets.

Cash and cash equivalents are calculated at Group level as the sum of cash and cash equivalents and restricted cash.

Non-financial key figures

New and existing customer development and churn rate as key figures for measuring customer loyalty and satisfaction in the Digital segment

A high level of customer loyalty and satisfaction is particularly important for the further development of the Digital business segment. At its core, it is about retaining paying customers in the long term and sustainably through a support concept. This will secure future revenue and increase the profitability of the Digital segment.

Quantifiable indicators in the context of customer loyalty and customer satisfaction are, in particular, the churn rate and the development of the number of new and existing customers.

The churn rate is defined as the sum of all cancellations in the financial year calculated on the average customer base of the financial year

Call volume and revenue per call in the directory assistance segment

The reason for the continuous decline in the directory assistance market that has been observed for years is the change in consumer behavior towards digital information procurement. This makes it all the more important for the 11 88 0 Solutions Group to predict the development of call volumes as accurately as possible. According to the company, the 11 88 0 Solutions Group has an efficient reporting system, proven forecast models and years of experience. On this basis, it is possible to efficiently plan the necessary personnel capacities for the call centers. In addition, revenue per call is an important performance indicator with a direct impact on the development of revenue and earnings in this segment.

Employee satisfaction

In 2024, we continued to offer our employees a working environment that aims to combine the interests of the company with the requirements of a dynamic, modern working environment. The aim is to create the best possible conditions for individual and professional development. Some of the key factors were:

Flexible working: The opportunity to work individually and flexibly - whether in terms of working hours or location (e.g. home office) - continues to be a decisive factor for employee satisfaction.

Modern technological equipment and support: A high-quality technical infrastructure and access to the necessary resources to optimize work processes, especially in the context of remote work, ensure a smooth and efficient work process.

Diverse development opportunities: Targeted offers for professional and personal development, from training and further education to clear career paths, promote individual growth and contribute significantly to long-term employee retention.

These elements are not only crucial to maintaining employee commitment and satisfaction, but also to attracting and retaining talent in times of skills shortages.

At the same time, political and geopolitical crises will continue to have an impact on the workplace in 2024. The resulting global uncertainties can lead to increased stress and strain - for example due to concerns about personal safety, family issues or potential instability in the working environment. In order to meet these challenges, we are continuously adapting our work processes and promoting open, transparent communication at all levels of the company. We also take the challenges of diversity and inclusion seriously in order to ensure respectful and harmonious cooperation.

Advances in digitalization have enabled us to create hybrid working models that optimize work-life balance in the long term. Especially in times of global crisis, we as the group are aware of our obligation to focus on the safety and well-being of our employees. We are proud that our international team - employees from over 20 nations - work together in a respectful and peaceful atmosphere.

The needs, wishes and interests of our employees were also integrated into our strategic decisions last year. We know that only satisfied and committed employees are the basis for the long-term success of our group. That is why we do everything we can to attract, promote and retain talent - supported by an inspiring working environment and an open management culture based on mutual trust, respect and commitment. Continuous investment in training and development and the promotion of a corporate culture that is open to experimentation and learning are a matter of course for us.

We believe that the 11 88 0 Solutions Group can build on the commitment of its workforce, which is reflected in a high level of motivation, enthusiasm for their work and a deep bond with the group. In 2024, the 11 88 0 Solutions Group conducted an employee survey after a two-year interruption. We see this as a key tool for identifying the needs and perspectives of the workforce at an early stage and integrating them into the strategy of the 11 88 0 Solutions Group. The 75 % response rate suggests that employees appreciate this form of involvement. The regular exchange provides valuable insights into employee satisfaction and helps to identify potential for improvement in a targeted manner. Through continuous dialog, challenges can be addressed promptly and the corporate culture can be developed sustainably. We are convinced that this strengthens both employee loyalty and the long-term success of the company. The survey indicates a high level of satisfaction with team spirit, everyday work flexibility, and the trust shown by leadership. There is also a positive perception of openness toward new technologies such as AI. At the same time, there are desires for even greater innovation and faster decision-making processes. By incorporating employee interests into decision-making, the 11 88 0 Solutions Group aims not only to strengthen employee retention, but also to secure the long-term success of the company.

Through intensive and transparent communication at all levels, we also strive to continuously capture the current opinions and overall sentiment. Detailed information on our goals in the areas of corporate governance, the environment, employees, social issues, human rights and anti-corruption, as well as the progress we have already made, can be found in our separate non-financial report in accordance with Section 315b (3) HGB and Section 289b (3) HGB. The publication for the 2024 financial year will be published on our website at https://ir.11880.com/corporate-governance/csr-bericht

3. Macroeconomic and sector-specific environment

Macroeconomic environment

The following data is based on the “ifo Economic Forecast Winter 2024”, taken from the ifo Schnelldienst 2024, special edition December.

In the 2024 financial year, global gross domestic product rose by 2.6 %, slightly down on the previous year (2.9 %).

The most important central banks in the industrialized countries recently lowered their key interest rates. This means that monetary policy is already less restrictive, but is still dampening the economy and price increases. Accordingly, the financial markets are expecting further cuts in key interest rates.

The global economy is likely to remain on its moderate expansion course in 2025 and 2026. The easing of inflation in the industrialized countries and rising real incomes will support consumer demand. Investments will benefit from the gradual easing of monetary policy.

In the eurozone, economic output increased by 0.4 % in the third quarter of 2024 compared to the previous quarter and by 0.9 % compared to the previous year - the strongest increase in two years. The Spanish economy once again proved to be the most dynamic, but France also recorded robust growth in gross domestic product, which was partly due to positive impetus from hosting the Summer Olympics. However, industrial production has trended downwards in recent months and business sentiment remains pessimistic. In particular, order backlogs were estimated to be significantly lower than recently. European industry is therefore unlikely to have overcome its crisis yet. In contrast, consumer confidence improved in most eurozone countries as a result of low inflation and rising real incomes. The labor market is also robust, with the unemployment rate remaining at 6.3 % in October. This is primarily due to the fact that wage dynamics and thus the upward pressure on prices for services have slowed. In addition, given the high storage levels of natural gas and the advanced stage of decoupling Europe from Russian supplies, it can be assumed that energy prices will not rise significantly. Inflation in the eurozone is likely to slow to 2 % in the coming year and 1.8 % in 2026.

Overall, economic output in the eurozone will increase by 1.2 % in both 2025 and 2026. The differences between the individual eurozone member states will remain large.

The German economy has been treading water for five years now. In 2024, the price-adjusted gross domestic product is likely to be just as high as in 2019 before the outbreak of the coronavirus pandemic. This means that Germany is experiencing by far the longest period of stagnation in post-war history. Germany also falls significantly behind in an international comparison, as all of the countries considered in this forecast recorded growth in the same period, in some cases significant growth.

Digitalization, decarbonization, demographics and de-globalization pose major challenges for the German economy. They require a reorganization of production structures in which established business models disappear and new production capacities are created. The crises of recent years have noticeably accelerated this structural change in the German economy. In an international comparison, Germany is particularly affected by these changes. On the one hand, the labor force potential is developing less favorably and the population is aging faster. Secondly, structural change is particularly affecting the manufacturing industry, which accounts for a significantly higher proportion of economic output in Germany than in other advanced economies.

Economic forecasts are currently characterized by uncertainties about potential future developments and do not paint a clear picture. Structural change could lead to a sustained weakening of industrial production. There is a risk of creeping deindustrialization, which would be reflected in a slow but steady loss of industrial jobs and a shift towards service-oriented sectors of the economy. The result would be low economic growth, which could lead to a temporary increase in the unemployment rate.

However, targeted economic policy measures such as investment in infrastructure, education and research could provide new impetus for growth. Improvements in location factors, such as the creation of favorable framework conditions for companies and innovation, could also help to tap into new potential. These measures could strengthen the competitiveness of the economy, increase productivity and lead to a recovery.

Overall, the economic future remains dependent on many variables. The forecasts for gross domestic product (GDP) growth reflect this. Growth of between 0.4 % and 1.1 % is expected for 2025, while growth of between 0.8 % and 1.6 % is forecast for 2026. These ranges illustrate that political decisions, technological developments and global economic conditions will have a significant impact on actual economic development. The 2025 general election took place in February and economic development will also depend on the decisions made by the new federal government.

For the 2025 financial year, the Group anticipates an overall stagnant economic environment and continued market challenges. At the same time, opportunities may also arise, as demand for our services could increase in a changing environment.

Sector-specific environment

The following data is based on the “OVK Report for 2024/02” published by the Bundesverband Digitale Wirtschaft (BVDW) e.V. on September 18, 2024.

The year 2024 was better than the previous year in many respects. For example, inflation and energy prices have weakened significantly. Against this backdrop, the digital display advertising market grew strongly in the first half of the year.

The Online Marketing Group has therefore significantly raised its spring forecast. In the autumn forecast, the OVK and its partner Statista assume that net advertising investments for display ads will increase by 11.7 % in 2024. According to the analysis, the advertising industry will thus generate more than 6.1 billion euros with online display ads. A significant milestone.

Programmatic advertising accounts for the largest share of online display advertising revenue. For 2024, the OVK expects an increase to EUR 4.543 billion (2023: EUR 3.976 billion) and thus 74 % (2023: 72 %) of all online display revenue.

In terms of content, the topic of artificial intelligence (AI) offers a great deal of potential for development, but also potential dangers. Deep fakes damage trust in online content. This makes attitude and responsibility as well as independent media and a broad diversity of opinions all the more important.

We refer to our explanations in Chapter 9 “Opportunity and risk Management” regarding the key planning assumptions.

4. Course of business and forecast comparison

Management’s overall assessment of the course of business

11 88 0 Solutions AG consistently continued the efficiency program launched in 2023 throughout 2024. Throughout the year, all products, processes, and capacities in both the Digital Business and Directory Assistance segments were continuously reviewed for efficiency and profitability to further drive positive business development. As significant customer receivables had already been specifically adjusted and written off in the previous year, impairments on receivables decreased in the current year. One example of the continuation of the efficiency program is the successful reduction of rental costs at our central location in Essen. As part of the restructuring of the lease agreement at the Essen site in 2024, a new lease contract with a term of 123 months and more favorable rental conditions was concluded, effective mid 2025. Among other things, a landlord contribution of EUR 1.0 million was agreed upon, of which EUR 0.4 million was received during the reporting year, positively impacting the liquidity position as of the balance sheet date. In the reporting year, the adjustment of the existing lease arrangement had a positive effect on earnings and was responsible for the significant reduction in right-of-use assets and lease liabilities.

The 11 88 0 Solutions Group has developed internal AI solutions with the aim of optimizing processes, further increasing efficiency, and enhancing customer communication.

The Group’s revenue in the 2024 financial year amounted to EUR 55.6 million (previous year: EUR 57.1 million).

In the Digital Business segment, the focus in 2024 was on increasing the value creation of werkenntdenBESTEN, the search engine for online reviews. For the first time, customers were able to book special packages for a small monthly budget to enhance their review management. The entry-level product, which automatically notifies businesses about new customer reviews, increases the visibility of positive reviews, and facilitates the collection of new reviews, generated strong interest from the outset. Over the course of the year, the packages were expanded further and combined with additional offerings, such as Addressable TV (ATV) campaigns. Since customer reviews play a crucial role in purchasing decisions, 11 88 0 Solutions AG plans to further expand the werkenntdenBESTEN offering in 2025.

Additionally, Addressable TV (ATV), Google Ads, and Microsoft search engine advertising were successfully marketed in 2024. Awareness of these advertising formats was increased through webinars and informational events.

These measures helped to mitigate the decline in the Media area, resulting in revenue in the digital business remaining nearly at the previous year’s level.

In the Directory Assistance segment, the company has increasingly focused on call center services for the real estate sector. Various opportunities, such as trade fairs, conferences, and tenders, were leveraged to establish direct contacts with key decision-makers in the industry. New customers were also acquired for the 11880 chatbot, which is now being used as an AI-powered customer service solution.

Deutsche Telekom discontinued its directory assistance service under the number 11833 as of December 1, 2024. Through various marketing and PR measures, 11 88 0 Solutions AG informed the market in Q3 2024 that its own directory assistance service will continue. It remains to be seen whether some former 11833 users will switch to 11 88 0 Solutions AG's services in the future. However, no significant reduction in the decline rate of call volume has been observed so far.

Overall, the business development of the group in the 2024 financial year is assessed as positive. The subsidiaries 11 88 0 Internet Services AG, FAIRRANK GmbH and Ormigo GmbH have contributed in a challenging environment to the group's overall development throughout the year. The company is convinced that these subsidiaries will play an important role in the implementation of its strategy in the coming years.

Forecast comparison for the 11 88 0 Solutions Group (consolidated financial statements)

The Group's revenue decreased compared to the previous year, reaching EUR 55.6 million (previous year: EUR 57.1 million). The revenue forecast for the year, which projected a range between EUR 54.3 million and EUR 60.0 million, was therefore achieved in the 2024 financial year.

Group EBITDA increased by EUR 1.3 million compared to the previous year, reaching EUR 3.9 million. The expected range at the beginning of the year was between EUR 3.1 million and EUR 4.6 million, with actual results landing on the forecast taking into account the special effect from the adjustment of the existing lease agreement.

The Group EBITDA for the financial year was derived from an operating result of -EUR 0.8 million (previous year: -EUR 3.0 million), plus depreciation recognized within the cost of sales amounting to EUR 0.5 million (previous year: EUR 0.8 million), depreciation within selling and distribution costs of EUR 3.4 million (previous year: EUR 3.9 million), depreciation within the general administrative expenses function of EUR 0.6 million (previous year: EUR 0.6 million) and the impairment losses of EUR 0.2 million (previous year: EUR 0.2 million) recognized under other operating expenses as a result of impairment tests on goodwill.

The cash and cash equivalents balance stood at EUR 2.4 million (previous year: EUR 1.5 million), falling within the forecast corridor published at the beginning of the year, which ranged from EUR 1.9 million to EUR 2.7 million. In this context, we refer to the portion of the landlord contribution received during the reporting year in connection with the conclusion of the new lease agreement.

In the Digital segment, the churn rate in 2024 amounted to 28 % (previous year: 31 %). A rate of 27 % had been projected for 2024. Given the overall challenging economic environment in Germany—marked by recession and significant market uncertainty—the forecast was only slightly missed. For the upcoming 2025 financial year, the churn rate is expected to remain roughly in line with the previous year.

For the 2024 financial year, the Group anticipated a moderate decline in the customer base within the Digital segment from approximately 41,000 customers at the beginning of the year to slightly below 39,000 by year-end. With an actual year-end customer base slightly exceeding 39,000, this expectation was slightly surpassed. For 2025, due to ongoing consolidation efforts and a continued focus on sustainable and profitable customers, the customer base is expected to remain largely stable or decline slightly compared to the previous year.

In the Directory Assistance segment, the downward trend in call volume within the traditional business field continued as expected. Call volume declined by approximately 21 %, from 0.68 million handled calls to 0.53 million calls, slightly exceeding the forecast of 0.52 million calls. As a result, the decline in 2024 was less pronounced than projected. For 2025, a decrease in call volume at a similar level to the previous year—around 21 %—is expected.

In the Directory Assistance segment, revenue per inquiry call increased to EUR 5.1 per call in 2024 (previous year: EUR 4.8 per call). This was primarily driven by slightly longer call durations and moderate price adjustments implemented from February 2024 onward. A slight increase to EUR 5.0 per call had been projected, meaning that the forecast was slightly exceeded. For the upcoming financial year, a significant decline in revenue per call is expected—ranging between EUR 4.0 and EUR 4.2—due to changes in billing models.

5. Financial situation

The following figures take into account the inclusion of Ormigo GmbH, based in Cologne, in the consolidation scope as of September 1, 2023. The prior-year comparative figures include Ormigo GmbH's expenses and revenues for the period from September to December 2023.

Results of operations

The Group's revenue for the 2024 financial year amounted to EUR 55.6 million, compared to EUR 57.1 million in the previous year. The decline was primarily attributable to the Directory Assistance segment. This was primarily due to a decline in volume from a major customer in the Call Center Service area, as well as the continued deterioration of the traditional directory assistance business. Revenue in the Digital segment remained nearly unchanged compared to the previous year.

The corresponding cost of sales for 2024 totaled EUR 32.7 million (previous year: EUR 33.6 million), representing a 3 % reduction compared to the prior year. This was mainly attributable to the reduction in variable production costs in the Digital segment, the decrease in personnel expenses, and lower depreciation charges.

Selling expenses decreased by 11 % to EUR 11.5 million (previous year: EUR 12.9 million). This significant reduction was primarily driven by lower depreciation on capitalized contract initiation costs and decreased variable personnel expenses.

General administrative expenses decreased slightly year-on-year to EUR 9.6 million (previous year: EUR 9.7 million). These costs mainly include corporate functions such as finance, legal, HR, IT, and executive management, as well as infrastructure costs for these units.

Impairment losses on receivables decreased from EUR 3.5 million in the previous year to EUR 2.9 million in the current year, a reduction of EUR 0.5 million. This decline was mainly due to the focused clean-up and write-off of major trade receivables in the prior year, bringing the impairment level below that of the 2022 financial year.

In 2024, the lease agreement for the Essen site was modified. The other operating income / expenses amounted to EUR 0.3 million (previous year: -EUR 0.3 million) and primarily reflect the profit-effective adjustment of the carrying amount of the existing right-of-use asset and the corresponding lease liability adjustment resulting from this lease modification.

EBITDA (earnings before interest, taxes, depreciation, and amortization) increased significantly by EUR 1.3 million to EUR 3.9 million (previous year: EUR 2.6 million). This positive development was especially driven by cost savings, particularly in cost of sales and selling and distribution costs, the reduction in impairment losses on receivables, and the lease adjustment at the Essen location.

The financial result for 2024 showed a net expense of EUR 0.2 million (previous year: net expense of EUR 0.3 million). This item includes, among other things, interest expenses on lease liabilities and the shareholder loan.

In 2024, income taxes resulted in an income of EUR 1.5 million, primarily due to deferred income taxes (previous year: expense of EUR 1.0 million). Deferred tax assets on tax loss carryforwards amounted to EUR 4.5 million as of the balance sheet date (previous year: EUR 3.5 million).

The net result after taxes amounted to EUR 0.4 million compared to -EUR 4.3 million in the previous year.

Segment report

Revenue in the Digital segment amounted to EUR 44.2 million, falling short of the previous year's level (previous year: EUR 44.8 million). EBITDA, however, rose significantly to EUR 3.8 million, compared to EUR 2.6 million in the prior year.

Revenue in the Directory Assistance segment for the 2024 financial year amounted to EUR 11.4 million, representing a decline from the previous year's EUR 12.3 million. EBITDA stood at EUR 0.08 million as of the reporting date, slightly above the previous year's EUR 0.02 million.

For further significant income and expenses relevant to each segment, please refer to the following overview as of December 31, 2024, and December 31, 2023, respectively:

In kEUR	Digital		Directory Assistance	
	2024	2023	2024	2023
Cost of sales	-22.2	-22.5	-10.5	-11.1
Selling and distribution costs	-11.3	-12.7	-0.3	-0.2
General administrative expenses, Other operating income / expenses	-8.6	-9.0	-0.7	-1.0
Depreciation and amortization	4.2	5.0	0.3	0.3

Net assets and financial position

Capital expenditures

The total amount of investments in intangible assets and property, plant, and equipment made by the reporting date – excluding capitalized right-of-use assets under IFRS 16 and capitalized contract initiation costs – amounted to EUR 0.6 million (previous year: EUR 0.3 million). The majority of this investment, EUR 0.4 million (previous year: EUR 0.1 million), was allocated to property, plant, and equipment as part of the planned relocation.

Contract initiation costs (commissions) were capitalized in the 2024 financial year in the amount of EUR 2.7 million (previous year: EUR 2.6 million).

With the exception of the investment in the new lease agreement, the 11 88 0 Solutions Group had no significant outstanding capital commitments as of December 31, 2024, as was the case in the previous year, that would result in expenditures in the 2025 financial year. For the new lease agreement, payments of approximately EUR 0.3 million are expected in the next financial year.

Statement of financial position

As of the reporting date, the total assets amounted to EUR 20.0 million, representing a decrease of EUR 0.9 million compared to the previous year's EUR 20.9 million.

Assets

On the assets side of the balance sheet, current assets decreased from EUR 8.0 million in the previous year to EUR 7.8 million in the 2024 financial year. This change was primarily driven by a EUR 0.9 million increase in cash and cash equivalents, offset by a EUR 1.3 million decrease in trade receivables. These developments resulted mainly from the customer clean-up carried out in the previous year, shortened payment terms, and a landlord incentive received related to the signing of the new lease agreement. The landlord incentive paid out during the financial year amounted to EUR 0.4 million. Other financial assets of EUR 0.2 million and other current assets of EUR 0.5 million both increased by EUR 0.1 million compared to the previous year.

All cash and cash equivalents were held exclusively with German financial institutions as of the balance sheet date.

As of the reporting date, the Group recognized EUR 12.2 million in non-current assets, compared to EUR 12.9 million in the previous year, reflecting a decrease of EUR 0.6 million. This decline was primarily due to significantly reduced carrying amounts of capitalized right-of-use assets following lease adjustments at the Essen location. Additionally, the carrying amounts of capitalized contract initiation costs decreased in line with revenue development, while the capitalized internally generated intangible assets declined as a result of increased development activities on cloud-based software.

Equity and liabilities

On the liabilities side, current liabilities increased by EUR 0.2 million to EUR 12.4 million compared to the previous year. This was mainly driven by a EUR 1.4 million rise in other current liabilities, primarily due to higher contract liabilities and the recognition of a received landlord contribution of EUR 0.4 million in connection with the new lease agreement commencing in 2025 at the Essen location. Offsetting this were, among other things, reduced current lease liabilities (IFRS 16) of EUR 0.7 million resulting from an adjustment to the existing lease agreement at the Essen site. Additionally, trade payables declined from EUR 0.5 million in the previous year to EUR 0.2 million in the 2024 financial year by EUR 0.3 million, mainly due to lower expenditures. This underscores the company's solid liquidity position. Furthermore, accrued current liabilities decreased by EUR 0.3 million to EUR 4.8 million, reflecting a lower volume of accruals for outstanding invoices.

Non-current liabilities totaled EUR 3.8 million, a decrease of EUR 1.4 million from EUR 5.2 million in the previous year. This decline was mainly driven by the reduction in long-term lease liabilities (IFRS 16) following the adjustment of the lease agreement at the Essen location.

Equity increased by EUR 0.4 million to EUR 3.9 million (previous year: EUR 3.5 million). This change was primarily due to the positive net result for the financial year of EUR 0.4 million. Additionally, actuarial gains and losses recognized in other equity components showed a positive change of EUR 0.01 million, compared to the negative change of -EUR 0.01 million in the previous year.

Cash flow & financing

The financial management of the 11 88 0 Solutions Group ensures that the Group is always able to meet its payment obligations.

The cash flow from operating activities for the 2024 financial year showed a cash inflow of EUR 3.1 million (previous year: EUR 1.7 million inflow).

The cash outflow from investing activities as of December 31, 2024, amounted to -EUR 0.5 million (previous year: EUR 0.1 million inflow). The change is primarily attributable to increased outflows for investments in property, plant, and equipment.

The cash outflow from financing activities as of the reporting date amounted to -EUR 1.7 million (previous year: -EUR 1.8 million outflow). The change is primarily due to incoming payments from lease incentives related to adjusted and new rental agreements at the Essen location.

The net cash flow as of the reporting date was EUR 0.9 million (previous year: EUR 0.03 million).

The cash and cash equivalents of the 11 88 0 Solutions Group amounted to EUR 2.4 million as of December 31, 2024 (previous year: EUR 1.5 million). Included in this amount were restricted cash funds, which remained unchanged from the previous year at EUR 0.1 million.

As of December 31, 2024, the Group had access to an unused overdraft facility of EUR 1.0 million with a credit institution (previous year: EUR 1.0 million) and an unused credit facility of EUR 2.0 million provided by its major shareholder, united vertical media GmbH (uvm), Nuremberg.

Summary assessment of the position of the Group by the Management Board

The Executive Board of 11 88 0 Solutions AG considers the 2024 financial year to have been eventful, particularly in light of the economic conditions in Germany, including weak economic growth and a rise in market insolvencies. Against this backdrop, cost optimization and consolidation remained a key focus for the 11 88 0 Solutions Group in 2024, with a particular emphasis on the significant reduction in rental costs.

Concerning the Digital segment the company also took steps to position itself for future growth, including the introduction of sales-promoting measures for werkenntdenBESTEN, the search engine for online reviews. Established services such as the business directory and search engine campaigns remained key success factors in 2024. The subsidiaries FAIRRANK GmbH and Ormigo GmbH expanded their services and reached new target groups, further strengthening their strategic importance within the Group. EBITDA in the Digital segment rose substantially compared to the prior year.

The Directory Assistance segment experienced a declining trend in 2024. However, the company actively countered the degeneration of the traditional directory assistance business, particularly through initiatives in Call Center Services. In addition to deploying a voice bot, the company continuously tested and evaluated new sales channels, business models, and collaboration opportunities, which will be further developed in the coming year. EBITDA in the Directory Assistance segment showed a slight year-on-year increase.

The negative result before income taxes was significantly reduced in the current year due to cost-saving measures initiated in the previous year.

Despite a challenging market environment, the 2024 financial year was successfully concluded in line with our prior-year planning.

6. Annual financial statements of 11 88 0 Solutions AG (HGB)

Basis of presentation

11 88 0 Solutions AG is the parent company of the 11 88 0 Solutions Group. In addition to its holding function, 11 88 0 Solutions AG operates its own business activities in the Directory Assistance segment, while its subsidiaries, primarily 11 88 0 Internet

Services AG, FAIRRANK GmbH, and Ormigo GmbH, focus on the Digital segment. Consequently, the business performance and situation of 11 88 0 Solutions AG are largely determined by the operational development and success of the 11 88 0 Solutions Group. The business activities of both segments are primarily concentrated on the German market.

Within the Directory Assistance segment, 11 88 0 Solutions AG offers the same services as those already described for the 11 88 0 Solutions Group.

Financial key figures

Revenue

Revenue is one of the key performance indicators for 11 88 0 Solutions AG. The company's revenue is exclusively generated from the Directory Assistance segment.

In the Directory Assistance segment, revenue is primarily determined by the call volume, call duration, and price per minute, both in the traditional business field and in the third-party call center business. Call volume consists of calls from fixed-line networks and mobile network operators, with tariffs varying depending on the network operator and third-party call center business customers.

Net profit / loss for the year

The key metric for profitability management at 11 88 0 Solutions AG is the profit of the year.

Non-financial key figures

In the non-financial area, various key performance indicators (KPIs) are used. In the Directory Assistance segment, the primary non-financial KPIs are call volume and revenue per call, which play a central role in business performance assessment. Since non-financial KPIs are managed at the Group level, we refer to the relevant section on the 11 88 0 Solutions Group for further details.

Additionally, employee satisfaction is also measured as a non-financial KPI at the 11 88 0 Solutions AG level but not used for management purposes.

Comparison with 2024 planning

Revenue declined from EUR 11.9 million in the previous year by EUR 0.8 million to EUR 11.1 million in 2024 and was exclusively generated in the Directory Assistance segment. The 2024 forecast anticipated that revenue would remain at or slightly below the previous year's level of EUR 11.9 million, but this target was not achieved. The shortfall was primarily due to a decline in volume from a major customer in the Call Center Services business and the continued degeneration of the traditional directory assistance business.

For 2024, a net loss was projected, expected to be slightly improved compared to or at the same level as the previous year's result (-EUR 2.2 million). The actual net loss for the year amounted to -EUR 2.0 million, meeting the forecast.

As of December 31, 2024, cash on hand and bank balances at 11 88 0 Solutions AG amounted to EUR 0.6 million (previous year: EUR 0.7 million).

11 88 0 Solutions AG is connected to all Group companies through framework agreements, which enable liquidity balancing among the entities. This ensures that sufficient liquidity is available at all times, supported by the operating cash flow of the Group's subsidiaries.

The cash balance planning and non-financial KPIs are managed exclusively at the Group level; therefore, no individual forecasts were made at the standalone company level.

For details on the Directory Assistance segment's performance and non-financial KPIs such as call volume and revenue per call, reference is made to the "Business Performance and Forecast Comparison" section of the Group report.

Financial situation

Development of results of operations in 2024

The revenue generated exclusively in the domestic market amounted to EUR 11.1 million in 2024 (previous year: EUR 11.9 million). The decline was observed in both the traditional directory assistance business and call center services. As in the previous year, no revenue was generated in the Digital segment.

Other operating income totaled EUR 1.4 million, a decrease of EUR 0.4 million compared to the previous year (EUR 1.8 million). This reduction was mainly due to a decline in intra-group recharges for services rendered.

Material expenses decreased from EUR 5.6 million in the previous year by EUR 0.5 million to EUR 5.1 million. This reduction resulted from savings in license and network costs as well as lower external service expenses.

Personnel expenses declined from EUR 5.6 million to EUR 5.3 million, primarily due to lower personnel costs in operational areas.

Other operating expenses decreased by EUR 0.8 million to EUR 4.4 million (previous year: EUR 5.2 million). The reduction was mainly driven by savings in rental costs, as shown in Chapter 4, and lower intra-group service charges.

The financial result for the current financial year was positive at EUR 0.4 million, representing a decline of EUR 0.1 million from the previous year (EUR 0.5 million). This was mainly due to lower income from loans granted as part of financial investments.

As in the previous year, no income or corporate taxes were incurred in 2024 as a result of the loss situation.

The net loss of EUR 2.0 million represents an improvement compared to the previous year (previous year: net loss of EUR 2.2 million).

Capital expenditures
In the current financial year, investments totaling EUR 0.3 million were made, primarily for office and business equipment (previous year: EUR 0.0 million).

Statement of financial position
The total assets of 11 88 0 Solutions AG decreased from EUR 39.0 million to EUR 36.7 million as of December 31, 2024.

Non-current assets declined by EUR 2.2 million, from EUR 35.5 million to EUR 33.2 million. This was primarily due to a significant reduction in loans to affiliated companies, which decreased by EUR 2.5 million to EUR 8.3 million (previous year: EUR 10.8 million). The decrease mainly resulted from lower loans to 11 88 0 Internet Services AG, which were reduced by EUR 2.9 million, partially offset by the reclassification of loan receivables from Fairrank GmbH, which increased by EUR 0.4 million.

Current assets amounting to EUR 3.4 million remained unchanged from the previous year.

Trade receivables amounted to EUR 1.6 million, reflecting a slight reduction of EUR 0.1 million compared to the previous year (previous year: EUR 1.7 million). Receivables from affiliated companies remained unchanged at EUR 1.0 million.

Cash and bank balances amounted to EUR 0.6 million (previous year: EUR 0.7 million).

Equity decreased by EUR 2.0 million to EUR 33.1 million (previous year: EUR 35.1 million). As of December 31, 2024, 11 88 0 Solutions AG reported an accumulated loss of EUR 32.5 million (previous year: EUR 30.5 million). The change compared to the previous year was completely due to the net loss for the financial year of EUR 2.0 million. The equity ratio stood at 90.3 % as of December 31, 2024 (December 31, 2023: 90.1 %).

Provisions increased by EUR 0.1 million to EUR 2.6 million compared to the previous year. The largest portion of these provisions was allocated to personnel-related obligations.

Liabilities decreased from EUR 1.4 million in the previous year by EUR 0.8 million to EUR 0.6 million. Trade payables remained stable at EUR 0.1 million (previous year: EUR 0.1 million). Liabilities to affiliated companies decreased by EUR 0.4 million to EUR 0.1 million (previous year: EUR 0.5 million), mainly due to lower intra-group service charges. Other liabilities amounted to EUR 0.5 million (previous year: EUR 0.8 million).

11 88 0 Solutions AG had no liabilities in foreign currencies and only slight liabilities to credit institutions.

Cash flow and financing

The financial management of 11 88 0 Solutions AG ensures that the company is always able to meet its payment obligations while also achieving an appropriate return on the investment of surplus liquidity.

Throughout the year, 11 88 0 Solutions AG was able to cover its financial needs using its own funds.

When investing its liquidity, the company follows a conservative investment strategy to minimize the risk of losses.

As of December 31, 2024, 11880 Solutions AG reported cash and bank balances of EUR 0.6 million (previous year: EUR 0.7 million). The company also has an unused guarantee credit line of EUR 0.3 million (previous year: EUR 0.3 million).

As of the reporting date, the company's contingent liabilities remained unchanged from the previous year, consisting primarily of guarantees totaling EUR 1.2 million.

Summary assessment of the position of 11880 Solutions AG by the Management Board

The Executive Board of 11880 Solutions AG assesses the 2024 financial year for 11880 Solutions AG in the same manner as outlined above at the Group level.

Risk management

With regard to opportunity and risk management, we refer to the "Opportunity and Risk Management" chapter. Since the identification, management, and evaluation of opportunities and risks take place at the Group level of 11880 Solutions AG, the risks of 11880 Solutions AG, particularly those related to the Directory Assistance segment, are also described and assessed there.

The following Group-assessed opportunities and risks directly affect 11880 Solutions AG as a standalone entity, while other risks have an indirect impact on the company:

- Market Development, Risks, and Opportunities in the Directory Assistance Segment
- Financial and Liquidity Risks
- Technology risks

Guidance

Due to an industry-wide change in the billing logic with carriers, effective since December 1, 2024, which, all else being equal, results in a simultaneous reduction in both revenue and variable cost of sales—the Company expects a greater revenue decline than in previous years. Accordingly, revenue for the 2025 financial year is expected to be significantly lower than in the current year (2024: EUR 11.1 million).

Accordingly, an increase in the net loss of between EUR 0.2 million and EUR 0.6 million is expected for the 2025 financial year (2024: net loss of EUR 2.0 million).

7. Research and development

Basic research, in the traditional sense, is not conducted by the 11880 Solutions Group, as it operates as a service company. Consequently, no research costs were incurred for this purpose. However, development costs for internally developed software were capitalized from internal projects aimed at supporting revenue generation in the Digital and Directory Assistance segments. Within the 11880 Solutions Group, dedicated development resources were also maintained at the main location in Essen in 2024. The core development activities primarily focused on Programming applications and Enhancing specialized online portals. The capitalized costs for internally generated intangible assets related to these development activities amounted to EUR 0.1 million in 2024 (previous year: EUR 0.2 million).Depreciation on capitalized development costs for the reporting period amounted to EUR 0.2 million (previous year: EUR 0.2 million).

8. Employees

Our Group is continuing its transformation into a digital company despite global political challenges, by focusing on a competitive product portfolio and leveraging digital innovation.

We firmly believe that our employees are the key success factor in this transformation process. It is therefore essential to place the right talent in the right positions and to continuously invest in their professional development.

The widespread digitalization and increased use of artificial intelligence (AI) have fundamentally reshaped our lives and work environment. New collaborative methods, virtual networks, innovative business models, and a higher degree of automation are now central to our daily operations. To succeed, it is critical that both leaders and employees possess the necessary skills to use digital technologies effectively and efficiently – they form the foundation of our current and future success. Therefore, one of our core priorities is to equip our teams with digital skills while ensuring that we remain an attractive employer for top talent. We must create work environments and technological infrastructures that enable optimal networking. We also recognize that rapid data analysis and interpretation will become even more critical for making informed decisions in the future. Overall, digitalization and AI offer significant benefits: they revolutionize industries, enhance efficiency, drive innovation, improve quality, and unlock entirely new opportunities. We are committed to leveraging these opportunities to their full potential.

To support this transformation, we have been actively developing leadership talent through our Leadership Academy, which was founded in 2020. This academy plays a crucial role in building a diverse and agile management team by providing high-potential employees with a unique opportunity to develop their leadership skills under constantly evolving conditions.

As of December 31, 2024, 11 88 0 Solutions Group employed 485 employees (excluding the Executive Board, trainees, interns, and employees on leave) under § 267 HGB. This represents a decrease of 29 employees compared to the previous year's 514 employees, primarily due to efficiency measures and natural staff turnover in operational areas.

The 11 88 0 Group and its subsidiaries are not bound by collective wage agreements, as no industry-wide collective agreement exists in the call center sector. However, the company fully complies with statutory minimum wage regulations and implements § 87 of the Works Constitution Act (BetrVG) in a transparent manner in cooperation with employee representatives.

As a member of the Call Center Verband Deutschland e. V. (CCV), we actively monitor political and legislative developments affecting the call center industry, ensuring that we remain at the forefront of industry-specific regulatory changes.

9. Opportunity and risk management

Since 11 88 0 Solutions AG is responsible for the risks and opportunities of its subsidiaries and sub-subsidiaries, and these factors influence the company's development, the following section considers the consolidated values of 11 88 0 Solutions AG, 11 88 0 Internet Services AG, WerWieWas GmbH, FAIRRANK GmbH, Seitwert GmbH, and Ormigo GmbH. Collectively, these companies are referred to as the 11 88 0 Solutions Group.

General information

The market environment and the legal and regulatory framework of the 11 88 0 Solutions Group are constantly evolving. Likewise, the company continues to develop in terms of its business activities, target markets, and customer groups, as well as through new cooperation models and acquisitions. As a result, new opportunities and risks regularly arise, and the absolute and relative impact of already known opportunities and risks may change.

The early identification, assessment, and management of all relevant opportunities and risks using an effective and continuously evolving risk and opportunity management system, adapted to market dynamics, holds significant importance for the 11 88 0 Solutions Group. This secures the continued existence of the Company or, respectively, the 11 88 0 Solutions Group, supports the Group's strategic development, and promotes responsible entrepreneurial conduct.

Risks are events or developments triggered by internal or external factors that negatively impact the expected economic performance and may result in deviations from budget plans or the failure to achieve strategic objectives.

Opportunities are events or developments triggered by internal or external factors that can have a positive impact on the expected economic performance and the implementation of the company's strategic goals.

The risk management system of the 11 88 0 Solutions Group encompasses all organizational regulations and measures for identifying and managing opportunities and risks within the scope of its business activities. The Group's risk management focuses on the early identification, assessment, and control of both internal and external risks and opportunities. The risk early warning system, as an integral part of the risk management system, is designed to detect material risks, particularly those that could threaten the company's existence, in a timely manner so that appropriate countermeasures can be implemented. Risks with a net weighted impact below EUR 25,000 are not included in the risk assessment.

The risk management system of the 11 88 0 Solutions Group integrates the various established risk management subsystems across the Group into a comprehensive, company-wide framework, taking into account the corporate objectives, vision, strategy, and corporate culture. The Executive Board of 11 88 0 Solutions AG holds overall responsibility for the Group's risk management system.

Executive Board
(Vision, Strategy, Target Setting, Control Environment, Definition of Reporting Structures)

Risk Management System of the 11 88 0 Solutions Group

Performance Management	Compliance Management	Internal Control System	Risk Management System
Controlling / Operational Areas	Compliance Committee / Operational Areas	Accounting / IT / Operational Areas	Controlling / Operational Areas
• Ongoing reporting on key KPIs • Budget planning • Forecasting • Target vs. actual analyses • Investment controlling • Performance management • Special analyses	• Policies and regulations • Risk prevention • Process optimization • Fraud prevention • Data protection • Sanctions	• Accounting-related ICS • Document Management System • Four-eyes principle • Process documentation • Plausibility analyses • IT systems • Audit guidelines • Regulatory competence • Sustainability	• Risk identification • Risk assessment • Risk control • Risk monitoring • Risk avoidance • Risk management process • Risk reporting

The following provides an overview of the individual components of the 11 88 0 Solutions Group's risk management system:

Performance Management

The early warning system established within the company is based on a differentiated and high-quality planning process for each business unit, complemented by ongoing variance analyses comparing actual and planned figures.

The opportunity and risk management system of the 11 88 0 Solutions Group is embedded in the strategic development process and is incorporated into all subsequent planning activities. For example, during annual planning rounds, all business activities are reviewed for opportunities and risks, and identified risks are assessed. Based on these assessments, targets – particularly revenue and earnings goals – are derived and continuously monitored and analyzed by the corporate controlling department. As part of the monthly financial presentations, the company prepares and analyzes the development of key financial and non-financial performance indicators (KPIs), assessing both current performance trends and forecasted developments from the planning process. The reporting process to the Executive Board and department heads includes detailed monthly reports, which are compiled by controlling in close collaboration with the relevant business units.

Additionally, corporate controlling leads weekly sales meetings, where current sales performance, new sales initiatives, and sales-related conditions (e.g., data availability, system performance, and IT system reliability) are reviewed by individual business units. In addition to the executives from the individual segments, the Management Board as well as senior leaders from the Controlling, IT, Product Management, and Data/BI departments are also an integral part of this regular meeting. This interdisciplinary and cross-departmental performance management approach ensures that interdependencies between different business areas are taken into account, variance analyses are conducted, and important strategic and operational measures can be immediately discussed and initiated.

The Executive Board presents key developments, performance metrics, and identified opportunities and risks to the Supervisory Board in a monthly meeting, which is closely coordinated and prepared by corporate controlling.

Compliance Management

The term compliance can be broadly translated as legal conformity, meaning the adherence to all legal regulations, internal policies, and company rules by the organization, its governing bodies, and its employees.

Beyond mere adherence, compliance also involves the implementation of **organizational measures and safeguards** to ensure compliance with legal requirements and internal regulations. The set of all these organizational measures, rules, and processes aimed at ensuring compliance is referred to as the compliance system.

To promote responsible business conduct and ensure compliance with legal regulations and internal policies, the company has maintained a **Compliance Committee** for several years. This committee advises the Executive Board on all compliance-related matters and continuously reviews and enhances the compliance system. Its responsibilities include proposing risk and fraud prevention measures, improving processes, and evaluating potential sanctions, as well as initiating and overseeing internal policies, such as the procurement policy for the 11 88 0 Solutions Group. The Compliance Committee meets multiple times a year in regular sessions and convenes extraordinary meetings when necessary to address urgent or critical issues.

A key focus of the company's ongoing compliance efforts is on operational and organizational measures within the sales processes. The sales processes and contract agreements of both internal sales employees and external sales partners are continuously monitored for compliance with legal regulations and internal guidelines. The commission models and the associated monthly sales commissions are reviewed monthly by corporate controlling to ensure mathematical accuracy, fraud prevention, and incentive alignment. Any modifications to commission models are developed in close coordination between the sales department, corporate controlling, and the works council.

Internal control system

Since the parent company, 11 88 0 Solutions AG, is a capital market-oriented corporation within the meaning of § 264d HGB, § 315 (4) HGB requires the description of the essential characteristics of the internal control and risk management system (ICS) both with regard to the accounting processes of the consolidated companies and the group accounting process.

The internal control and risk management system for the accounting and group accounting processes is not legally defined. The 11 88 0 Solutions Group understands the internal control and risk management system as a comprehensive framework, following the definitions provided by the Institute of Public Auditors in Germany e. V. (IDW), Düsseldorf, concerning the internal control system related to accounting (ISA [DE] 315 (Revised), para. 18 in conjunction with A90) and the risk management system (IDW PS 340, para. 4).

An internal control system, according to these definitions, includes the principles, procedures, and measures introduced by management within the company to ensure the organizational implementation of management decisions.

- Ensuring the effectiveness and efficiency of business operations (including the protection of assets and the prevention and detection of asset impairments),
- Compliance and reliability of internal and external financial reporting, and
- Adherence to legal regulations relevant to the company

The risk management system comprises all organizational regulations and measures for identifying risks and managing risks associated with business activities.

The following structures and processes have been implemented within the group with regard to the accounting process:

The executive board of 11 88 0 Solutions AG holds the overall responsibility for the internal control system (ICS) within the 11 88 0 Solutions Group. Through a clearly defined leadership and reporting structure, all strategic business areas of the group are integrated. Meetings with department heads and business unit managers take place every two weeks, where all relevant key performance indicators (KPIs) of operational business activities are discussed.

The departments and divisions involved in the accounting process are provided with the necessary quantitative and qualitative resources. Received and transmitted accounting data is regularly reviewed for completeness and accuracy.

Accounting-relevant information is continuously exchanged between the CFO and the Head of Accounting and communicated to the executive board in regular meetings.

Additionally, the four-eyes principle is applied to control critical processes, such as purchase orders, invoice verification, contract creation, and payment approvals. The confirmation of review and payment instructions must be electronically signed and dated in the Docuware system.

Incoming invoices must also be submitted to the respective departments under the four-eyes principle for factual and arithmetic verification. This principle ensures that no individual is solely responsible for all process steps. Instead, sufficiently qualified personnel must review transactions to identify and resolve potential discrepancies and control weaknesses. Specifically, this process means that the ordering party must confirm with their signature that the goods have been received or the service has been provided in accordance with the order.

The verification process must be carried out immediately and forwarded with cost center allocation to the supervisor or cost center manager for payment approval. As the final control instance, two authorized signatories with banking authority execute the payment.

Beyond the internal control system (ICS) implemented in subsidiary companies, these control levels also exist at the group level. Group-wide controls are managed by central units, such as Finance, HR, and Legal, and are centrally documented. A typical example is the centralized management and monitoring of outgoing payments within the group's liquidity planning.

Furthermore, the ICS is supported by IT systems, such as SAP, which are regularly reviewed for efficiency and effectiveness. As far as possible, the financial systems used in accounting are standard software solutions. These systems are protected against unauthorized access through appropriate security and authorization concepts.

The internal control and risk management system for the accounting process, as described above, is designed to ensure that business transactions are properly recorded, processed, and assessed in financial reporting. The appropriate staffing, the use of suitable software, and clear legal and internal company guidelines provide the basis for a proper, standardized, and continuous accounting process. Additionally, the clear delineation of responsibilities and various control and verification mechanisms, as described above, ensure accurate and responsible financial reporting. Specifically, this system ensures that business transactions are recorded, processed, documented, and booked in compliance with legal regulations and internal policies. At the same time, it ensures that assets and liabilities are properly recognized, reported, and valued in the annual and consolidated financial statements, while also providing reliable and relevant information completely and in a timely manner.

Risk management system

The risk management system of the 11 88 0 Solutions Group is operationally managed by the Chief Financial Officer (CFO) under the overall organizational responsibility of the Executive Board. As Head of Controlling, the CFO is also responsible for risk controlling. The responsibilities of **Group Controlling** within the framework of the Group's risk management system primarily include the following areas:

- Conceptual development and continuous enhancement of a structurally uniform and binding risk management system for all business areas, in close coordination with the Executive Board,
- Organization, initiation, and coordination of the regular identification, assessment, and communication of risks by the risk owners,
- Support for risk owners in evaluating identified risks and in validating assessment results,
- Critical review of risk owners' assessments of risks within their respective areas of responsibility,
- Monitoring compliance with legal requirements for risk management and, if necessary, adjusting processes, templates, and methods,
- Ensuring cross-departmental consistency of risk analyses and analyzing (potential) interdependencies of individual risks across different departments,
- Aggregation of risks across all areas and risk categories within the 11 88 0 Solutions Group,
- Preparation and coordination of the risk report with the Executive Board.

The executives below the Executive Board are considered the primary **risk owners**. They are responsible within their respective areas for the identification, assessment, management, monitoring, documentation, and communication of key risks, as well as for deriving and implementing measures to mitigate risks. The executives of each department are supported in this process by the controllers responsible for their respective group divisions. The risk owners are accountable for reporting risks to risk controlling at predefined intervals (regularly during budget and forecast preparation, during the quarterly risk assessments, and on an ad hoc basis when new risks are identified or when there is a material increase in known risks).

Based on the risks recorded and reported to risk controlling by the risk owners, the Group Controlling department prepares the risk report. This report is coordinated with the Executive Board as part of budget planning and rolling forecasts, and the Executive Board subsequently reports to the Supervisory Board. If significant or even existential risks are identified, they are reported directly and immediately to the Executive Board, independent of the ongoing budget or forecasting processes.

As part of the risk management system of the 11 88 0 Solutions Group, the following types of risks are differentiated:

- Market Risks
- Financial and Liquidity Risks
- Personnel Risks
- Process Risks
- Regulatory Risks
- Legal Risks
- Technology Risks

The chosen differentiation of risk categories supports the systematic identification and assessment of risks. Risk owners are required, based on the predefined structure, not to limit the risk inventory to the risk types typically associated with their respective areas but to deliberately and systematically extend their analyses to include risk types that may be less directly related to their specific domain.

The assessment of individual risks is carried out in a multi-stage process:

i. First, risks are identified and described in an abstract manner.
ii. Based on this, an assessment of the potential financial impact is conducted, considering the damage that would occur if the risk materialized without any mitigation measures (gross risk). The evaluation is based on the EBITDA impact in the budget year. If certain risks cannot yet be quantified, their potential significance is estimated and, if necessary, discussed in the relevant committees and reports.
iii. For each risk, measures are derived to either prevent or mitigate the risk. The reduction in potential damage achieved through these measures is then determined, as well as the remaining impact after mitigation (net risk).
iv. Finally, taking into account the probability of occurrence, the net risks are assessed and reflected in the budget as a probability-weighted EBITDA risk.

To present the overall risk, the assessed risks are finally categorized based on their risk magnitude. Currently, the Group differentiates between the categories "Significant" (risk > 1.0 million EUR), "Medium" (risk between 0.5 and 1.0 million EUR), "Low" (risk between 0.1 and 0.5 million EUR), and "Very Low" (risk < 0.1 million EUR) in terms of **risk impact**.

Summary of the Current Risk Situation

The assessment of the overall risk situation of the 11 88 0 Solutions Group is the result of a consolidated evaluation of all significant individual risks. Despite market risks arising from the global energy crisis and inflation, the overall risk situation remains largely unchanged compared to the previous year in terms of risk magnitude. Only the classification of market risks has improved from "Medium" to "Low".

From the Executive Board's perspective, there are no risks as of the balance sheet date or at the time of reporting that, individually or collectively, could jeopardize the continued existence of the Group or its consolidated subsidiaries.

The currently existing risks, as in the previous year, are considered manageable. However, similar to the typically corresponding opportunities, their occurrence could impact the achievement of the approved budget.

The following overview presents the current assessments of the magnitude of individual risk categories and compares them with the assessments made in the previous year's consolidated financial statements.

Corporate Risks	Current Risk Magnitude	Previous Year Risk Magnitude
Market Risks	Low	Medium
Financial and Liquidity Risks	Medium	Medium
Personnel Risks	Low	Low
Process Risks	Low	Low
Regulatory Risks	Very Low	Very Low
Technology Risks	Very Low	Very Low
Legal Risks	Very Low	Very Low

Appropriate measures within the framework of risk management shall continue to ensure that the probability of occurrence and the financial impact in the event of occurrence are further reduced. Moreover, due to the heterogeneity of individual risks, it is not expected that all individual risks could materialize simultaneously.

Presentation of fundamental opportunities and significant individual risks

For the purpose of classification and better comprehensibility of the key individual risks presented below, a brief overview of the current market developments in the Telephone Directory Assistance and Digital segments, as well as the key opportunities within these segments, will first be provided. Preceding this, the results of the individual risk assessments are outlined: None of the individual risks described below have been classified as “Significant” or “Medium” based on the conducted risk assessment. Instead, all individual risks, according to the latest risk evaluations, fall within the “Low” or “Very Low” risk categories.

Market development, risks and opportunities in the Digital segment

It is still expected that dynamic market growth will be recorded in the segment relevant to the group in the coming years and that current trends, particularly the trend toward the digitalization of our (potential) customers’ business models, will continue.

With numerous commercial search queries in the 2024 financial year as well, the 11 88 0 Solutions Group has established a strong position in this market with the online business directory 11880.com and its complementary specialized portals.

The large number of search queries and the leads generated from them in the commercial sector represent a key asset for the 11 88 0 Solutions Group in selling online advertising products to SMEs. With products related to the creation of online presences, the sale of prominently placed advertising listings, and search engine optimization measures, the 11 88 0 Solutions Group has now established itself as one of the leading providers of comprehensive regional online advertising solutions for SMEs in Germany.

Further operational opportunities arise from increased sales productivity in the digital business through the use of more efficient tools. Conversely, this situation presents a risk if sales productivity is lower than expected.

In 2024, the efficiency program launched in 2023 to improve profitability and liquidity was consistently continued. As part of this initiative, existing customers with poor payment behavior were again written off or terminated in 2024. This has resulted in high cancellation rates. However, since the program was already launched in 2023, the effects on financial year 2024, particularly regarding balance sheet-related bad debt losses, were significantly lower than in the previous year. Since the customer base cleanup only affected customers with very poor payment behavior or negative payment forecasts, there were no adverse effects on overall incoming payments. Additionally, the sales process was already geared toward acquiring more profitable and, in particular, financially stronger new customers in 2023 through the use of modern AI technologies, an increased focus on prepayment processes, and creditworthiness checks. As a result of this, and due to the extensive customer base cleanup already largely carried out in 2023 and completed in 2024, we expect lower bad debt losses in the coming years. As part of the budgeting process for the 2025 financial year, a churn rate largely unchanged from the previous year was assumed.

If the group exceeds the expected forecasts in terms of customer satisfaction and, consequently, customer retention, this would have a positive impact on revenue and earnings development. Conversely, a cancellation rate above forecasts would pose a corresponding risk.

Market development, risks and opportunities in the Directory Assistance segment

Due to the ongoing shift in media consumption from traditional to digital media, the market for traditional directory assistance has been in decline for years. The resulting decrease in call volume has been factored into the budget planning for 2025 and the subsequent forecast years. However, there is a slight possibility that the market will decline less than projected.

Although revenue in the call center third-party business within the directory assistance segment has declined compared to the previous year, it is important to note that overall revenue in this area has increased significantly over the past four years. In our view, this underscores our innovative approaches and very high service quality, along with an improved EBITDA-margin in this sector. This presents further opportunities for future development. Potential risks mainly lie in the loss of existing major customers in the call center third-party business. However, there are currently no concrete indications of a high probability of such risks materializing. Moreover, as the duration of successful collaborations with existing major customers increases, this risk gradually decreases.

The most significant individual risks are briefly explained below.

Market risks

In the Digital business segment, products are sold via outbound sales. This sales channel complies with current legislation. However, there is a risk that lawmakers may impose future restrictions on (telephone) contact with business customers. This would inevitably have negative effects on new customer acquisition opportunities and, consequently, on revenue and EBTIDA in this segment. To mitigate this risk, the legal department of the 11 88 0 Solutions Group closely monitors the issue and implements extensive measures to enhance legal security. Additionally, this risk is addressed by actively obtaining so-called “opt-ins”, i.e., the (potential) customer’s consent to be contacted.

Fundamentally, there is a risk of an increase in the **cancellation rate** of media products in the Digital segment if customer expectations regarding the offered products cannot be met. To mitigate this risk, the 11 88 0 Solutions Group has implemented comprehensive and professional customer communication strategies to enhance transparency regarding product capabilities. Furthermore, the company continuously works to improve product quality and customer benefits while implementing rigorous quality controls. Intensive product training for sales employees and analysis of sales conversations are also aimed at further reducing this risk.

Compared to the previous year, the market risk level has been reduced from “Medium” to “Low”, primarily due to the elimination of a specific supplier-related risk in the Digital segment.

Financial and liquidity risks

The Group continuously optimizes its financing and limits financial risks with the goal of maintaining the Group’s financial independence. Financial risks are an integral part of the risk management system and are additionally monitored within the framework of liquidity management through a rolling monthly financial planning and analysis process. In 2024, the Group continued to implement appropriate countermeasures in the form of structural measures and sustainable cost discipline and further developed a system for the ongoing monitoring of payment inflows and outflows.

During the Annual General Meeting of 11 88 0 Solutions AG for the 2023 financial year on June 19, 2024, the following resolutions were passed by a majority:

- Resolution on the cancellation of Authorized Capital 2020 and Authorized Capital 2021, the creation of Authorized Capital 2024 with the option to exclude shareholders’ subscription rights, and the corresponding amendments to the Articles of Association.

Accordingly, the Management Board is authorized to increase the company’s share capital by up to EUR 13,116,100.00 through the issuance of up to 13,116,100 new no-par value bearer shares against cash and / or non-cash contributions, with the approval of the Supervisory Board, once or multiple times until June 18, 2029 (Authorized Capital 2024). Shareholders are generally to be granted subscription rights. The subscription right may also be granted indirectly in accordance with Section 186 (5) of the German Stock Corporation Act (AktG). The Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders’ subscription rights in certain cases, either in whole or in part.

- Resolution on the cancellation of Conditional Capital 2020 and the authorization to issue convertible bonds 2020, as well as the resolution on a renewed authorization to issue convertible bonds, the authorization to exclude subscription rights when issuing convertible bonds, and the creation of Conditional Capital 2024/I, along with the corresponding amendments to the Articles of Association.

As a result, the share capital is conditionally increased by up to EUR 10,492,880.00 through the issuance of up to 10,492,880 new bearer shares (Conditional Capital 2024/I). The conditional capital increase serves to service bonds issued under the authorization resolution of the Annual General Meeting on June 19, 2024, under agenda item 7 lit. b). The new shares will participate in profits from the beginning of the financial year in which they are created; where legally permissible, the Management Board may, with the approval of the Supervisory Board, determine the profit participation of new shares differently and, if necessary, also for a past financial year, deviating from Section 60 (2) AktG.

- Resolution on the cancellation of the existing authorization to issue stock options and the cancellation of Conditional Capital 2022, as well as the resolution on a renewed authorization to issue stock options and the creation of Conditional Capital 2024/II, along with the corresponding amendments to the Articles of Association.

As a result, the company's share capital is conditionally increased by up to EUR 5,246,440.00 through the issuance of up to 5,246,440 new bearer shares (Conditional Capital 2024/II). The conditional capital increase serves exclusively to fulfill subscription rights arising from stock options issued by the company under the authorization of the Annual General Meeting of June 19, 2024, in accordance with agenda item 8 lit. b), until June 18, 2029.

As of December 31, 2024, the 11880 Solutions Group had financial resources of EUR 2.4 million (previous year: EUR 1.5 million) available to finance its ongoing business activities. Included in this amount were restricted financial resources of EUR 0.1 million, unchanged from the previous year. Additionally, the 11880 Solutions Group has an unused credit line of EUR 1.0 million (previous year: EUR 1.0 million) with a financial institution.

The main shareholder of 11880 Solutions AG, united vertical media GmbH (uvm), Nuremberg, granted 11880 Internet Services AG an unsecured shareholder loan of EUR 2.0 million in 2022. This loan bears interest at market rates and is due for repayment in full at the end of its five-year term on May 31, 2027. The 11880 Solutions Group may make early repayments at its discretion at any time and in any amount without prepayment penalties.

Furthermore, to ensure sufficient liquidity at the group level, united vertical media GmbH granted 11880 Internet Services AG an additional credit line of EUR 2.0 million in March 2023. This credit line can be drawn as needed until March 31, 2026, and must be repaid by December 31, 2028. The terms of this credit line are identical to those agreed upon for the existing shareholder loan. This credit line was not utilized in the 2024 financial year.

There is a risk that, in relation to potential additional call volume resulting from the discontinuation of Deutsche Telekom's directory assistance service, the introduction of higher prices could lead to a significant increase in the call drop-off rate. In this case, the additional calls may not generate revenue, causing the projected revenue increases outlined in the planning to fail to materialize. This risk is continuously monitored. We address this challenge through detailed analysis of user behavior and evaluate potential adjustments to our pricing and service structure if necessary.

Fundamentally, there is a risk that bad debt losses from trade receivables could materialize at a higher level than assumed in the budget. To mitigate this risk, the company has already implemented various measures, including adjustments to specific sales campaigns, the expansion of creditworthiness checks, and the increased use of prepayment regulations. Additionally, continuous optimization of the dunning processes is aimed at further reducing this risk.

As part of the Group's short- and medium-term liquidity management, the expected financial requirements for the upcoming months are continuously monitored so that necessary measures can be implemented in a timely manner if needed.

The risk level for financial and liquidity risks remains at a "medium" level, as in the previous year.

Personnel risks

There is a risk that an insufficient number of qualified employees may be recruited for the sales units, which could result in missing the planned sales targets. The Group addresses this risk primarily through intensive collaboration with recruiting service providers, the purchase of external call center capacities, and the geographical diversification of personnel searches. Additionally, new sales approaches, particularly in the form of home office offerings, are being tested to expand the potential employee base.

In addition to personnel risks in the sales sector, further personnel risks exist in other areas of the company. Unplanned and exceptionally high turnover of qualified employees, particularly in software development, could lead to cost risks and project delays due to the necessary replacement of vacant positions and the potential temporary outsourcing of tasks to external providers.

Unchanged from the previous year, overall personnel risks are rated as “Low”.

Process risks

The main risk in the category of process risks lies in the dampening effect of negative press on sales conversion rates. Specifically, there is a risk that sales representatives may become unsettled due to negative media coverage related to sales methods and product promises, leading them to act too cautiously in sales conversations. This could result in declining conversion rates in new customer acquisition. To mitigate this risk, the Group has implemented a series of preventive measures embedded in its process and organizational structure. These measures aim to ensure that customer expectations are met and that the risk of negative press is minimized. Key initiatives in this regard include intensive and regular training for sales representatives, a comprehensive compliance management system with strict sanctions for violations of legal and internal regulations, and stringent quality controls. On the other hand, organizational measures are designed to equip sales representatives with clear guidelines and argumentation strategies in case of unjustified or even justified instances of negative press. Due to these measures, the overall risk is classified as “Very Low”.

Process risks, as in the previous year, are assessed as “Low”.

Technology risks

Despite the measures taken to improve the security of the Group’s infrastructure, the risk of a cyberattack remains due to the increasing frequency and sophistication of hacker attacks worldwide. Based on current experience, such an event would likely result in an immediate sales and revenue outage of approximately five days in the Digital and Directory Assistance segments. Additionally, costs for rebuilding the infrastructure would be incurred. From an overall perspective, this risk is classified as “Very Low” according to the risk assessment overview mentioned above and remains unchanged compared to the previous year. A cyber insurance policy with the Group’s primary insurer was concluded in the first half of 2022.

Technological risks, as in the previous year, are assessed as “Very Low”.

Legal and regulatory risks

The identified legal risks, both in their entirety and individually, have very minor financial impacts, making a detailed presentation of individual risks unnecessary. The same applies to regulatory risks.

In line with the previous year, the 11 88 0 Solutions Group continues to classify both legal and regulatory risks as “Very Low”.

Overall statement of the Management Board on the risk management system of the 11 88 0 Solutions Group[1]

Our transparent and systematic risk management system at the 11 88 0 Solutions Group, with its structured processes, contributes to the efficient management of overall risks within the Group. From today’s perspective, the Management Board is not aware of any circumstances that would call into question the adequacy or effectiveness of the system. However, despite the comprehensive risk analysis, the occurrence of risks cannot be entirely ruled out. For our assessment of the adequacy and effectiveness of the risk management system and the internal control system, we refer to the statements in the Corporate Governance Declaration.

10. Report on expected developments

The statements made here are based on the operational plan for the 2025 financial year of the 11 88 0 Solutions Group, which was approved by the Management Board and Supervisory Board at the end of December 2024.

Regarding the ongoing military conflict between Russia and Ukraine, as well as the current Middle East conflict, the Management Board shares the general geopolitical assessment that these conflicts will not escalate into Europe-wide or even global conflicts. Based on this assumption and considering that the 11 88 0 Solutions Group has no material business relationships with customers or suppliers from Russia, Ukraine, or countries involved in the Middle East conflict, the company continues to assume – based on currently available information – that these conflicts will not have materially negative effects on the implementation of its busi-

[1] Paragraph unrelated to the management report and unaudited.

ness plan. However, it should be noted that the medium-term implications of the change in government in Germany are currently not foreseeable.

Strategy of the 11 88 0 Solutions Group

For the 2025 financial year, as described above, the Group expects a continued challenging market environment amid stagnant economic conditions. Against this backdrop, the 11 88 0 Solutions Group will continue the strategy it has pursued in recent years, focusing primarily on efficiency, cost discipline, and the creation of long-term growth opportunities. In 2025, the company will further optimize business areas and enhance its products and services with new and complementary features to increase customer value. The use of artificial intelligence (AI) will play a central role in the (further) development of products and the optimization of internal processes throughout the financial year.

The pursued strategy is actively supported by the majority shareholder, united vertical media GmbH.

Digital segment

In the digital business, the 11 88 0 Solutions Group gradually expanded its existing product portfolio in 2024 while also redesigning and consolidating offerings. In the upcoming 2025 financial year, the company will continue to drive these developments forward in a targeted manner and intensify their utilization. A key focus will be on products and services related to review and reputation management, as well as the “werkenntdenBESTEN” products.

Fundamentally, the company plans to further develop the organizational, product, and service structure of FAIRRANK GmbH to create sustainable and profitable long-term growth opportunities. However, for 2025, the company anticipates a comparatively low investment requirement. This will enable the company to achieve independent positive results in the medium term.

Ormigo GmbH, acquired in 2023, will focus more strongly in 2025 on the market launch of new products, in addition to supplying Pay-Per-Lead partners with established offerings, in order to accelerate growth and leverage economies of scale.

The churn rate in the Digital segment is expected to remain roughly at the 2024 level (28%) in the 2025 financial year. The year is anticipated to close with a customer base slightly below 39,000, thus ending marginally below the prior year’s level.

Directory Assistance segment

In the directory assistance segment, the 11 88 0 Solutions Group expects the declining trend in call volumes for traditional directory assistance to continue in 2025, showing degeneration rates comparable to previous years.

To counteract this decline in revenue, the Group continues to focus on increasing end-customer revenue per call. However, due to an industry-wide change in billing logic with carriers introduced on December 1, 2024, which—ceteris paribus—results in a simultaneous reduction in revenue and variable revenue costs, the relative revenue decline in 2025 is expected to be greater than in previous years and will likely exceed the decline in call volumes. Overall, for 2025, a call volume of between 0.4 million and 0.44 million calls is expected in the traditional directory assistance business, with an average revenue of approximately EUR 4.0 to EUR 4.2 per call.

In the call center third-party business (CCS), a slight revenue decline was recorded in 2024, primarily due to a volume decrease from a major customer, which is expected to continue into 2025. This business segment, whose share of total segment revenue has steadily increased from approximately 33 % in 2020 to around 67 % in 2024, generating approximately EUR 7.6 million in 2024, will be further stabilized in 2025 through systematic sales activities. Here, too, cost efficiency and profitability will take precedence over revenue growth. In the CCS segment, new business models and cooperation opportunities are continuously explored and tested to compensate for the decline in traditional directory assistance and stagnating or decreasing volumes from existing CCS customers, ensuring the long-term success of the segment. Overall, the share of the call center third-party business in total revenue is expected to continue rising to approximately 70 % in 2025.

11 88 0 Solutions Group – Overall assessment of the Management Board

Considering the challenging overall market for the digital business and the significant changes in the billing models of the AKL segment, we expect Group revenue for 2025 to be at or slightly below the previous year’s level. Revenue in the AKL segment will decrease significantly due to the ongoing decline in call volumes in traditional directory assistance and regulatory-driven adjustments to billing models with carriers. This decline is unlikely to be fully offset (or exceeded) by the expected growth in other business areas, particularly at Fairrank and Ormigo. From today’s perspective, a revenue range of approximately EUR 53.0 million to EUR 57.0 million appears realistic for 2025 (2024 revenue: EUR 55.6 million).

For 2025, we expect EBITDA to be roughly at the level of the previous year's EBITDA, adjusted for IFRS 16 one-time effects, which amounted to EUR 3.4 million (2024 EBITDA including one-time effect: EUR 3.9 million). As of today, an EBITDA range of approximately EUR 3.0 million to EUR 4.0 million seems realistic for 2025.

At the end of the past financial year, the Group had a cash balance of EUR 2.4 million. Based on the continued efficiency-driven approach, we also expect a significantly positive cash flow in 2025, leading to a corresponding increase in the cash balance compared to the previous year. Depending on investments in product development and the new headquarters, we anticipate a cash balance range of approximately EUR 2.8 million to EUR 3.5 million by the end of 2025, without utilizing the unused credit line from the majority shareholder, united vertical media GmbH. Should additional unexpected financial resources become available, they would be primarily reinvested in new products and business areas. The cash balance planning is carried out exclusively at the Group level.

Finance strategy

The financial strategy of the 11 88 0 Solutions Group aims to secure long-term liquidity and provide financial support for the development of the digital business.

To ensure sufficient liquidity from operating activities at all times, the cost structure and cash flow remain the central focus of the financial strategy. At the same time, to hedge against economic downturns and other operational risks, the financial strategy ensures that the Group always has adequate short-term liquidity reserves available in the form of credit lines or financing commitments. Accordingly, there is a continuous dialogue with our principal banks and the majority shareholder, united vertical media, regarding liquidity.

In parallel, the possibility of partnerships or external growth opportunities is continuously assessed. In this context, the financial strategy also includes the ongoing evaluation and regular adjustment of the company's authorized capital.

11. Disclosures pursuant to section 289a HGB and 315a HGB and explanatory report in accordance with section 176 (1) sentence 1 AktG

Composition of subscribed capital

The share capital of 11 88 0 Solutions AG is divided into 26,232,200 no-par value bearer shares (previous year: 26,232,200) as of December 31, 2024. As of December 31, 2024, a total of 26,232,200 shares (previous year: 26,232,200) are in circulation.

Restrictions affecting voting rights and the transfer of shares

The Executive Board of 11 88 0 Solutions AG is not aware of any restrictions on voting rights of shares.

Holdings in the Company's capital of more than 10 % of the voting rights

As of the reporting date, the following holdings in the company's capital exceed 10 % of the voting rights:

- united vertical media and related parties: 73.00 % (*)

(*) The percentage is derived from the most recent notifications under the German Securities Trading Act (WpHG) available to 11 88 0 Solutions AG, taking into account all capital increases carried out since September 2019. Since these notifications are only required when certain threshold values are exceeded or fallen below, it cannot be ruled out that the shareholdings may have changed within the threshold intervals in the meantime.

Shares with special rights conferring powers of control

There are no shares with special rights that grant control powers.

Appointment and dismissal of members of the Management Board

The Executive Board of 11 88 0 Solutions AG consists of one or more persons. According to section 3.1, paragraph 1 of the Articles of Association, the appointment of deputy Executive Board members is permitted. The determination of the number of members, the appointment, and the removal of both regular and deputy Executive Board members are carried out by the Supervisory Board, which may also appoint a Chief Executive Officer.

Amendment of the Articles of Association

In accordance with Section 179 of the German Stock Corporation Act (AktG), amendments to the Articles of Association are made by resolutions of the General Meeting. Pursuant to Section 4.5 of the Articles of Association, the Supervisory Board is authorized to adopt amendments to the Articles of Association that only affect the wording.

Authorisations of the Management Board, in particular pertaining to the possibility to issue or buy back shares
By resolution of the 2024 General Meeting, the Executive Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital until June 18, 2029, once or multiple times, by up to EUR 13,116,100.00 through the issuance of up to 13,116,100 new no-par value bearer shares against cash and / or non-cash contributions (**Authorized Capital 2024**). Shareholders generally have a subscription right, which may also be granted indirectly in accordance with Section 186 (5) AktG. The Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights entirely or partially in specific cases.

The share capital is conditionally increased by up to EUR 10,492,880.00 through the issuance of up to 10,492,880 new no-par value bearer shares (**Conditional Capital 2024/I**). This conditional capital increase serves to fulfill bonds issued under the authorization resolution of the General Meeting on June 19, 2024, under agenda item 7 lit. b). The new shares will participate in profits from the beginning of the fiscal year in which they are issued. Where legally permissible, the Executive Board may, with the approval of the Supervisory Board, determine the profit participation of new shares differently from Section 60 (2) AktG, including for a past fiscal year.

The share capital is further conditionally increased by up to EUR 5,246,440.00 through the issuance of up to 5,246,440 new no-par value bearer shares (**Conditional Capital 2024/II**). This conditional capital increase is exclusively intended to fulfill subscription rights from stock options issued by the company under the authorization of the General Meeting on June 19, 2024, pursuant to agenda item 8 lit. b), until June 18, 2029.

Significant agreements entered into by the Company providing for a change of control following a takeover bid
As of December 31, 2024, no material agreements exist.

Compensation agreements for the event of a takeover bid
There are no compensation agreements between 11 88 0 Solutions AG and members of the Executive Board or employees in the event of a takeover offer (Change of Control).

12. Statement of Corporate governance

The declaration on corporate governance (§§ 289f, 315d HGB) comprises the following components:

- Joint declaration of compliance by the Executive Board and Supervisory Board pursuant to § 161 AktG regarding the German Corporate Governance Code
- Information and references regarding the remuneration system, remuneration resolution, and remuneration report
- Details on corporate governance practices, including the description of the compliance management system, the description of the working methods of the Executive Board and Supervisory Board, as well as the composition and working methods of the committees, and additionally information on the equal participation of women and men (diversity concept)
- Succession planning for the Executive Board and retirement age

The 11 88 0 Solutions Group places great importance on good and sustainable corporate governance. The company adheres to national regulations such as the recommendations of the "Government Commission on the German Corporate Governance Code." The Executive Board and Supervisory Board of 11 88 0 Solutions AG consider effective corporate governance, which takes into account company- and industry-specific aspects, to be a key foundation for the success of the 11 88 0 Solutions Group.

The full information can be found on the website of 11 88 0 Solutions AG at https://ir.11880.com/corporate-governance/erklaerung-zur-unternehmensfuehrung.

Declaration of compliance in accordance with Section 161 AktG
The Executive Board and Supervisory Board of 11 88 0 Solutions AG have once again thoroughly examined the corporate governance of 11 88 0 Solutions AG and the Group in the 2024 financial year, as well as the individual contents of the German Corporate Governance Code. In March 2025, they issued the following declaration pursuant to § 161 AktG:

The Executive Board and Supervisory Board of 11 88 0 Solutions AG hereby declare, in accordance with § 161 AktG, that all recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated April 28, 2022 ("DCGK 2022"), published in the official section of the Federal Gazette on June 27, 2022, have been complied with – except for the deviations described in the full version – since the last declaration of compliance on March 26, 2024, and will continue to be complied with in the future.

The declarations of compliance since the 2002 financial year are permanently accessible on our website: https://ir.11880.com/corporate-governance/entsprechenserklaerung.

Remuneration system and remuneration report

Pursuant to § 162 AktG, the Executive Board and Supervisory Board of a listed company are required to prepare an annual clear and comprehensible report on the remuneration granted and owed in the last financial year to each current or former member of the Executive Board and Supervisory Board by the company and by companies of the same group (§ 290 of the German Commercial Code (HGB)).

The remuneration report details the individually granted and owed remuneration of the members of the Executive Board (Section I) and the Supervisory Board (Section II) of 11 88 0 Solutions AG for the 2024 financial year, i.e., for the period from January 1 to December 31, 2024.

Complete descriptions of the "Remuneration Systems 2021 to 2023" for the Executive Board are publicly available on the website: https://ir.11880.com/verguetung-vorstand-und-aufsichtsrat.

Code of Conduct

A fundamental prerequisite for a trusting relationship with our business partners, shareholders, employees, and the public is the appropriate conduct of every individual employee of the 11 88 0 Group. Trust can only be achieved through continuous compliance with laws and regulations as well as our internal corporate guidelines.

The 11 88 0 Group has a responsibility to society and acts accordingly. Recognizing the shared responsibility of the 11 88 0 Group and its employees, this Code of Conduct summarizes the fundamental rules that apply bindingly to all employees. It serves as a guideline to assist each employee in acting responsibly and in the best interests of the company. This personal responsibility entails various rights and obligations. Every employee is responsible for ensuring that their conduct within their area of responsibility always adheres to the rules outlined in this Code of Conduct.

We expect our leaders not only to communicate these rules appropriately but also to lead by example and to demand compliance from their employees.

The provisions of the Code of Conduct are an integral part of our risk management system, which aims to protect the interests of the 11 88 0 Group and, in particular, those of each individual employee. The Code of Conduct establishes a minimum standard, which may be supplemented as necessary in individual cases. If additional corporate policies are issued in addition to this Code of Conduct, they shall apply alongside or as a supplement to it. All corporate policies can be accessed by employees at any time via the intranet.

The Code of Conduct applies to all employees of the 11 88 0 Group. Additionally, 11 88 0 Group expects all other individuals working within the company (such as interns or consultants) to adhere to the rules and principles set out herein.

The Code of Conduct must be observed in the relationship between the companies of the 11 88 0 Group and all employees. However, it does not establish any rights or claims for third parties. In case of uncertainties or questions regarding interpretation, the Compliance Committee should be consulted.

The full Code of Conduct is made available to all employees of the 11 88 0 Solutions Group in its latest version via the intranet.

13. Affiliated companies

The Executive Board has prepared a separate report on relationships with affiliated companies in accordance with § 312 AktG. The report includes the following final statement: "We declare that our company, in the legal transactions listed in the report on relationships with affiliated companies during the 2024 financial year, has received an appropriate consideration in each case, based on the circumstances known to us at the time the transactions were conducted, and has not been disadvantaged. No legal transactions with third parties or other measures were taken or omitted at the request or in the interest of affiliated companies."

Essen, 23 April 2025

Christian Maar

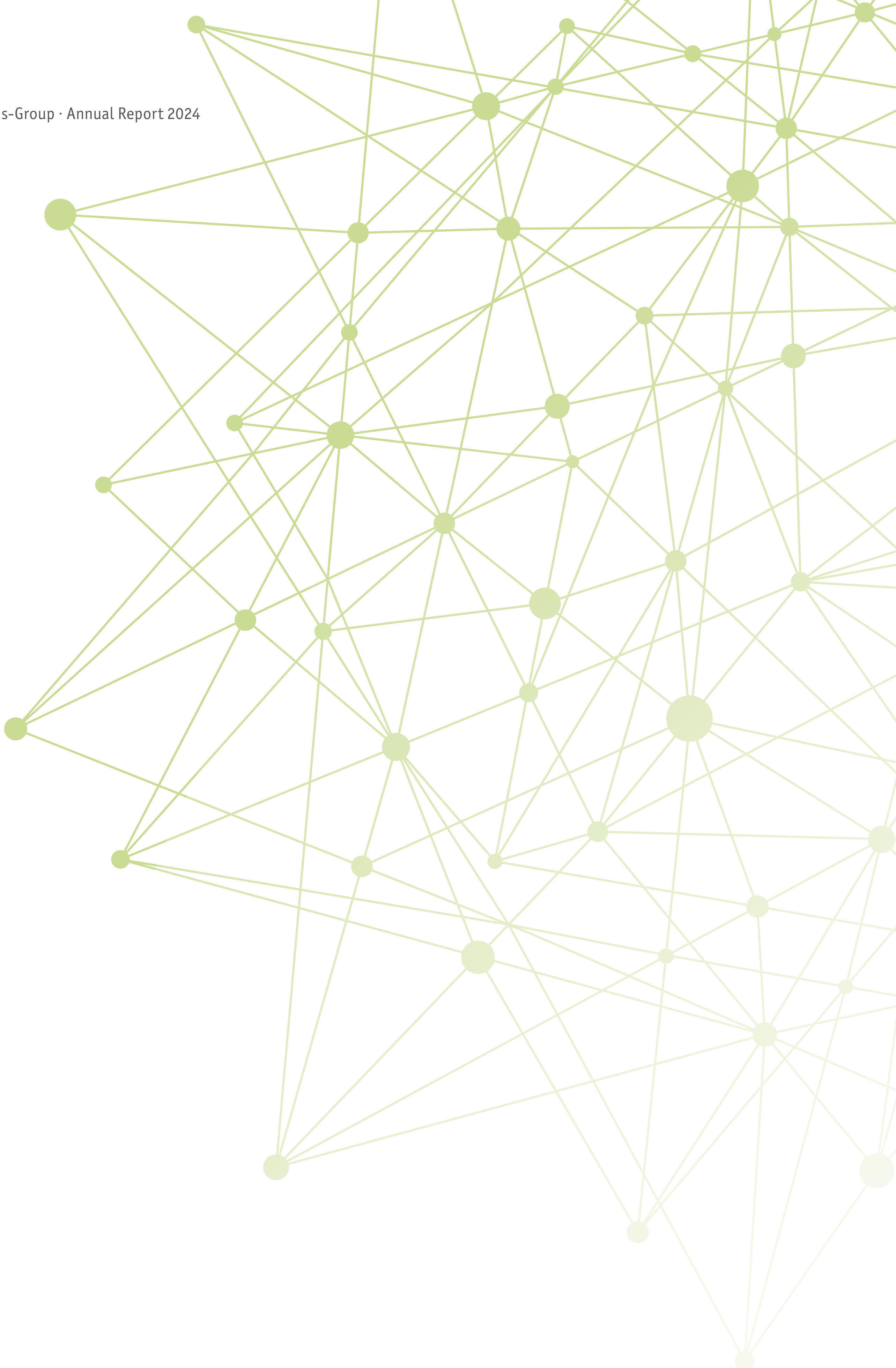
Member of the Management Board

Responsibility statement

“To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Combined Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.“

Essen, 23 April 2025

Christian Maar
Member of the Management Board



Consolidated Financial Statements

Consolidated Financial Statements

Consolidated Statement of Financial Position (IFRS)

in kEUR	Notes	31 December 2024	31 December 2023
ASSETS			
Current assets			
Cash	B1	2,298	1,413
Restricted cash	B1	134	134
Trade accounts receivable	B2	4,638	5,972
Income tax receivables		19	23
Other financial assets	B3	158	21
Other current assets	B4	545	415
Total current assets		**7,791**	**7,978**
Non-current assets			
Goodwill	B5	3,887	4,061
Intangible assets	B6	4,106	4,520
Property and equipment	B7	750	502
Capitalized right of use (IFRS 16)	B8	1,165	2,662
Other non-current assets	B9	281	407
Deferred tax assets	B10	2,053	724
Total non-current assets		**12,243**	**12,876**
Total assets		**20,035**	**20,854**

in kEUR	Notes	31 December 2024	31 December 2023
LIABILITIES AND EQUITY			
Current liabilities			
Trade accounts payable	B11	191	499
Accrued liabilities	B12	4,790	5,043
Income tax liabilities	G10	118	62
Short-term lease liabilities (IFRS 16)	B14	630	1,372
Other current liabilities	B15	6,621	5,223
Total current liabilities		**12,350**	**12,199**
Non-current liabilities			
Provisions	B13	794	521
Other non-current liabilities	B17	1	94
Other liabilities to Group companies	B18	2,000	2,000
Long-term lease liabilities (IFRS 16)	B14	686	2,037
Deferred tax liabilities	B10	307	553
Total non-current liabilities		**3,788**	**5,205**
Total liabilities		**16,137**	**17,404**
Equity			
Share capital	B19.1	26,232	26,232
Additional paid in capital	B19.2	34,300	34,300
Accumulated deficit	B19.3	-56,635	-57,071
Other components of equity	B19.4	-1	-12
Equity attributable to owners of the parent		**3,897**	**3,450**
Total equity		**3,897**	**3,450**
Total liabilities and equity		**20,035**	**20,854**

B: See corresponding section in the notes to the consolidated statement of financial statements.
G: See corresponding section in the notes to the consolidated income statement.

Consolidated Income Statement (IFRS)

in kEUR	Notes	1.1. – 31.12.2024	1.1. – 31.12.2023
Revenues	G1	55,643	57,054
Cost of revenues	G2	-32,681	-33,579
Gross profit		**22,962**	**23,475**
Selling and distribution costs	G3	-11,548	-12,948
General administrative expenses	G4	-9,637	-9,668
Impairment losses from receivables	G7	-2,941	-3,481
Other operating income / expense	G8	331	-341
Operating income (loss)		**-832**	**-2,963**
Interest income	G9.1	87	57
Interest expense	G9.1	-179	-190
Interest expenses from lease liabilities (IFRS 16)	G9.1	-123	-187
Gain (loss) on foreign currency translation	G9.3	0	-1
Financial income (loss)		**-215**	**-321**
Income (loss) before income tax		**-1,046**	**-3,283**
Current income tax	G10	-97	-4
Deferred income tax	G10	1,578	-1,007
Income tax		**1,481**	**-1,011**
Net income (loss)		**435**	**-4,294**
Attributable to:			
Owners of the parent		435	-4,294
Diluted Earnings per share for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	G11	0.02	-0.17
Basic Earnings per share for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	G11	0.02	-0.17

G: See corresponding section in the notes to the consolidated income statement.

Consolidated Statement of Comprehensive Income (IFRS)

in kEUR	Notes	1.1. – 31.12.2024	1.1. – 31.12.2023
Net income (loss)		**435**	**-4,294**
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) from pensions and similar obligations, net		15	-13
Deferred tax on acturial gain (losses) from pensions and similar obligations, net		-4	1
Items that can be reclassified subsequently to profit or loss			
Other comprehensive income (loss) after tax	**B15.4**	**11**	**-12**
Other comprehensive income (loss)		**446**	**-4,306**
Attributable to:			
Owners of the parent		446	-4,306

B: See corresponding section in the notes to the consolidated statement of financial statements.

Consolidated Statement of Shareholders Equity (IFRS)

in kEUR	Share capital	Additional paid in capital	Accumulated deficit	Other components of equity	Total equity
	Equity attributable to owners of the parent				
Balance at January 1, 2024	**26,232**	**34,300**	**-57,071**	**-12**	**3,450**
Net income (loss)			**435**		**435**
Actuarial gains (losses) from pensions and similar obligations				15	15
Deferred tax on acturial gains (losses) from pensions and similar obligations				-4	-4
Other comprehensive income (loss)				**11**	**11**
Total comprehensive income (loss)			**435**	**11**	**446**
Balance at December 31, 2024	**26,232**	**34,300**	**-56,635**	**-1**	**3,897**
Balance at January 1, 2023	**24,915**	**34,473**	**-52,776**	**1**	**6,613**
Net income (loss)			**-4,294**		**-4,294**
Actuarial gains (losses) from pensions and similar obligations				-13	-13
Deferred tax on acturial gains (losses) from pensions and similar obligations				1	1
Other comprehensive income (loss)				**-12**	**-12**
Total comprehensive income (loss)			**-4,294**	**-12**	**-4,306**
Issue of new shares (capital increase)	1,317				1,317
Agio		16			16
Fair Value adjustment IFRS 13		-150			-150
Equity acquisition costs		-57			-57
tax effect thereon		18			18
Balance at December 31, 2023	**26,232**	**34,300**	**-57,071**	**-12**	**3,450**

Consolidated Statement of Cash Flows (IFRS)

in kEUR	Notes	1.1. – 31.12.2024	1.1. – 31.12.2023
Cash flow from operating activities			
Income (loss) before income tax		-1,046	-3,283
Adjustments for:			
Amortisation and impairment of intangible assets	G6	3,203	3,804
Amortisation and impairment of capitalized-rights-of-use (IFRS 16)	G6	1,118	1,307
Depreciation and impairment of property and equipment	G6	234	247
Gain (loss) on disposal of property and equipment		-520	71
Interest income	G9.1	-84	-57
Interest expense	G9.1	300	376
Gain (loss) on foreign currency translation	G9.3	0	1
Valuation allowance for trade accounts receivable	B2	-513	-193
Gain (loss) from pension provision	B16	-21	0
Impairment of other non-current assets	G2	234	288
Changes in non-current provisions	B13	273	56
Changes in non-current other and financial assets	B17	-100	-290
Payments for contract initiation costs (customer contact > 1 year)	B6	-2,662	-2,564
Impairment of goodwill	B5	173	243
Cash inflows before changes in operating assets and liabilities		**588**	**6**
Changes in operating assets and liabilities:			
Trade accounts receivable	B2	1,860	2,975
Miscellaneous current assets	B4	-241	187
Trade accounts payable	B11	-273	-263
Increase / decrease of deferred and other liabilities		1,192	-1,193
Income taxes received / paid		5	-9
Cash outflows / inflows from operating activities		**3,131**	**1,703**

in kEUR	Notes	1.1. – 31.12.2024	1.1. – 31.12.2023
Cash flow from investing activities			
Purchase of intangible assets excl. customer contracts	B6	-88	-228
Proceeds from the disposal of intangible assets	B6	0	0
Purchase of property and equipment	B7	-451	-69
Transfer of cash from initial consolidation of Ormigo GmbH		0	379
Interest received		1	0
Cash inflows / outflows from investing activities		**-538**	**82**
Cash flow from financing activities			
Interest paid		-125	-183
Outflows from the repayment of loans		-188	-290
Interest expenses for leases in accordance with IFRS 16		-123	-187
Deposits from deposit of shares (cash capital increase)		0	316
Payments from the repayment of liabilities from leases (IFRS 16)	B8	-1,788	-1,369
Payouts in connection with capital increases		0	-41
Cash receipts from lease incentives		518	0
Cash inflows / outflows from financing activities		**-1,706**	**-1,754**
Change in cash		**885**	**31**
Cash at the beginning of the reporting period		**1,413**	**1,382**
Cash for the purpose of the cash flow statement at the end of the period		**2,298**	**1,413**
Cash at the end of the reporting period		**2,298**	**1,413**
Cash with and without restricted cash at the end of reporting period		2,431	1,546

G: See corresponding section in the notes to the consolidated income statement.

B: See corresponding section in the notes to the consolidated statement of financial statements.

For further information, see notes to the consolidated financial statements.

Notes to the consolidated financial statements of 11 88 0 Solutions AG, Essen, for financial year 2024

General principles

1. Presentation of the consolidated financial statements

The business activities of the 11 88 0 Solutions Group (hereinafter also referred to as the 11 88 0 Solutions Group / the Group), consisting of 11 88 0 Solutions AG, Essen, and its subsidiaries, primarily comprise the provision of online marketing services for small and medium-sized enterprises (Digital segment). With products such as company websites, Google Ads or Microsoft Advertising, search engine optimization (SEO), online advertising, search engine advertising (SEA), usability optimization, Google My Business and Facebook company pages, the companies are presented on the Internet and supported in the planning and implementation of their digital advertising measures. In addition, the Group companies offer company listings in their own online business directory 11880.com and in partner portals as well as the mobile app 11880.com and partner apps. Furthermore, packages for active review management are offered via the search engine for online reviews werkenntdenBESTEN.de. Addressable TV (ATV) is also part of the product portfolio. ATV delivers customized TV advertising to specific viewers. Ormigo GmbH, which was acquired in the previous year, strengthens the pay-per-lead business of the 11 88 0 Group.

The Digital segment also includes the Software Solutions product area, which comprises digital telephone directories and yellow pages on CD-ROM and as intranet or database solutions.

The directory assistance segment comprises directory assistance and switching services for private and business customers. These services are also provided for other telephone companies in Germany on the basis of outsourcing contracts. In addition, secretarial services and other services are offered in the third-party call center business.

The basis for segmentation is the accounting standard IFRS 8, Operating Segments, which governs segment reporting in the annual and quarterly financial statements for the operating divisions. For information on the individual divisions, please refer to the section “Other notes and disclosures”.

11 88 0 Solutions AG (hereinafter also referred to as the “Company”) is a listed stock corporation under German law and the parent company of the 11 88 0 Solutions Group. The Company has its registered office at Hohenzollernstrasse 24, 45128 Essen, Germany, and is entered in the commercial register of the Essen Local Court, Germany, under registration number HRB 29301.

The consolidated financial statements of 11 88 0 Solutions AG as at December 31,2024, were prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted in the European Union, and in application of Section 315e of the German Commercial Code (HGB).

All International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) – as required to be applied in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and the Council on the application of international accounting standards in the European Union – as well as the interpretations of the IFRS Interpretations Committee (IFRIC) that were mandatorily applicable as at the reporting date, have been taken into account.

In accordance with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002 in conjunction with Section 315e of the German Commercial Code (HGB), certain disclosures have been added to the consolidated financial statements.

The Group currency is the euro. Unless otherwise stated, all values have been rounded to the nearest thousand euros (EUR thousand). For computational reasons, rounding differences to the mathematically exact values may occur in tables and references.

The consolidated financial statements were generally prepared on a historical cost basis, unless otherwise stated in section 2 “Summary of significant accounting policies”.

The consolidated financial statements and the Group management report prepared as of 31 December 2024 are submitted to the company register and published electronically. 11 88 0 Solutions AG is included in the consolidated financial statements of united vertical media GmbH, Nuremberg, which are published in the Federal Gazette.

The consolidated financial statements of 11 88 0 Solutions AG for the financial year 2024 were approved for publication by the Management Board on 23 April 2025.

1.1. Basis of consolidation

These consolidated financial statements comprise the separate financial statements of 11 88 0 Solutions AG and all of its direct and indirect subsidiaries over which 11 88 0 Solutions AG exercises control within the meaning of IFRS 10.7. Control exists when the majority of voting rights is held. These financial statements have been prepared in accordance with uniform accounting and valuation principles in accordance with IFRS as at the reporting date of the consolidated financial statements 31 December 2024.

The following is a list of the Group's shareholdings in accordance with Section 313 (2) HGB as at 31 December 2024:

Company name Fully consolidated subsidiaries	Domicile	Share in capital
11 88 0 Internet Services AG	Essen, Germany	100 %
WerWieWas GmbH [1]	Essen, Germany	100 %
FAIRRANK GmbH	Cologne, Germany	100 %
Seitwert GmbH [1]	Cologne, Germany	100 %
Ormigo GmbH	Cologne, Germany	100 %

[1] The shares in this company are held indirectly.

With effect from 1 September 2023, 11 88 0 Solutions AG acquired Ormigo GmbH, after which the scope of consolidation of the fully consolidated subsidiaries was expanded to include this company. As at December 31, 2023, the purchase price allocation was still provisional and was finalized during the reporting year as part of the measurement period. The effects on the Group's net assets, financial position and results of operations are described in detail in the section "Company acquisitions in the previous year".

1.2. Consolidation methods

Capital consolidation was carried out in accordance with IFRS 3 "Business Combinations" using the purchase method. The identifiable assets acquired and liabilities assumed were measured at their fair value at the time of acquisition. The cost of a business combination is measured as the total consideration transferred, measured at fair value at the acquisition date. Costs incurred as part of the business combination are recognized as an expense.

Goodwill is measured at the acquisition date at the difference resulting from the excess of the consideration transferred over the identifiable assets acquired and liabilities assumed by the Group. If this consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized in the income statement.

Subsidiaries are companies that are directly or indirectly controlled by 11 88 0 Solutions AG. In accordance with IFRS 10, control exists when an investor has decision-making power, is exposed to variable returns or has rights relating to the returns and is able to influence the amount of the variable returns as a result of its decision-making power. Control exists when the majority of voting rights is held.

Consolidation of a subsidiary begins on the date on which the Group obtains control over the subsidiary. It ends when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the reporting period are recognized in the consolidated financial statements from the date on which the Group obtains control over the subsidiary until the date on which control ends. The financial statements of the subsidiaries are prepared using uniform accounting policies as at the same balance sheet date as the financial statements of the parent company. If necessary, adjustments are made to the financial statements of subsidiaries in order to bring their accounting policies into line with those of the Group. Receivables and liabilities, expenses and income as well as intercompany profits and losses between Group companies are eliminated as part of consolidation in accordance with IFRS 10.B86.

Upon loss of control, a gain or loss from the disposal of the subsidiary is recognized in the consolidated statement of comprehensive income in the amount of the difference between (i) the proceeds from the disposal of the subsidiary, the fair value of retained interests, the carrying amount of the non-controlling interests and the cumulative amounts of other comprehensive income attributable to the subsidiary that are reclassifiable to profit or loss, and (ii) the carrying amount of the subsidiary's net assets disposed of.

1.3. Company acquisitions in the previous year

No company acquisitions were made in the current financial year.

With the takeover and contribution agreement dated August 30, 2023 and entry in the commercial register on September 1, 2023 (acquisition date), 11 88 0 Solutions AG directly acquired 100 % of the shares in Ormigo GmbH, Cologne, from Euro Serve Media GmbH (ESM), Nuremberg, in the previous year by means of a non-cash capital increase. As ESM is indirectly controlled by the same persons as united vertical media GmbH, Nuremberg, as the main shareholder of 11 88 0 Solutions AG, this is a business combination under common control. This business combination was recognized in the consolidated financial statements using the purchase method in accordance with IFRS 3.

Ormigo GmbH specializes in generating inquiries from interested parties, so-called leads. These are generated organically through SEO activities and inorganically, in particular through Google or Facebook advertising. Ormigo GmbH offers these leads to its business partners.

The purchase price allocation had not yet been completed as at December 31, 2023.

As part of the provisional purchase price allocation in connection with the preparation of the IFRS consolidated financial statements of 11 88 0 Solutions AG as at December 31, 2023, provisional goodwill of EUR 587 thousand was determined.

As at December 31, 2023, the purchase price allocation was considered provisional, as not all analyses regarding potential fair value adjustments had been completed at that time. In particular, the following items were classified as provisional as part of the provisional purchase price allocation: Customer relationships, capitalized right-of-use assets (IFRS 16), other intangible assets not previously capitalized and deferred taxes. As changes in the fair values of these assets are directly reflected in a change in the remaining difference, goodwill was also classified as provisional.

The purchase price allocation for Ormigo GmbH was completed in the third quarter of 2024. The adjustments are explained below.

Compared to the results of the preliminary PPA, the fair values of the capitalized right-of-use assets and lease liabilities (IFRS 16) had to be adjusted. The values were increased from EUR 12 thousand to EUR 57 thousand in each case, taking into account the contract analysis. As a result, there are no effects on the amount of goodwill.

After completion of the purchase price allocation, this results in an unchanged difference ("goodwill") of EUR 587 thousand compared to the preliminary purchase price allocation. The entire goodwill is allocated to the Digital segment and is fully attributable to the Ormigo CGU.

The following table shows a comparison of the provisional and final Purchase Price Allocation (PPA):

Acquired net assets	in EUR thousand Preliminary PPA	in EUR thousand Final PPA
Cash	379	379
Trade Accounts Receivable	239	239
Other current assets	9	9
Goodwill	587	587
Capitalized rights of use (IFRS 16)	12	57
Total assets	**1.226**	**1.270**
Trade accounts payable	121	121
Provisions	90	90
Other current liabilities	153	153
Lease liabilities (IFRS 16)	12	57
Total liabilities	**375**	**420**
Net assets at fair value	**850**	**850**

2. Summary of significant accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are presented below. The methods described were applied consistently to the reporting periods presented. Exceptions to this are the changes to the International Financial Reporting Standards listed in section 4 “Changes in accounting policies”, which have been mandatory for the Group since January 1, 2024. Accounting and measurement were carried out on going concern basis.

2.1. Revenue from contracts with customers

The following is an explanation of the basic revenue recognition of the 11 88 0 Group.

Digital sales, which account for the majority of the revenue generated, comprise the areas of media and software and are generated in a mass market with a large number of small and medium-sized companies. Revenues in the Directory Assistance segment mainly comprise directory assistance services and third-party call center business.

Depending on the type of transfer of a promised good or service, the 11 88 0 Group recognizes its revenue both over time and at a point in time. If the contractual consideration contains a variable component (e.g. rights of return, discounts, credit notes), the company estimates the amount that it is likely to receive as consideration. The variable consideration is estimated at the beginning of the contract as the expected value from the sum of the probability-weighted amounts (see section 3.1.3) until it is reasonably certain that the company is entitled to this amount. This estimate is updated at the end of each (interim) period. For further explanations regarding the recognition of assets from rights of return and refund liabilities, please refer to section 2.16.

The fundamental principle in determining whether a company is acting as a principal or an agent is whether it has control over the specified service before that service is transferred to the customer. Assessing control often involves significant judgment. When a third party is involved in providing the service, the company must determine whether the nature of its promise is to provide the specified service itself (i.e., the company is a “principal”) or to arrange for the service to be provided by the third party (i.e., the company is an “agent”). A company determines for each specific service whether it is acting as a principal or an agent. If the Group acts as an agent, revenue is presented on a net basis. However, if the Group acts as a principal, revenue is presented on a gross basis. 11 88 0 acts as a principal for the products it offers.

2.1.1. Digital

2.1.1.1. Media

Customer contracts concluded in the Media segment usually contain several promises to transfer goods or services to the customer, but essentially only one contractual performance obligation can be identified per contract. The fact that any products cannot essentially be sold separately and therefore the customer cannot benefit from this product individually plays a role here (IFRS 15.27). Furthermore, the contractual commitments cannot be separated from each other in the contractual context, as the goods and services individually included in the contract are highly interdependent, meaning that only one performance obligation can be identified (IFRS 15.29).

Revenue is recognized when the performance obligation agreed in the contract is satisfied. A performance obligation is satisfied when the customer obtains control of the transferred asset. The period or point in time at which performance obligations are fulfilled is determined when the contract is concluded. In the Media segment, the contractual performance obligation is essentially satisfied over time in accordance with IFRS 15.35 due to the uniform provision of services over the term of the contract.

2.1.1.2. Software

Revenue from the software business relates on the one hand to the traditional sale of information databases on data carriers and on the other to the provision of online information databases. The relevant sales are recognized in the income statement at the time the service is provided, i.e. when the software is shipped or when access to the software is provided to the customer. The target groups in this area are primarily corporate customers.

2.1.2. Directory Assistance

The performance obligation in a contract with a customer in the area of directory assistance services consists on the one hand of providing the agreed directory assistance services itself and therefore transferring control of the information to the customer (IFRS 15.B34, 15.B35). As this performance obligation is therefore not provided by the telecommunications company commissioned with billing, the 11 88 0 Group acts as principal in this context. As a result, revenue is recognized in the gross amount of the consideration to which the Group is entitled for the transfer of information to the customer. The gross amount is based on the number and duration of calls made by customers via the telecommunications company and is recognized in the income statement at the time the service is provided.

Contracts with customers in the third-party call center business mainly include telephone services such as after-sales services and clarification of various customer inquiries. In this context, the Group recognizes the related revenue in the amount of the number and duration of the call volume handled.

2.1.3. Payment terms and financing components

The 11 88 0 Group grants the usual payment terms on the market, which generally do not extend beyond a period of 30 days.

A certain proportion of customer contracts generally contain a financing component due to partial advance payments made for agreed contractual consideration. Due to the fact that the period between the transfer of a promised good or service to the customer and the payment of this service by the customer is usually a maximum of one year, this financing component is not included in revenue recognition for practical reasons (IFRS 15.63).

2.2. Recognition of interest income

Interest income is recognized when the interest has accrued. Interest income is calculated on the basis of the outstanding cash investment and the interest rate agreed with the contractual partner. Interest is recognized on an accrual basis.

2.3. Foreign currency translation

Foreign currency transactions in the Group are recognized in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates”.

Transactions in foreign currencies are initially recognized at the exchange rate on the date of the transaction. On each balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into euros at the exchange rate on that date (closing rate) (IAS 21.23a) and the resulting translation differences are recognized in profit or loss for the reporting period. Non-monetary assets and liabilities denominated in a foreign currency that are measured at historical cost in a foreign currency are translated into euros at the exchange rates prevailing on the date of the transaction in accordance with IAS 21.23b. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated in accordance with IAS 21.23c at the exchange rate applicable at the time the fair value was determined.

2.4. Advertising costs

In accordance with IAS 38.69c, advertising and marketing costs are recognized as expenses in the period in which they are incurred.

2.5. Cash

In accordance with IAS 7 “Statement of Cash Flows”, the 11 88 0 Solutions Group considers all immediately available credit balances with banks, cash and cash equivalents and short-term deposits with a remaining term of three months or less - calculated from the date of acquisition - to be cash and cash equivalents (IAS 7.6). The carrying amount of cash and cash equivalents corresponds to the fair value.

2.6. Financial instruments

The following section contains information on the recognition and measurement of financial instruments in accordance with IFRS 9 “Financial Instruments”.

2.6.1. Definition

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets include, in particular, cash and cash equivalents, trade receivables and other loans and receivables, held-to-maturity investments and primary and derivative financial assets held for trading. Financial liabilities regularly establish a contractual obligation to deliver cash or another financial asset. These include, in particular, trade payables. There were no derivative financial instruments as at the balance sheet date.

2.6.2. Classification and measurement at initial recognition and subsequent measurement

Financial assets and financial liabilities are recognized in the balance sheet on the date on which the respective Group company becomes a party to the contractual provisions of the financial instrument (IFRS 9.3.1.1).

All regular way purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the entity commits to purchase the asset. Regular way purchases and sales are purchases and sales of financial assets that require delivery of assets within a period of time established by regulation or convention in the marketplace.

When financial assets or financial liabilities are initially recognized, they are measured at fair value (IFRS 9.5.1.1). Incidental acquisition costs are only capitalized if a financial instrument is not subsequently measured at fair value through profit or loss.

Trade receivables without significant financing components are initially recognized at their transaction price in accordance with IFRS 15.46 ff.

For the purposes of subsequent measurement, financial assets are divided into the following measurement categories in accordance with IFRS 9.4.1.1 at the time of initial recognition:

- Measurement at fair value through profit or loss (FvtPL)
- Measurement at fair value through other comprehensive income (FVOCI) with / without recycling of accumulated gains and losses
- Measurement at amortized cost (AC)

The allocation to the aforementioned measurement categories is based on the cash flow characteristics of the individual instruments and the company's business model for managing financial assets. As at the balance sheet date, only financial assets measured at amortized cost are recognized.

Financial liabilities are generally measured at amortized cost as part of subsequent measurement. There were no exceptions to this principle within the meaning of IFRS as at the reporting date.

In accordance with subsequent measurement, financial assets and liabilities are classified as follows:

2.6.2.1. Financial assets measured at amortized cost (AC)

Financial assets whose cash flows consist exclusively of interest and principal payments on the outstanding principal amount and which are held within the framework of a business model to collect the contractual cash flows are measured at amortized cost using the effective interest method. Allowances for expected credit losses are recognized for financial assets in this category. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The financial assets measured at amortized cost in the Group comprise cash and cash equivalents, trade receivables and other current financial assets (other receivables).

As the carrying amount of the financial assets represents a reasonable approximation of the fair value, no further disclosures on fair value are made.

Trade accounts receivable are allocated to financial assets as they represent a contractual right to receive cash and cash equivalents from another company at a future date. In accordance with IFRS 9.5.1.3, receivables without a significant financing component are initially recognized at their transaction price (IFRS 15.46 ff) and subsequently measured at amortized cost using the effective interest method less allowances for expected credit losses over the remaining term. Gains and losses are recognized in profit or loss for the period if the receivables are impaired or derecognized and as part of amortization (IFRS 9.5.7.2).

2.6.2.2. Financial liabilities measured at amortized cost

Financial liabilities are generally measured at amortized cost as part of subsequent measurement unless the exceptions of IFRS 9.4.2.1 apply. As at the balance sheet date, the 11 88 0 Group had no financial liabilities that did not meet the requirements for measurement at amortized cost.

The financial liabilities measured at amortized cost in the Group comprise trade payables, accrued short-term liabilities, other short-term financial liabilities, long-term liabilities to group companies, and lease liabilities.

As the carrying amount of the financial liabilities represents a reasonable approximation of the fair value (Present value of all future payments, discounted using a market interest rate), no further disclosures on fair value are made.

Trade accounts payable are allocated to financial liabilities as they represent a contractual obligation to transfer cash and cash equivalents to another company at a future date. Trade payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Gains and losses from derecognition or amortization are recognized in profit or loss in accordance with IFRS 9.5.7.2.

2.6.2.3. Impairment of financial assets

The Group generally recognizes allowances for expected credit losses for all financial assets that are not subsequently measured at fair value. A credit loss is the difference between all contractual payments that are contractually owed to a company and all payments that the company expects to receive, discounted at the original effective interest rate (i.e. the effective interest rate determined on initial recognition) or at the credit-adjusted effective interest rate for financial assets with an impaired credit rating at the time of acquisition or origination.

The amount of the loss recognized and the interest received are determined on the basis of the allocation of the financial asset to the following three stages:

- Unless there has been a significant deterioration in credit quality since addition, expected losses in the amount of the present value of the expected payment defaults resulting from possible default events within the next twelve months after the reporting date are to be recognized in profit or loss (expected losses). Interest is recognized on the basis of the gross carrying amount using the effective interest method (Stage 1).
- If there is a significant increase in the default risk but no objective evidence of impairment, the risk provision must be increased up to the amount of the expected losses over the entire remaining term (lifetime expected losses). The method for recognizing interest corresponds to that of Stage 1 (Stage 2).
- If, in addition to a significant increase in the default risk on the reporting date, there is also objective evidence of impairment, the risk provision is also measured on the basis of the present value of the expected losses over the remaining term. Interest income must be adjusted so that interest is accrued from this point onwards on the basis of the net carrying amount (carrying amount less risk provision) of the instrument (Stage 3).

Objective evidence of impairment may include, for example, significant financial difficulties of the debtor, a high probability of insolvency proceedings against the debtor, the disappearance of an active market for the financial asset, a significant change in the technological, economic, legal or market environment of the issuer or a prolonged decline in the fair value of the financial asset below amortized cost. First, it is determined whether there is objective evidence of impairment for financial assets that are individually significant and for financial assets that are not individually significant, either individually or collectively. If the Group determines that there is no objective evidence of impairment for an individually assessed financial asset, whether significant or not, the asset is allocated to a group of financial assets with similar credit risk profiles and collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is recognized are not included in the impairment assessment on a portfolio basis.

On each balance sheet date, the Group determines whether there has been a significant increase in the default risk since the addition of the instrument. The default risk is measured on the basis of the probability of default for the entire remaining term.

The carrying amounts of financial assets are adjusted using an allowance account and the effects are recognized in profit or loss either as an impairment loss or as impairment income.

Impairment losses for **trade accounts receivable** are determined using a simplified impairment model. Accordingly, the assets concerned are allocated to Stage 2 on initial recognition and transferred to Stage 3 if there is objective evidence of impairment. They are not allocated to Stage 1. The credit losses expected over the term are recognized for the trade receivables allocated to Stage 2.

The expected credit losses for these assets as at the reporting date are determined using an impairment table. The impairment table is based on the age structures of overdue trade receivables, observed historical default and loss rates, taking into account forward-looking estimates, general economic conditions and customer-specific factors. The observed historical default rates and assumptions on which the impairment table is based are analyzed and updated on each reporting date. The impairment table applied as at the reporting date is presented in the notes on trade receivables at.

2.6.2.4. Derecognition of financial assets and financial liabilities

As soon as the asset earmarked for derecognition is determined, an assessment is made in accordance with IFRS 9.3.2.4 as to whether the contractual rights to cash flows from the financial asset have expired or whether the asset has been transferred and whether the transfer justifies derecognition.

In accordance with IFRS 9.3.3.1, a financial liability is derecognized when the obligation underlying the liability is discharged, cancelled or expires and is therefore extinguished. No financial liabilities were transferred or replaced in the past financial year.

2.6.2.5. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are generally not offset; they are only offset if there is a right to offset the amounts at the present time and the intention is to settle on a net basis. Financial assets and financial liabilities were not offset in accordance with IAS 32.42 as at the balance sheet date.

2.7. Business combinations and goodwill

Business combinations are accounted for using the purchase method in accordance with IFRS 3. This involves recognizing all identifiable assets and liabilities of the acquired business at fair value.

In the event that a business combination is a transaction “under common control”, there is a loophole in the IFRS. For transactions between jointly controlled entities, the literature generally considers two different approaches to be correct: on the one hand, the continuation of the carrying amounts and, on the other hand, the revaluation and thus the analogous application of the acquisition method in accordance with IFRS 3. The Group generally applies the acquisition method in accordance with IFRS 3 for business combinations “under common control” based on the corresponding literature and practical opinions.

If the initial accounting for a business combination has not yet been completed at the end of a reporting period, provisional amounts are disclosed for the items with such accounting. If new information becomes known within the measurement period of no more than one year from the acquisition date that sheds light on the circumstances at the acquisition date, the amounts provisionally recognized are corrected or additional assets or liabilities are recognized.

Goodwill results from the acquisition of subsidiaries and, in accordance with IFRS 3.32, represents the difference between the sum of the consideration transferred, the amount of all non-controlling interests in the acquired company and the fair value of the previously held equity interests in the acquired company less the fair value of the net assets acquired.

Goodwill is not subject to scheduled amortization, but is tested for impairment at least once a year in accordance with IAS 36. For this purpose, goodwill is allocated to a cash-generating unit or group of cash-generating units from the date of acquisition (IAS 36.80). The carrying amount of a cash-generating unit or group of cash-generating units is compared with its recoverable amount, i.e. the higher of fair value less costs of disposal and value in use. If the carrying amount of the cash-generating unit or group of cash-generating units exceeds its recoverable amount, the difference is recognized immediately as an impairment loss in the income statement.

Impairment losses recognized for goodwill may not be reversed in subsequent reporting periods. Impairment losses are recognized under other operating expenses.

2.8. Internally generated intangible assets

Internally generated intangible assets (specialist portals and other portals, websites) are recognized in accordance with the provisions of IAS 38 “Intangible Assets”. Expenditure on an internal project that is defined as research costs within the meaning of IAS 38.56 is recognized as an expense in the period in which it is incurred.

Development costs from internal projects are capitalized if all of the following evidence is provided:

- the technical feasibility of completing the intangible asset so that it can be used internally or sold,
- the intention and ability to complete, use or sell the intangible asset,

- how the intangible asset will generate probable future economic benefits,
- the availability of technical, financial and other resources to complete the development and to use or sell the intangible asset,
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

In accordance with SIC 32.7-8 in conjunction with IAS 38.8, the above-mentioned assets are recognized as internally generated intangible assets if, in addition to the general capitalization criteria for intangible assets in accordance with IAS 38.21, the special criteria for internally generated intangible assets in accordance with IAS 38.57 are also met. In accordance with SIC 32.9, the costs for the development phase must be capitalized. The useful life is determined in accordance with SIC 32.10 in conjunction IAS 38.88 et seq. and IAS 38.95, the useful life is determined by the period over which an economic benefit accrues to the company.

Internally generated intangible assets are measured at cost less accumulated amortization and impairment losses from the date of completion.

There are only internally generated intangible assets with definite useful lives, which are amortized on a straight-line basis over their useful lives.

2.9. Acquired intangible assets

Acquired intangible assets in the sense of software or similar are capitalized at cost on acquisition in accordance with IAS 38.24. These also include all other costs necessary to bring the asset to the condition intended by management. In accordance with IAS 38.27 to IAS 38.30, these also include all other costs necessary to bring the asset to the condition intended by management. In accordance with IAS 20.24 in conjunction with IAS 20.27, third-party grants reduce the acquisition costs.

The amortization of an intangible asset with a finite useful life (with the exception of goodwill, there are no intangible assets with an indefinite useful life as at the balance sheet date) is calculated using the straight-line method in accordance with IAS 38.97 and IAS 38.98 over the useful life of the asset. The amortization period and amortization method for intangible assets with finite useful lives are reviewed at the end of each financial year in accordance with IAS 38.104 and adjusted if necessary.

An intangible asset is derecognized when it is disposed of or when no further economic benefit is expected from its use or disposal. Gains and losses from the derecognition of intangible assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss in the period in which the item is derecognized.

2.10. Costs to obtain a contract

The Group pays sales commissions for every contract concluded or increased in contract value. The amount of sales commission is essentially based on clearly defined thresholds, for which a percentage of the contract value is paid.

These additional costs incurred in initiating a contract with a customer (IFRS 15.91, 92) are capitalized under intangible assets in the amount of the sales commission paid at the time the claim arises and amortized on a straight-line basis over the estimated average customer retention period (IFRS 15.99). Costs that would have been incurred even if a contract had not been concluded or that cannot be charged directly to the customer are recognized as expenses at the time they are incurred in accordance with IFRS 15.93. Furthermore, costs whose amortization period would be less than one year if they were capitalized are expensed in accordance with IFRS 15.94.

If the carrying amount exceeds the remaining portion of the consideration to which the company expects to be entitled in exchange for the goods or services to which these costs relate, less the costs directly associated with the delivery of the goods or provision of the services that were not recognized as an expense, an impairment loss is recognized in profit or loss.

2.11. Contract assets

A contract asset is a legal right of a company to consideration for goods and services transferred by it to a customer, provided that this right is not linked solely to the passage of time (IFRS 15.107).

As there are generally no further conditions attached to the company's claim to consideration from the customer and the claim depends solely on the passage of time, no contract assets are recognized as of the balance sheet date.

2.12. Property and equipment

Property, plant and equipment are initially recognized at cost in accordance with IAS 16.15. All directly attributable costs incurred to bring the asset to the condition and environment intended by management increase the cost of acquisition in accordance with IAS 16.16b. After initial recognition, property, plant and equipment is carried at amortized cost in accordance with IAS 16.30.

Depreciation is calculated by allocating the cost or carrying amount of assets over their expected useful life using the straight-line method. Any impairment losses are taken into account. The residual value and depreciation period are reviewed at the end of each financial year in accordance with IAS 16.51 and adjusted if necessary.

An item of property, plant and equipment is derecognized either upon disposal or when no further economic benefit is expected from the continued use or sale of the asset. The gains or losses resulting from the disposal of the asset are recognized in the income statement.

For property, plant and equipment acquired as part of company acquisitions, the remaining useful life to be applied in each case is determined primarily on the basis of the useful lives applied in the Group and the useful lives already elapsed at the time of acquisition.

2.13. Costs to fulfil a contract

The costs incurred in fulfilling a contract with a customer are recognized as contract fulfilment costs in other non-current assets in accordance with IFRS 15.95 if the costs are directly related to an existing contract or an expected contract, the costs lead to the creation or improvement of resources and the costs can be expected to be offset. The amount of the capitalized costs is based on IFRS 15.97 and essentially includes direct labour costs, direct material costs, allocated overheads, costs that the contract expressly provides for to be passed on to the customer and other costs that were only incurred when the company concluded the contract.

In accordance with IFRS 15.99, contract fulfilment costs are recognized as an expense on a straight-line basis over the average customer retention period of the underlying contracts. If the carrying amount exceeds the portion of the consideration that the company expects to receive in exchange for the services to which these costs relate, less the costs directly associated with the delivery of the services that have not been recognized as an expense, an expense is recognized in profit or loss (IFRS 15.101).

2.14. Impairment of non-financial assets

Non-financial assets are tested for impairment on each reporting date if there are indications that the carrying amount of the asset can no longer be recovered.

An impairment loss is recognized in the amount by which the carrying amount of the asset exceeds its recoverable amount. If the recoverable amount cannot be determined for the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined in accordance with IAS 36.22. The recoverable amount of the asset is the higher of the fair value less costs to sell and the value in use. The recoverable amount of the asset is the higher of its fair value less costs to sell and its value in use. In determining the value in use, the estimated future cash flows are discounted to present value using the current market pre-tax interest rate, which reflects the specific risks of the asset that are not taken into account in the cash flows. If the recoverable amount of an asset or cash-generating unit falls below the carrying amount, the carrying amount of the asset or cash-generating unit is reduced to the recoverable amount. The impairment loss is recognized immediately in profit or loss in accordance with IAS 36.60.

If the reason for a previously recognized impairment loss no longer applies, the impairment loss is reversed to amortized cost, with the exception of goodwill (IAS 36.114 in conjunction with IAS 36.117).

2.15. Contract liabilities

If the customer has already fulfilled its contractual obligation (payment) before the company has transferred the goods or provided the service, a contract liability is recognized in accordance with IFRS 15.106. This mainly relates to advance payments received. This mainly relates to advance payments received. They are reported in the balance sheet under other current liabilities. In accordance with IFRS 15.108, contract liabilities are also recognized if customers have not yet fulfilled their obligation (payment) but the company has an unconditional right to payment under the contract. Contract liabilities are recognized as revenue as soon as the Group fulfils the contractual obligations.

2.16. Refund liabilities and right of return assets

A refund liability is recognized if it is expected that all or part of the consideration received or expected to be received from the customer will be refunded (IFRS 15.55). A refund liability is measured in the amount of the consideration received (or to be received) to which the company is not expected to be entitled. In the case of a transfer of products with a right of return (as well as certain services that are provided subject to a refund), the following is taken into account in accordance with IFRS 15.B21: No revenue is recognized for the portion of the products transferred or services rendered by the entity for which a refund is expected. Furthermore, refund liabilities for payments already made by the customer are taken into account and assets (with a corresponding adjustment to cost of sales) are recognized that relate to the right to recover products from the customer upon settlement of the refund liability. Changes in the measurement of refund liabilities are corrected at the end of each reporting period, taking into account changes in expectations with regard to refund amounts. The adjustments are recognized as an increase or decrease in revenue.

An asset that represents the right to reclaim a product or service that has already been transferred is initially measured at the carrying amount of the previously transferred asset less expected costs of recovery (including impairment losses) (IFRS 15.B25). At the end of each reporting period, this measurement is adjusted to take account of changes in expectations for the returned products. The asset is always reported separately from the refund liabilities. Due to the insignificant amount of assets from rights of return as at the reporting date, which relate exclusively to the software area within the Digital segment, they are not discussed further in the following.

2.17. Accrued current liabilities

In accordance with IAS 37.11, these liabilities represent debts for the payment of goods or services received or supplied that have neither been paid nor invoiced or formally agreed by the supplier. They are distinguished from trade payables, as these have been invoiced or formally agreed by the supplier. Under this item, the Group reports liabilities resulting from invoices not yet received from suppliers and from obligations to employees.

2.18. Provisions

In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, provisions are recognized when there is a present obligation to a third party as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation (IAS 37.14). Provisions that do not lead to an outflow of resources in the following year are recognized at their settlement amount discounted to the balance sheet date. For individual obligations, the settlement amount with the highest probability of occurrence is assumed. Discounting is based on market interest rates. The settlement amount also includes expected cost increases. Provisions are not offset against rights of recourse.

2.19. Employee benefits (pension and semi-retirement obligations)

Pension plans in the Group are recognized in accordance with IAS 19 “Employee Benefits” and depend on their classification as defined contribution or defined benefit plans.

Defined benefit plans are obligations of the 11 88 0 Solutions Group from vested rights of former members of the Management Board and their surviving dependants.

The provision for defined benefit plans recognized in the balance sheet under “Provisions for pensions” corresponds to the present value of the defined benefit obligation on the balance sheet date less the fair value of the plan assets. If the value of the plan assets exceeds the corresponding pension obligations, the excess amount is shown under “Other non-current assets”, taking into account the asset ceiling.

The defined benefit obligation is calculated annually by an independent actuarial expert using the projected unit credit method. This method incorporates demographic (e.g. fluctuation rate) and financial assumptions (e.g. actuarial interest rate, salary and pension increase trends) in the measurement of the present value of the defined benefit obligation.

Actuarial gains and losses based on experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Past service cost is recognized immediately in profit or loss.

In the context of accounting for defined benefit plans, net interest is recognized in the financial result.

In the case of **defined contribution pension plans**, the Group pays contributions to state or private pension insurance providers on the basis of statutory or contractual provisions. Once the contributions have been paid, the company has no further benefit obligations.

The premium payments incurred are recognized as an expense in the period in which they fall due within cost of sales, selling expenses and general administrative expenses.

11 88 0 Solutions AG has agreed partial retirement arrangements based on the so-called “block model”.

In this context, two types of obligations arise, each of which is measured at its present value in accordance with actuarial principles and recognized separately:

- Settlement amount: refers to the cumulative outstanding settlement amount, which is recognized pro rata over the term of the active phase (employment phase). The cumulative outstanding settlement amount is based on the difference between the employee’s remuneration before the start of the partial retirement agreement and the reduced remuneration during the employment phase. The settlement arrears are to be treated as other long-term benefits in accordance with IAS 19.8 and recognized at present value using the actuarial calculation method. The provision for the settlement arrears is used up in the passive phase, in which the employee no longer performs any work but continues to receive remuneration.
- Top-up amount: Top-up amounts regularly have a mixed character, i.e. although on the one hand the agreement is often seen as compensation for an earlier termination of the employment relationship, the later payment is also subject to the future performance of work. Irrespective of the nature of the severance payment, top-up amounts must be recognized pro rata over the vesting period due to the dependency on future work performance. The vesting period for top-up amounts begins when the employee becomes entitled to participate in the partial retirement program and ends when the employee enters the release phase.

2.20. Share-based payment

Part of the annual variable Management Board remuneration is converted into virtual shares in 11 88 0 Solutions AG as long-term variable remuneration (deferrals). The virtual shares are recognized as cash-settled share-based payment transactions in accordance with IFRS 2 “Share-based Payment”.

Share-based cash payments are recognized as non-current provisions charged to expenses (IFRS 2.30). The expense is recognized in full in the financial year for which the phantom shares are granted. The amount of the provisions must be adjusted to the fair value of the obligation through profit or loss for the period until the respective virtual shares are paid out.

2.21. Contingent liabilities and assets

If the possibility of an outflow of resources embodying economic benefits is probable upon settlement, the risk to which the company is exposed is reflected in the financial statements by a provision. In the event of a possible but not probable outflow of resources within the meaning of IAS 37.86, the individual risks and their possible financial effects are presented as contingent liabilities.

Contingent assets may not be recognized (IAS 37.31), but are subject to the disclosure requirements of IAS 37.89 if the future inflow of resources is probable. If, on the other hand, the corresponding realization of income can be regarded as virtually certain, the general recognition criteria for assets (IAS 37.33) apply, meaning that the item can be recognized as a receivable.

2.22. Leases

The Group rents or leases various office and storage rooms, parking spaces, vehicles, data lines, other office equipment and IT components. Rental agreements are generally concluded for fixed periods of between 1 and 7 years, but may have extension options. Leases are recognized in the 11 88 0 Group in accordance with the leasing standard IFRS 16 “Leases”.

Accordingly, for all leases in which the Group is the lessee, assets for the rights to use the leased assets and liabilities for the payment obligations entered into are recognized in the balance sheet at present value. The financing expenses are recognized in profit or loss over the term of the lease, so that a constant periodic interest rate is applied to the remaining amount of the liability for each period. The right-of-use asset is amortized on a straight-line basis over the shorter of the useful life and the term of the lease.

Lease liabilities generally include the following lease payments:

- fixed payments less any leasing incentives,
- variable lease payments that are linked to an index or interest rate,
- expected residual value payments from residual value guarantees of the lessee,
- the exercise price of the purchase option if the exercise by the lessee is reasonably certain,

- payments of penalties for terminating the lease if the term takes into account that the lessee will exercise a termination option.

Lease payments are discounted using an implicit interest rate underlying the lease if this can be determined. Otherwise, they are discounted using the lessee's incremental borrowing rate, i.e. the interest rate that a lessee would have to pay if it had to borrow funds to acquire an asset of comparable value and on comparable terms in a comparable economic environment.

Right-of-use assets are measured at cost, which is generally composed as follows:

- the amount of the initial measurement of the lease liability,
- all lease payments made on or before provision less any lease incentives received,
- all initial direct costs incurred by the lessee and
- estimated costs incurred by the lessee in dismantling or removing the underlying asset, restoring the site on which it is located or returning the underlying asset to the condition required by the lease agreement.

Payments in the form of lease incentives received by the lessee before the provision date are initially recognized as deferred income at the corresponding date of receipt. At the time of provision, the liability item is then reversed and the carrying amount of the right-of-use asset is reduced by this amount.

Vehicle leases that the Group concludes with external leasing companies are recognized in accordance with IFRS 16. For contracts that are subsequently concluded between the 11 88 0 Solutions Group and its employees, no further assessment is made as to whether this is a possible sublease. The company car lease is considered part of the total remuneration of the respective employee and treated as an employee benefit in accordance with IAS 19. The depreciation expense resulting from capitalization in accordance with IFRS 16 is reported under depreciation and amortization.

The 11 88 0 Solutions Group makes use of the exemptions provided by IFRS 16 for short-term leases (with a term of 12 months or less) and the exemption for leases where the underlying asset is of low value. Payments for leases based on low-value assets are recognized as an expense in profit or loss on a straight-line basis. Assets of low value are, for example, IT equipment and other operating equipment. Leases (except office premises) with a term of less than 12 months (short-term leases) are also recognized as an expense in profit or loss on a straight-line basis.

As at the reporting date, there are no contractual restrictions or commitments that have a material impact on the leases recognized in the Group balance sheet.

Extension and termination options

Some leases contain extension and / or termination options. With regard to the exercise of extension options when determining the term of a lease, the Group takes into account all facts and circumstances that provide an economic incentive to exercise extension options or not to exercise termination options. Term changes resulting from the exercise of extension or termination options are only included in the lease term if an extension or non-exercise of a termination option is reasonably certain. This is generally not the case.

2.23. Income taxes

Income taxes comprise current taxes and deferred taxes. The calculation is based on the tax rates and tax laws that are expected to apply to the period in which an asset is realized or a liability is settled. The tax rates used are those that are enacted or substantively enacted at the reporting date.

Income taxes are recognized in the amount in which it is assumed that they will be paid to the tax authorities. This requires management to make judgments that may differ from the opinion of the tax authorities. If this results in changes to income taxes for the past, these are made up for in the period in which there is sufficient evidence for an adjustment.

Deferred taxes are recognized for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax base. They also include valuations for tax loss carryforwards. Deferred taxes are recognized for all taxable temporary differences, with the exception of

- the deferred tax liability from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the profit or loss for the period in accordance with IFRS nor taxable profit or loss, and does not result in equal taxable and deductible temporary differences at the time of the transaction, and

- the deferred tax liability from taxable temporary differences associated with investments in subsidiaries if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences or tax loss carryforwards can be offset. To assess the availability of positive income, tax planning calculations and realizable tax strategies are taken into account in addition to the existence of deferred tax liabilities.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which the deferred tax asset can be utilized, at least in part. Unrecognized deferred tax assets are reviewed at each balance sheet date and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred taxes are measured on the basis of the tax rates that will apply at the time the liability is settled or the asset is realized, insofar as these have already been established by law or the legislative process has essentially been completed.

If items are recognized directly in other comprehensive income within equity, the related income taxes are also recognized directly in equity.

Deferred tax assets and deferred tax liabilities are offset against each other if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and these relate to income taxes levied by the same tax authority on the same taxable entity.

The Group is not impacted by the global minimum taxation under the Pillar-2 regulations, as the relevant size thresholds are not exceeded.

2.24. Earnings per share

The Group calculates earnings per share in accordance with the provisions of IAS 33 “Earnings per Share”.

In accordance with IAS 33.10, basic earnings per share are calculated by dividing the profit for the period attributable to ordinary shareholders of the parent company (numerator) by the weighted average number of ordinary shares outstanding during the reporting period (denominator).

To calculate diluted earnings per share in accordance with IAS 33.31, the profit for the period attributable to the ordinary shareholders of the parent company and the weighted average number of ordinary shares in circulation are adjusted for all dilutive effects of potential ordinary shares.

The calculation of diluted earnings per share corresponds to the calculation of basic earnings per share, as the Group has not issued any potentially dilutive ordinary shares.

2.25. Cash flow statement

The 11880 Solutions Group reports its cash flow statement in accordance with IAS 7 “Cash Flow Statements”. For the presentation of cash flows from operating activities, the option of indirect presentation in accordance with IAS 7.18b is exercised. For the presentation of cash flows from investing and financing activities, on the other hand, IAS 7.21 prescribes direct presentation, which has been applied accordingly.

2.26. Summary of measurement policies

The asset and liability items in the consolidated balance sheet are measured as follows, provided there are no impairments:

Balance sheet items	Measurement
ASSETS	
Cash	At amortized cost
Restricted Cash	At amortized cost
Trade accounts receivable	At amortized cost
Current tax assets	Expected receipt of payment from tax authorities based on tax rates that have been enacted or substantively enacted by the reporting date
Other financial assets	At amortized cost
Other assets	At amortized cost
Goodwill	Impairment-only approach
Intangible assets	At amortized cost
Property and equipment	At amortized cost
Capitalized right-of-use assets (IFRS 16)	At amortized cost
Deferred tax assets	Measurement based on the tax rates expected to be valid for the period in which an asset is realized or a liability is settled, using tax rates those that are enacted or substantively enacted at the reporting date
LIABILITIES	
Trade accounts payable	At amortized cost
Accrued current liabilities	At amortized cost
Provisions	Best estimate of the expenditure required to settle the future obligation at the reporting date
Liabilities to Group companies	At amortized cost
Lease liabilities (IFRS 16)	At amortized cost
Other liabilities	At amortized cost
Provisions for retirement benefits	Best estimate of the expenditure required to settle the future obligation at the reporting date
Income tax liabilities	Expected payment to tax authorities based on tax rates that have been enacted or substantively enacted by the reporting date
Deferred tax liabilities	Measurement based on the tax rates expected to be valid for the period in which an asset is realized or a liability is settled, using tax rates those that are enacted or substantively enacted at the reporting date

3. Material estimates and discretionary decisions

In order to determine the carrying amounts of certain assets and liabilities, it is necessary to estimate the effects of uncertain future events. Therefore, in preparing the consolidated financial statements, management makes discretionary decisions, estimates and assumptions that affect the presentation of the net assets, financial position and results of operations. Due to the uncertainty associated with these assumptions and estimates, the actual results in future periods could lead to significant adjustments to the carrying amount of the assets or liabilities concerned.

All estimates and assumptions are made to the best of our knowledge and belief in order to give a true and fair view of the net assets, financial position and results of operations of the Group and are evaluated on an ongoing basis; this applies in particular with regard to the possible effects of the war in Ukraine, other geopolitical or trade conflicts, climate change, changes in energy prices and changes in social issues. The actual amounts may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1. Revenue from contracts with customers

The Group made the following discretionary decisions that have a significant influence on the determination of the amount and timing of revenue from contracts with customers:

3.1.1. Identification of performance obligations in contracts with customers

The relevance of identifying individual performance obligations in contracts with customers is particularly evident in cases where separate performance obligations are identified in a contract and the fulfillment of one performance obligation takes place at a specific point in time, but the fulfillment of another performance obligation takes place over a specific period of time or the periods of the performance obligations differ. The dates or periods of revenue recognition therefore differ in these cases.

For each contract with a customer in the Digital segment, the Group essentially identifies only one contractual performance obligation in which the transfer of goods or services to the customer takes place over a uniform period of time. Revenue from contracts in this segment is recognized on a monthly basis due to the contractual agreements.

3.1.2. Financing components

The Group offers two main payment options in the Digital segment: Payment of an annual invoice upon conclusion of the contract or payment of the annual invoice in equal monthly installments. The Group came to the conclusion that there is generally a financing component for contracts in which the customer opts for advance payment due to the period between payment for the service by the customer and its transfer. However, this period is usually a maximum of one year. Consequently, in accordance with IFRS 15.129 in conjunction with IFRS 15.63, this financing component is not taken into account for practical reasons.

3.1.3. Variable consideration

Certain contracts for the sale of software contain a right of return that is considered variable consideration. In addition, variable consideration in the form of credit notes is taken into account in the Media segment. When estimating the variable consideration, the Group must apply either the expected value method or the most likely amount method.

The method that most reliably estimates the consideration to which the Group is entitled must be selected. The Group applies the expected value method.

3.2. Loss allowances on trade accounts receivable

The Group recognizes valuation allowances on trade receivables in order to account for expected losses that could result from non-receipt of payments from customers. In order to take account of potential default risks, historical default and loss rates are determined and adjusted by forward-looking estimates and assessments of general economic conditions and customer-specific factors. The assessment of the probability of insolvency and the assessment with regard to changes in the technological, economic and legal environment, in particular the market environment, have a significant influence on the amount of the valuation allowances. The Group assumes that trade receivables are in full default if contractual payments are 360 days overdue. We consider this approach to be appropriate, as the success rates of the collection agency engaged to recover overdue receivables support this assessment. For information on the development of value adjustments, see section 2 in the notes to the consolidated balance sheet.

3.3. Impairment of goodwill

The Group tests goodwill for impairment once a year and, if there are indications, several times a year. This requires an estimate of the recoverable amounts of thegroup of cash-generating units to which the goodwill is allocated. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the group of cash-generating units. The determination of the recoverable amount is based on estimates and discretionary decisions, particularly with regard to the expected cash flows of the group of cash-generating units and an appropriate discount rate.

Although the management assumes that the assumptions used to calculate the recoverable amount are appropriate, any unforeseeable changes to these planning and valuation assumptions could lead to an impairment loss that could adversely affect the net assets, financial position and results of operations.

3.4. Property and equipment and intangible assets

Property, plant and equipment and intangible assets are initially recognized at acquisition or production cost. After initial recognition, property, plant and equipment and intangible assets with finite useful lives are amortized on a straight-line basis over their assumed useful lives. The assumed useful lives are based on past experience and are subject to significant uncertainties, particularly with regard to unforeseen technological developments.

3.5. Contract costs

Contract costs (contract initiation and contract fulfilment costs) are only capitalized if the capitalization requirements of IFRS 15 specified in section 2.10 are met and the corresponding costs are expected to be offset in accordance with IFRS 15.95.

When determining the amount of sales commissions to be capitalized (contract initiation costs), commissions paid whose amortization period would not exceed one year are not taken into account in accordance with the simplification provision of IFRS 15.94. The amount of sales commissions (contract initiation costs) to be capitalized is generally based on the contractual commission agreements concluded. Furthermore, when employee commissions are capitalized, a surcharge is calculated in relation to the employer's social security contributions due as a result of the commission payment.

The amount of capitalized customer websites (contract fulfilment costs) is determined by the inclusion of direct labour costs (employees involved in the production of the websites), direct material costs and allocated overheads such as depreciation.

Capitalized contract costs (contract initiation and fulfillment costs) are amortized on the basis of the average customer retention period. Expected contract renewals and historical experience are taken into account when determining the average customer retention period. Capitalized contract fulfillment costs are subject to an annual impairment test.

3.6. Deferred taxes on tax loss carryforwards

In accordance with IAS 12.34, 11 88 0 Solutions AG also recognizes deferred taxes on unused tax loss carryforwards. These are recognized to the extent that it is probable that future taxable profit will be available or that sufficient deferred tax liabilities exist against which the unused tax loss carryforwards can be offset. In assessing the probability, management relies on the criteria set out in IAS 12.36.

Deferred tax assets on tax loss carryforwards amounted to EUR 4,538 thousand as at the balance sheet date (2023: EUR 3,501 thousand), see also the section "Deferred tax assets and liabilities" in the notes to the consolidated balance sheet.

3.7. Provisions

A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such estimates are subject to significant uncertainties.

3.8. Litigation

The Group makes use of discretionary scope when accounting for pending legal disputes. The assessment of significant opportunities and risks is made with the involvement of external legal advisors, see also section 5 under other notes and disclosures.

3.9. Employee benefits (pension and semi-retirement obligations)

The measurement of pension and partial retirement obligations depends on a number of factors that are based on actuarial assumptions. The assumptions used to determine the net expenses (or net income) for pensions and partial retirement include the discount rate. Any change in these assumptions will have an impact on the carrying amount of the pension and partial retirement obligations.

The Group determines the appropriate discount rate at the end of each financial year. The discount rates applied to pension obligations are determined on the basis of the yields achieved on the balance sheet date for high-quality, fixed-interest corporate bonds with a corresponding term and currency. Further information on this can be found in section 16 of the notes to the consolidated balance sheet.

3.10. Leases

3.10.1. Incremental borrowing rate of interest

As part of the application of IFRS 16 "Leases", the lease payments outstanding at the time the asset is acquired are discounted over the term of the lease using the interest rate underlying the lease. If this interest rate is not readily determinable, the incremental borrowing rate is used, i.e. the interest rate that a lessee would have to pay if it had to borrow funds to acquire an asset of comparable value and on comparable terms in a similar economic environment.

To determine the incremental borrowing rate, reference interest rates for a period of up to 5 years are derived from risk-adjusted interest rates with matching maturities. Taking the above criteria into account, interest rates of 2.4 % to 7.4 % result.

3.10.2. Extension, termination and purchase options

Some of the building rental agreements concluded in the 11 88 0 Group are subject to automatic contract renewals, unless one of the two parties to the rental agreement gives notice of termination. Therefore, an enforceable contract only exists for the period until the next termination date. There are no further options.

In the case of vehicle leases, it is generally assumed that these will not be extended beyond the originally agreed term, as this usually entails higher costs. We also assume that these leases will not be terminated prematurely and that purchase options will not be exercised.

3.11. Accounting for business combinations

Business combinations are accounted for using the purchase method. Goodwill from a business combination is initially recognized at cost, which is measured as the excess of the cost of the business combination over the fair value of the acquired identifiable assets, liabilities and contingent liabilities.

The determination of the fair value of the acquired assets and liabilities as at the acquisition date is subject to significant estimation uncertainties. When identifying intangible assets, depending on the type of intangible asset and the complexity of determining the fair value, either independent appraisals by external valuation experts are used or the fair value is determined internally using an appropriate valuation technique for the respective intangible asset, which is usually based on the forecast of the total expected future cash flows generated. These valuations are closely linked to the assumptions and estimates made by management regarding the future development of the respective assets and the discount rate to be applied.

3.12. Impairment of non-financial assets

The Group reviews the carrying amounts of intangible assets, property, plant and equipment and other non-current assets at each balance sheet date and during the year if there are indications that an impairment may have occurred. If this is the case, the recoverable amount of the asset in question is calculated in order to determine the extent of any impairment. If no recoverable amount can be determined for an individual asset, the recoverable amount is determined for the smallest identifiable group of assets (cash-generating unit, asset CGU) to which the asset in question can be allocated.

If the recoverable amount of an asset is lower than the carrying amount, an impairment loss is recognized immediately in profit or loss. When allocating the impairment loss, the carrying amount is not reduced below the highest of fair value less costs to sell, value in use and zero (lower limit in accordance with IAS 36.105).

In the event of impairments in connection with cash-generating units that contain goodwill, existing goodwill is initially impaired. If the impairment requirement exceeds the carrying amount of the goodwill, the difference is generally allocated proportionally to the remaining non-current assets of the cash-generating units.

If the recoverable amount of the asset or cash-generating unit is higher at a later date after an impairment loss has been recognized, the impairment loss is reversed up to a maximum of the recoverable amount. The amount of the reversal is limited to the amortized carrying amount that would have resulted without the impairment in the past. The reversal is recognized in profit or loss.

Reversals of impairment losses recognized on goodwill are not permitted.

4. Changes in accounting policies

The accounting policies described in section 2 that were applied in the consolidated financial statements - with the exception of the changes explained below - correspond to the policies applied in the consolidated financial statements for the 2023 financial year.

New standards and amendments to standards - effective from January 1, 2024

Title		Changes	Application for financial years starting from	Effects on the presentation of the net assets, financial position and results of operations of the 11 88 0 Group
IAS 1	Classification of Liabilities as Current or Non-current	Clarification of the classification of liabilities as current and non-current, and clarification regarding non-current liabilities with covenants	01.01.2024	No significant effects
IFRS 16	Lease liability in a sale and leaseback transaction	Subsequent measurement of a lease liability in a sale and leaseback.	01.01.2024	No effects
IAS 7, IFRS 7	Supplier financing agreement	Extension of the mandatory disclosures in the notes on financing agreements with suppliers	01.01.2024	No significant effects

In July 2024, the IFRIC Agenda Decision on IFRS 8, Operating segments, was published, which is generally applicable immediately. An analysis of the impact on the Group has shown that the IFRIC agenda decision has no implications. Please refer to our presentation in section “2. Operating segments” in the chapter “Other explanations and disclosures”.

5. Future changes to accounting policies

The following standards and amendments newly adopted or amended by the IASB are not yet mandatory as at the reporting date. They were therefore not applied in these consolidated financial statements as at December 31, 2024. Amended standards are not usually applied early, even if individual standards permit this.

At the present time, we do not expect the following changes to have any material impact on the Group's net assets, financial position and results of operations.

Title		Changes	Application obligation for business years starting from	Expected impact effects on the presentation of the net assets, financial position and results of operations of the 11 88 0 Group
IAS 21	Lack of exchangeability	Guidelines specifying when a currency is exchangeable and how to determine the exchange rate when it is not.	01.01.2025	No significant effects
IFRS 7, IFRS 9	Classification and measurement of financial instruments	Improved descriptions and application guidelines	01.01.2026*	No significant effects
IAS 7, IFRS 1, IFRS 7, IFRS 9, IFRS 10	Annual improvements to IFRS - Volume 11	Editorial adjustments in the course of so-called "annual improvements to IFRS"	01.01.2026*	No significant effects
IFRS 18	Presentation and disclosures in the financial statements	Changes to the structure of the income statement by dividing it into three sections "Operating", "Investment" and "Financing" and introduces disclosures on management performance measures (MPMs) in the notes.	01.01.2027*	Impact analysis not yet completed
IFRS 19	Subsidiaries without public accountability: Disclosures	Easier disclosure requirements for subsidiaries	01.01.2027*	No significant effects

* Adoption into EU law („EU endorsement“) still pending

Notes to the consolidated Income Statement

1. Revenues

Consolidated revenues in the financial year 2024 amounted to EUR 55,643 thousand (2023: EUR 57,054 thousand).

In the financial year, revenues of EUR 3,608 thousand (previous year: EUR 5,028 thousand) was realized from contract liabilities that still existed as at 31 December 2023.

Revenues decreased by 2 % compared to the previous year. Revenues in the digital business fell slightly and sales in the directory assistance business segment fell significantly by 7 %.

The revenue of Ormigo GmbH was allocated in full to the Digital operating segment and amounted to EUR 1,714 thousand.

Further information on the development of revenues can be found in the presentation by business segment under other notes and disclosures.

2. Cost of revenues

The cost of sales for the services rendered to generate revenue of EUR 32,681 thousand (2023: EUR 33,579 thousand) largely includes the capacity and infrastructure costs of the Digital and Directory Assistance segments, which are used to manufacture the products for customers. The main items are personnel costs, data and media costs as well as costs for external services used.

The decrease in the cost of revenues by just under 3 % is mainly due to a reduction in variable production costs in the Digital segment, a decline in personnel expenses, and lower depreciation charges. The decrease in depreciation is mainly due to the modification of the existing lease agreement.

In the past financial year, EUR 109 thousand (2023: EUR 289 thousand) of the cost of revenues were capitalized as contract fulfilment costs for the creation of websites on behalf of customers and reduced the cost of revenues by the same amount. In return, capitalized contract fulfilment costs were amortized over a period of 36 months and therefore reduced the cost of revenues in the reporting year by EUR 234 thousand (2023: EUR 288 thousand).

3. Selling and distribution costs

The selling expenses of EUR 11,548 thousand (2023: EUR 12,948 thousand) mainly comprised the costs of the company’s own operating employees in the digital business and the amortization of capitalized contract initiation costs.

The decrease of 11.0 % is primarily attributable to lower variable personnel costs as well as reduced amortization of capitalized contract initiation.

In the past financial year, EUR 2,662 thousand (2023: EUR 2,564 thousand) of the selling expenses for the initiation of customer contracts were capitalized and reduced selling expenses by the same amount. In return, the amortization of contract initiation costs in the amount of EUR 2,930 thousand (2023: EUR 3,388 thousand) had a negative impact on selling expenses.

4. General administrative expenses

The general administrative expenses of EUR 9,637 thousand (2023: EUR 9,668 thousand) mainly comprised the costs of Group functions such as finance, legal, HR, IT and management as well as the infrastructure costs of these units.

Ormigo’s share of general administrative expenses amounted to EUR 430 thousand.

5. Staff costs

The following expenses for employee and executive board benefits were included in the functional costs:

in EUR thousand	2024	2023
Wages and salaries	20,302	20,510
Social security costs	4,113	4,216
Pension costs	5	3
Multi-year variable remuneration	167	80
Total	**24,586**	**24,809**

The reduction in wages and salaries compared to the previous year was primarily due to the decline in the number of employees and the lower bonus provision. In the financial year, EUR 167 thousand (2023: EUR 80 thousand) was set aside for the long-term incentive plan (LTI).

6. Depreciation and amortization

The depreciation and amortization included in the cost of revenues, selling expenses and other administrative expenses for the current financial year from 1 January to 31 December2024 were composed as follows:

in EUR thousand	Cost of revenues	Selling and distribution costs	Other Administrative costs	Total
Amortization of intangible assets	223	2,946	33	**3,202**
Depreciation of property and equipment	37	23	174	**235**
Depreciation of capitalized right-of-use assets	278	423	416	**1,118**
Total	538	3,392	623	**4,555**

The depreciation and amortization included in the cost of revenues, selling expenses and other administrative expenses for the previous year from 1 January to 31 December2023 were composed as follows:

in EUR thousand	Cost of revenues	Selling and distribution costs	Other Administrative costs	Total
Amortization of intangible assets	323	3,449	32	**3,804**
Depreciation of property and equipment	61	32	154	**248**
Depreciation of capitalized right-of-use assets	420	454	433	**1,307**
Total	804	3,935	619	**5,358**

7. Impairment losses on receivables

Impairment losses on trade receivables amounting to EUR 2,941 thousand decreased by EUR 540 thousand compared to the previous year (2023: EUR 3,481 thousand) and include expenses from the addition of valuation allowances on trade receivables and income from the reversal of these valuation allowances as well as expenses from the derecognition of such receivables.

With regard to impairment losses, please refer to the note "Impairment of financial assets" and the notes to the consolidated balance sheet on "Trade receivables".

8. Other operating income / expenses

Other operating expenses are shown below:

in EUR thousand	2024	2023
Loss on disposal of non-current assets	0	71
Loss allowance on goodwill	174	243
Other operating expenses	49	54
Other operating expenses	**223**	**368**

For information on the impairment of goodwill, see the "Goodwill" section in the "Notes to the consolidated balance sheet".

Other operating income amounted to EUR 554 thousand (2023: EUR 27 thousand). The existing rental agreement at the Essen location was adjusted in the 2024 financial year. The difference to be recognized in profit or loss between the adjustment of the carrying amount of the existing right-of-use through profit or loss resulting from this modification of the rental agreement and the adjustment of the corresponding lease liability through profit or loss amounts to EUR 520 thousand and is included in other operating income.

9. Net financial income

9.1. Net interest income

in EUR thousand	2024	2023
Other interest and similar income	87	57
Interest and similar income	**87**	**57**
Interest expenses from lease liabilities	-123	-187
Interest expenses from lease liabilities	**-123**	**-187**
Interest expense for loan liabilities	-122	-122
Interest expense for bank overdrafts and guarantees	-3	-3
Other interest and similar expenses	-53	-65
Interest and similar expenses	**-179**	**-190**
Net interest income	**-215**	**-320**

The interest result is mainly due to the compounding of lease liabilities and interest expenses for the shareholder loan of united vertical media GmbH.

9.2. Net income from foreign currency translation

in EUR thousand	2024	2023
Gains on foreign currency translation	0	3
Loss on foreign currency translation	0	-4
Result from currency translation	**0**	**-1**

9.3. Net gains / losses on financial instruments by measurement category

in EUR thousand	2024	2023
Financial assets at amortized cost:		
Trade accounts receivable	-2,764	-3,481
Financial liabilities at amortized cost:		
Trade accounts payable	-3	-3
Other current and non-current liabilities	-6	-9
Liabilities to Group companies	-122	-122
Leasing liabilities	-123	-187
Total	**-3,018**	**-3,802**

The net results from trade receivables mainly comprised changes in value adjustments, losses from derecognition and gains from subsequent incoming payments with interest income and reversals of impairment losses on trade receivables originally written off. The net results from financial liabilities resulted in particular from interest expenses.

10. Income taxes

The tax rate applicable for the past financial year includes corporation tax, the solidarity surcharge on corporation tax and trade tax for Germany. Taking into account the applicable trade tax rates, this results in a total tax rate for the tax group of 11 88 0 Solutions AG of 31.6 % (2023: 31.6 %). Due to different assessment rates, the trade tax rate for 11 88 0 Internet Services AG, Essen, FAIRRANK GmbH, Cologne, Seitwert GmbH, Cologne, and Ormigo GmbH, Cologne, is slightly different.

in EUR thousand	2024	2023
Current income taxes	-97	-4
Deferred income taxes	1,578	-1,007
Recognized income from income taxes	**1,481**	**-1,011**

The following tax reconciliation shows the reasons why the reported tax income for the current year does not match the expected tax income that would result if the earnings before taxes were multiplied by the Group tax rate of 31.6 % (2023: 31.6 %) applied for the financial year2024 :

in EUR thousand	2024	2023
Net loss before taxes	**-1,046**	**-3,283**
Applicable tax rate	**31.6 %**	**31.6 %**
Expected income from income taxes	**330**	**1,036**
Increase / decrease due to:		
Change in the valuation allowance on deferred taxes	1,662	-1,908
Tax effects on temporary differences / loss carryforwards for which no deferred tax assets were recognized in the current period	-351	0
Income tax rate differences	-6	9
Tax effects on (permanently) non-tax-deductible expenses / tax-free income	-40	-103
Impairments of goodwill	-55	
Other	-59	-45
Recognized income taxes	**1,481**	**-1,011**

The effective tax rate, calculated as the ratio of reported tax income to the pre-tax loss for the period, stands at 141.5 %, which is significantly higher than the previous year (2023: -30.8 %). The primary reason for this change lies in the substantially increased utilization of tax loss carryforwards, driven by the positive planning results of 11 88 0 Internet Services AG compared to the prior year. In addition to the higher realization of loss carryforwards, the change in the tax rate is also due to lower impairments related to deferred tax assets. At 11 88 0 Solutions AG and FAIRRANK GmbH, deferred tax assets are only recognized on the corporate income tax and trade tax loss carryforwards taking into account the taxable temporary differences.

As at December 31, 2024, income tax receivables amounted to EUR 19 thousand (2023: EUR 23 thousand).

As at December 31, 2024, the 11 88 0 Solutions Group reported deferred tax assets of EUR 2,053 thousand (2023: EUR 724 thousand) and deferred tax liabilities of EUR 307 thousand (2023: EUR 553 thousand), after netting.

11. Earnings per share

Financial year ended on December 31, in EUR	**2024**	2023
Earnings per share, based on profit / loss for the period	0.02	-0.17

Financial year ended on December 31, in EUR thousand	**2024**	2023
Profit / loss for the year for calculating earnings per share	435	-4,294

Financial year ended on December 31, in thousands of shares	**2024**	2023
Weighted average number of ordinary shares for calculating earnings per share	26,232	25,313

Notes to the consolidated statement of financial position

1. Cash

Cash and cash equivalents were composed as follows as at the balance sheet date:

Financial year ended on December 31, in EUR thousand	**2024**	2023
Bank balances and cash	2,298	1,413
Restricted cash	134	134
Total	**2,431**	**1,547**

Restricted cash is used to secure rental deposits.

The fair value of cash and cash equivalents amounted to EUR 2,431 thousand (2023: EUR 1,547 thousand) and thus their carrying amount.

In the 2024 financial year, cash and cash equivalents included short-term overnight deposits of EUR 1,000 thousand (2023: EUR 0 thousand).

As at December 31,2024 , the 11 88 0 Solutions Group had credit lines of EUR 1,000 thousand available from banks that are not subject to any restrictions on use (2023 : EUR 1,000 thousand).

2. Trade accounts receivable

The amounts shown in the balance sheet are after impairment losses, which were recognized to take account of possible expected losses over the remaining term.

in EUR thousand	**31.12.2024**	31.12.2023
Trade accounts receivable, gross	7,401	9,249
less loss allowances	-2,764	-3,277
Trade accounts receivable, net	**4,638**	**5,972**

Trade receivables are generally due within 1 to 30 days. As a rule, the usual payment terms on the market are therefore offered.

As at December 31,2024 , trade accounts receivable were impaired in the amount of EUR 2,764 thousand (2023: EUR 3,277 thousand). The development of the allowance account was as follows:

in EUR thousand	2024	2023
Loss allowances on January 1	**3,277**	**3,469**
Expected losses according to IFRS 9	21	74
Specific valuation allowances	3,243	3,566
Utilization / derecognition	-3,454	-3,672
Reversal	-323	-160
Loss allowances as of December 31	**2,764**	**3,277**

Expenses and income from the recognition and reversal of valuation allowances are reported under impairment losses on receivables.

Recoveries from the contracted collection agency are included in the item “Reversal of impairments” under impairments on receivables.

The maximum default risk on the balance sheet date corresponds to the net carrying amount of trade receivables. Overdue receivables are tested for impairment. Impairment losses are essentially determined depending on the age structure of the receivables. For further basic information on the consideration of expected default risks and risk management, please refer to the “Other notes and disclosures” section.

As at December 31, the age structure of trade receivables after taking into account the aforementioned value adjustments is as follows:

31 December 2024	Gross carrying amount in EUR thousand	Expected default rate for the remaining term of the receivables	Impairment in EUR thousand
Not past due	1,460	1.9 %	28
1 - 90 days past due	2,011	6.8 %	137
91 - 180 days past due	764	17.5 %	133
> 180 days past due	1,005	30.1 %	303
Default	2,162	100.0 %	2,162
Total	**7,401**		**2,764**

31 December 2023	Gross carrying amount in EUR thousand	Expected default rate for the remaining term of the receivables	Impairment in EUR thousand
Not past due	2,248	3.3 %	74
1 - 90 days past due	1,749	5.9 %	103
91 - 180 days past due	838	13.0 %	109
> 180 days past due	1,753	18.8 %	330
Default	2,662	100.0 %	2,662
Total	**9,250**		**3,278**

3. Other financial assets

Other financial assets amounting to EUR 158 thousand (previous year: EUR 21 thousand) mainly comprise current deposits. These result from the modification of the previous rental agreement at the Essen location in the 2024 financial year.

The other financial assets were neither impaired nor overdue in the current financial year.

4. Other current assets

Other current assets break down as follows:

in EUR thousand	31.12.2024	31.12.2023
Advance payments made	302	358
Other current assets	243	57
Other current assets	**545**	**415**

The prepayments made mainly relate to accrued expenses for maintenance and rent in the area of technology. Other current assets mainly include VAT receivables from the tax office.

5. Goodwill

The cumulative acquisition costs, cumulative impairments and cumulative carrying amounts of the goodwill of the cash-generating units are shown in the following tables.

Acquisition costs

in EUR thousand	Goodwill
Status as at December 31, 2024	**10,678**
Status as at December 31, 2023	**10,678**

Accumulated impairment losses

in EUR thousand	Goodwill
Status as at December 31, 2024	**6,791**
Status as at December 31, 2023	**6,617**

Carrying amounts

in EUR thousand	Goodwill
Carrying amount as at December 31, 2024	**3,887**
Carrying amount as at December 31, 2023	**4,061**

Goodwill acquired as part of business combinations was allocated to the corresponding groups of cash-generating units (CGU) for the purposes of impairment testing.

The carrying amount of the goodwill of 11 88 0 Internet Services AG acquired as part of a business combination was allocated in full to the directory assistance business of 11 88 0 Internet Services AG as a cash-generating unit ("CGU AKL / IS-AG") in accordance with IAS 36.80 for the purpose of impairment testing. This is also allocated to the directory assistance segment.

The goodwill from the acquisition of FAIRRANK GmbH completed in 2020 was allocated in full to the CGU FAIRRANK ("CGU FAIRRANK"). A pro rata allocation of goodwill to other CGUs from the Digital segment is not appropriate, as there were no real synergies or other positive effects on the Group's digital units existing at the time of acquisition when the purchase price for FAIRRANK GmbH was derived.

The goodwill in the amount of EUR 587 thousand recognized in the 2023 financial year from the acquisition of Ormigo GmbH, which was completed with the entry in the commercial register on September 1, 2023, was allocated in full to the CGU Ormigo ("CGU Ormigo") as an independent CGU, as no real synergies or other positive effects on the Group's digital units existing at the time of acquisition were taken into account when deriving the purchase price for Ormigo GmbH. Within the measurement period of one year from the acquisition date that sheds light on the circumstances at the acquisition date, no new information became known that would have required the recognition of new assets or liabilities, or adjustments to their amounts. Accordingly, the goodwill of the Ormigo CGU was not adjusted.

The goodwill of 11 88 0 Solutions AG is tested for impairment once a year and whenever there are indications of potential impairment. Based on the knowledge and expectations available as at the reporting date regarding the future development of the market and competitive environment and the group of cash-generating units to which goodwill is allocated, an impairment requirement of EUR 173 thousand (recoverable amount: EUR 42 thousand) was identified for the CGU AKL / IS-AG as at December 31, 2024. This impairment requirement is reported in the income statement under "Other operating income / expenses". The main reasons for this are the expected market-related decline in the traditional directory assistance business in the coming years and the lower EBIT margin expectation. In contrast to the overall AKL segment and the AKL business within 11880 Solutions AG, the CGU AKL / IS-AG does not benefit from the expected growth of the call center services business (CCS). Instead, the business model of the CGU AKL / IS-AG within 11 88 0 Internet Services AG is based on directory assistance numbers, which can be used in particular to offer traditional directory assistance services and some value-added services. There was no need to recognize impairment losses for the FAIRRANK and Ormigo CGUs.

Any need for impairment is generally determined by comparing the recoverable amount of the CGU to which the respective goodwill relates with its carrying amount. Appropriate valuation models are used to determine the CGU-specific recoverable amounts. The recoverable amounts to be determined for the impairment tests were derived on the basis of the value in use. As a rule, 11 88 0 Solutions AG uses capital value-oriented methods (DCF models) for this purpose. The key assumptions made by management in determining the recoverable amount of a CGU include assumptions regarding the development of sales, costs and margins in the detailed planning period as well as the discount rate and assumptions regarding the sustainable growth rate and the sustainable EBIT or EBITDA margin.

The basis for deriving the expected future cash flows of the CGUs is the budget approved by the Supervisory Board of 11 88 0 Solutions AG. The expected cash flows for a period of three to five years are determined on this basis. The first three years are a detailed plan, while the two subsequent years - where appropriate - represent the extrapolation of trends. After this period, the management assumes a sustainable growth rate specific to each CGU. The goodwill of the group of cash-generating units AKL / IS-AG and FAIRRANK as at December 31, 2024 and December 31, 2023 and the key parameters of the DCF models used are shown in the following table:

CGU	Year	Carrying amount Goodwill (EUR thousand)	Discount interest rate before tax	Discount rate after tax	Long-term growth rate p. a. Ø in %	Long-term EBIT margin p. a. Ø in %
CGU AKL / IS-AG	2024	0	10.39 %	6.48 %	-20.00 %	0.00 %
	2023	174	24.23 %	6.92 %	-20.00 %	15.00 %
CGU FAIRRANK	2024	3,300	8.65 %	6.48 %	1.50 %	12.50 %
	2023	3,301	9.32 %	6.92 %	1.50 %	16.70 %
CGU Ormigo	2024	587	8.73 %	6.48 %	1.50 %	12.50 %
	2023	587	n.a.	n.a.	n.a.	n.a.

The discount rates were derived using models based on capital market theory (CAPM). In view of the growth opportunities and the possible development of the market, we consider an annual growth in free cash flows and thus a growth discount of 1.5 % in perpetuity to be appropriate for the FAIRRANK CGU, taking into account the current interest rate expectations. A sustainable EBIT margin of 12.5 % (2023: 16.7 %) is expected for the perpetual annuity for the FAIRRANK CGU. Based on the generic decline in call volumes in traditional directory assistance, we continue to expect an annual decline in free cash flows of 20 % for the CGU AKL / IS-AG in perpetuity, resulting in a corresponding increase in the discount rate in perpetuity. A sustainable EBIT margin of 0 % (2023: 15 %) is expected for the perpetual annuity for the CGU AKL / IS-AG.

Sensitivity of the assumptions made

The sensitivity of the recoverable amounts to changes in key assumptions varies for the group of cash-generating units. As part of sensitivity analyses for the CGUs to which goodwill is allocated, key parameters were varied and the following parameters in particular were considered:

- Increase / decrease in discount rates (after taxes) by 1.0 percentage points
- Reduction / increase in the long-term growth rate in the perpetual annuity by 1.0 percentage points to 0.5 % or 2.5 %
- Reduction / increase in the sustainable EBIT margin by 20 %.

Sensitivity analyses using these assumptions would also not result in any need for impairment for the Fairrank CGU / Ormigo CGU. This applies even in the event of a simultaneous deterioration in all three valuation assumptions by the amounts shown.

6. Intangible assets

6.1. Cost

in EUR thousand	Initial carrying Amount 1.1.2024	Additions	Reclassifications	Disposals	as of 31.12.2024
Software	**7,805**	17	0	-5,745	**2,077**
Licenses	**12,332**	21	0	-3,762	**8,592**
Acquired customer contracts, FAIRRANK	**359**	0	0	0	**359**
Internally generated intangible assets	**10,265**	88	0	0	**10,353**
Contract initiation costs (customer contracts)	**33,262**	2,662	0	-27,537	**8,387**
Other intangible assets	**8**	0	0	0	**8**
Total	**64,032**	**2,788**	**0**	**-37,044**	**29,776**

in EUR thousand	Initial carrying Amount 1.1.2023	Additions	Reclassifications	Disposals	as of 31.12.2023
Software	**7,805**	0	0	0	**7,805**
Licenses	**12,333**	0	0	0	**12,332**
Acquired customer contracts, FAIRRANK	**359**	0	0	0	**359**
Internally generated intangible assets	**10,037**	228	0	0	**10,265**
Contract initiation costs (customer contracts)	**30,698**	2,564	0	0	**33,262**
Other intangible assets	**8**	0	0	0	**8**
Intangible assets being developed / with prepayments	**46**	0	0	-46	**0**
Total	**61,286**	**2,792**	**0**	**-46**	**64,032**

6.2. Accumulated amortization

in EUR thousand	as of 1.1.2024	Amortization	Disposals	as of 31.12.2024
Software	7,707	76	-5,745	2,038
Licenses	12,332	4	-3,762	8,574
Acquired customer contracts FAIRRANK	360	0	0	360
Internally generated intangible assets	10,019	192	0	10,211
Contract initiation costs (customer contracts)	29,093	2,930	-27,537	4,486
Other intangible assets	0	0	0	0
Total	**59,511**	**3,202**	**-37,044**	**25,669**

in EUR thousand	as of 1.1.2023	Amortization	Disposals	as of 31.12.2023
Software	7,568	139	0	7,707
Licenses	12,325	7	0	12,332
Acquired customer contracts FAIRRANK	313	47	0	360
Internally generated intangible assets	9,796	223	0	10,019
Contract initiation costs (customer contracts)	25,705	3,388	0	29,093
Other intangible assets	0	0	0	0
Intangible assets being developed / with prepayments	0	0	0	0
Total	**55,707**	**3,804**	**0**	**59,511**

6.3. Carrying amounts

in EUR thousand	Carrying amounts as at December 31, 2024	Carrying amounts as at December 31, 2023
Software	39	98
Licenses	18	1
Acquired customer contracts FAIRRANK	0	0
Internally generated intangible assets	141	245
Contract initiation costs (customer contracts)	3,899	4,168
Other intangible assets	9	9
Total	**4,106**	**4,520**

The useful lives of intangible assets were determined as follows in the financial year 2024. There were no changes in useful lives compared to the previous year.

Useful life of intangible assets	
Software	3 to 7 years
Licenses	3 to 15 years
Acquired customer contracts FAIRRANK	2 to 4 years
Internally generated intangible assets	2 to 5 years
Contract initiation costs (customer contracts)	3 years
Other intangible assets	3 years

Depreciation is recognized on a straight-line basis over the estimated useful lives.

Depreciation and amortization were included in the cost of sales, selling expenses and general administrative expenses in accordance with their use.

Internally generated intangible assets relate to capitalized development costs for software development and software enhancements. In the reporting year, maintenance expenses for software amounted to EUR 1.8 million (2023: EUR 1.8 million) which are reported within cost of sales.

Sales commissions were capitalized as contract initiation costs and amortized on a straight-line basis over the average customer retention period of 3 years.

7. Property and equipment

7.1. Cost

in EUR thousand	as of 1.1.2024	Additions	Reclassifica-tions	Disposals	as of 31.12.2024
Technical equipment	4,688	80	0	-3,000	1,767
Other equipment, fixtures, furniture and office equipment, low-value assets	2,408	99	0	-3	2,504
Equipment being purchased / with prepayments	0	308	0	0	308
Total	7,096	**487**	**0**	**-3,003**	4,580

in EUR thousand	as of 1.1.2023	Additions	Reclassifica-tions	Disposals	as of 31.12.2023
Technical equipment	4,643	45	0	0	4,688
Other equipment, fixtures, furniture and office equipment, low-value assets	2,409	24	0	-25	2,408
Equipment being purchased / with prepayments	0	0	0	0	0
Total	7,052	**69**	**0**	**-25**	7,096

7.2. Accumulated depreciation

in EUR thousand	as of 1.1.2024	Depreciation and amortization	Disposals	as of 31.12.2024
Technical equipment	4,453	106	-2,999	1,560
Other equipment, fixtures, furniture and office equipment, low-value assets	2,140	130	0	2,270
Equipment being purchased / with prepayments	0	0	0	0
Total	6,593	**236**	**-2,999**	3,830

in EUR thousand	as of 1.1.2023	Depreciation and amortization	Disposals	as of 31.12.2023
Technical equipment	4,345	108	0	4,453
Other equipment, fixtures, furniture and office equipment, low-value assets	2,000	140	0	2,140
Total	6,345	**248**	**0**	6,593

7.3. Carrying amounts

in EUR thousand	Carrying amounts as at December 31, 2024	Carrying amounts as at December 31, 2023
Technical equipment	207	235
Other equipment, fixtures, furniture and office equipment, low-value assets	235	268
Equipment being purchased / with prepayments	308	0
Total	**750**	**502**

The useful lives of property, plant and equipment were determined as follows in the financial year 2024 . There was no adjustment to the useful lives compared to the previous year.

Useful life of property and equipment	
Technical equipment	3 to 19 years
Other equipment, fixtures, furniture and office equipment	3 to 15 years

Depreciation was recognized on a straight-line basis over the defined useful lives and was included in the cost of sales, selling expenses and general administrative expenses in accordance with their use.

In accordance with IAS 38.4, system software was allocated to property, plant and equipment, as it is an integral component of hardware.

8. Capitalized right-of-use assets (IFRS 16)

8.1. Cost

in EUR thousand	as of 1.1.2024	Additions	Disposals	as of 31.12.2024
Buildings	6,376	1,043	-6,364	1,055
Fleet units	621	295	-314	602
IT equipment	158	0	0	158
Total	7,155	**1,338**	**-6,678**	1,815

in EUR thousand	as of 1.1.2023	Additions	Disposals	as of 31.12.2023
Buildings	6,935	12	-571	6,376
Fleet units	582	227	-188	621
IT equipment	92	66	0	158
Total	7,609	**305**	**-759**	7,155

8.2. Accumulated depreciation

in EUR thousand	as of 1.1.2024	Additions	Disposals	as of 31.12.2024
Buildings	4,085	886	-4,646	325
Fleet units	358	200	-314	244
IT equipment	50	32	0	82
Total	4,493	**1,118**	**-4,960**	651

in EUR thousand	as of 1.1.2023	Additions	Disposals	as of 31.12.2023
Buildings	3,579	1,074	-568	4,085
Fleet units	345	201	-188	358
IT equipment	18	32	0	50
Total	3,942	**1,307**	**-756**	4,493

Depreciation is recognized on a straight-line basis over the defined useful lives and is included in the cost of sales, selling expenses and general administrative expenses in accordance with their use.

Amortization of capitalized rights of use is included in the cost of sales in the amount of EUR 278 thousand (previous year: EUR 420 thousand), in selling expenses in the amount of EUR 423 thousand (previous year: EUR 454 thousand) and in general and administrative expenses in the amount of EUR 416 thousand (previous year: EUR 433 thousand).

8.3. Carrying amounts

in EUR thousand	Carrying amounts as at December 31, 2024	Carrying amounts as at December 31, 2023
Buildings	730	2,291
Fleet units	358	263
IT equipment	76	108
Total	**1,165**	**2,662**

The sharp decline in capitalized rights of use is due to the adjustment of the existing rental agreement at the Essen location in the 2024 financial year.

The useful lives for capitalized rights of use for the financial year 2024 are as follows:

Useful life of the capitalized right-of-use assets	
Buildings	1 to 7 years
Fleet units	3 years
IT equipment	5 years

In the 2023 financial year, the useful lives of the capitalized rights of use were 1 to 8 years for buildings, 3 years for fleet units, and 5 years for IT equipment.

9. Other non-current assets

Other non-current assets comprised the following as at the balance sheet date:

Financial year ended on 31 December in EUR thousand	2024	2023
Contract fulfillment costs	278	403
Other	3	4
Total	**281**	**407**

This item mainly includes contract fulfilment costs (capitalized customer websites), which are expensed on a straight-line basis over three years.

10. Deferred tax assets and liabilities

The tax rate used to calculate deferred taxes for Germany comprises corporation tax, the solidarity surcharge on corporation tax and trade tax. Taking into account the applicable trade tax rates, this results in a total tax rate of 31.6 % (previous year: 31.6 %). Due to different assessment rates, the tax rate for 11 88 0 Internet Services AG, FAIRRANK GmbH, Seitwert GmbH and Ormigo GmbH is slightly different.

In the 2024 financial year, there were no significant temporary differences related to investments in subsidiaries.

The deferred taxes consisted of the following:

in EUR thousand	31.12.2024	31.12.2023
Deferred tax assets:		
Tax loss carryforwards	4,538	3,501
Intangible assets	0	1
Other assets	0	0
Provisions	178	55
Other liabilities	237	0
Lease liabilities	313	762
Deferred tax assets before netting of which in other comprehensive income EUR 9 thousand (2023: EUR 37 thousand)	**5,266**	**4,319**
Netting	-3,213	-3,596
Deferred tax assets after netting	**2,053**	**724**
Deferred tax liabilities:		
Property and equipment	0	-13
Intangible assets	-1,353	-1,391
Right-of-use assets	-375	-840
Other assets	-1,766	-1,893
Provisions	-26	-13
Deferred tax liabilities before netting of which in other comprehensive income EUR -13 thousand (2023: EUR 1 thousand)	**-3,520**	**-4,150**
Netting	3,213	3,596
Deferred tax liabilities after netting	**-307**	**-553**

As at December 31,2024 , the cumulative corporation tax loss carryforwards of the Group companies amounted to EUR 41,713 thousand (2023: EUR 40,875 thousand). The cumulative trade tax loss carryforwards of the Group companies amounted to EUR 40,383 thousand as at December 31, 2024 (2023: EUR 39,645 thousand).

Corporation tax loss carryforwards that were not recognized due to insufficient usability amounted to EUR 27,468 thousand as at the balance sheet date (2023: EUR 29,973 thousand). Trade tax loss carryforwards that were not recognized due to insufficient usability amounted to EUR 26,441 thousand as at 31 December2024 (2023: EUR 28,743 thousand).

Under current German tax law, tax loss carryforwards that have been determined in Germany can be carried forward indefinitely and used to offset future profits, although various tax regulations (e.g. minimum taxation) must be observed.

Deferred taxes were classified as current and non-current as follows:

Financial year ended on 31 December in EUR thousand	**2024**	2023
Deferred tax assets		
Current	363	456
Non-current	4,903	3,864
Deferred tax liabilities		
Current	-660	-811
Non-current	-2,860	-3,338

Deferred tax assets on corporate income tax and trade tax loss carry forwards are allocated to non-current deferred tax assets.

11. Trade accounts payable

The amount of trade payables reported as at the balance sheet date amounted to EUR 191 thousand (2023: EUR 499 thousand).

Trade payables comprised outstanding obligations from trade transactions. The average payment term utilized was between 14 and 60 days.

Trade payables were recognized at their repayment amount. This amount is due in full in the 2025 financial year.

12. Accrued current liabilities

The Group reported the following accrued current liabilities under this item as at the following reporting dates:

Financial year ended on 31 December in EUR thousand	**2024**	**2023**
Obligations to employees	2,058	2,129
Invoices outstanding	2,724	2,906
Other accrued liabilities	8	8
Total	**4,790**	**5,043**

The obligations to employees mainly comprised wage and salary payments, including variable salary components, which are due for payment in the 2025 financial year.

Of the accrued current liabilities, an amount of EUR 2,724 thousand (2023: EUR 2,906 thousand) is attributable to financial liabilities.

The accrued current liabilities amounting to EUR 4,790 thousand are due within the next financial year.

13. Provisions

The Group had identified and assessed all known risks as at the balance sheet date of December 31, 2024 . If the recognition requirements of IAS 37.14 were met, the risks were taken into account in the financial statements in the form of provisions.

The development of non-current provisions for the financial year2024 was as follows:

in EUR thousand	Long Term Incentive (LTI)	Other	Total
	long-term		
As of 1 January 2024	**400**	**121**	**521**
Reversal	0	1	1
Discounting	-33	0	-33
Use	0	-27	-27
Addition	200	131	331
As of 31 December 2024	**567**	**226**	**794**

The development of provisions for the financial year 2023 was as follows:

in EUR thousand	Long Term Incentive (LTI)	Other	Total
	long-term		
As of 1 January 2023	**320**	**145**	**465**
Reversal	0	-46	-46
Use	0	-42	-42
Addition	80	64	144
As of 31 December 2023	**400**	**121**	**521**

The material provisions included the matters described below.

Other non-current provisions include obligations for future tax audits in the amount of EUR 25 thousand (2023: EUR 23 thousand), obligations from partial retirement in the amount of EUR 127 thousand (2023: EUR 56 thousand) and provisions for share-based payments to be paid out in the future, see also under other notes and disclosures, for 2024 in the amount of EUR 76 thousand (2023: EUR 42 thousand). The long-term incentive (LTI) includes obligations from long-term variable remuneration for the Management Board.

The management anticipates an expected cash outflow of approximately EUR 63 thousand in 2025 and approximately EUR 731 thousand from 2026. There are significant uncertainties regarding the timing of the payment of the provision for future tax audits and the achievement of targets in relation to the obligation from long-term variable remuneration.

14. Lease liabilities

in EUR thousand	31.12.2024	31.12.2023
Current lease liabilities	**630**	**1,372**
Buildings	453	1,192
Fleet units	177	163
Other IT	0	17
Non-current lease liabilities	**686**	**2,037**
Buildings	354	1,788
Fleet units	269	155
Other IT	63	94
Total	**1,316**	**3,409**

The current lease liabilities amounting to EUR 630 thousand (previous year: EUR 1,372 thousand) are due within the next financial year.

The non-current lease liabilities amounting to EUR 686 thousand (previous year: EUR 2,037 thousand) are due within 1 to 5 years.

As at December 31, 2024, there were no lease liabilities (previous year: EUR 0 thousand) with a maturity of more than 5 years.

The following table presents all contractually fixed cash flows as of December 31, 2024 and December 31, 2023 for repayments, redemptions, and interest from recognized lease liabilities:

in EUR thousand	Carrying amount as of 31.12.2024	Less than 1 year	1 to 5 years	More than 5 years	Total
Lease liabilities	**1,316**	**691**	**707**	**0**	**1,398**

in EUR thousand	Carrying amount as of 31.12.2023	Less than 1 year	1 to 5 years	More than 5 years	Total
Lease liabilities	**3,409**	**1,573**	**3,044**	**0**	**4,617**

The sharp decline in recognized lease liabilities is due to the adjustment of the existing lease agreement for our building in Essen, carried out in the 2024 financial year.

Part of the efficiency strategy pursued is the aim of reducing the rental space and saving some of the corresponding rental expenses. In this context, not only was the previous lease at the Essen location modified in the 2024 financial year, but the 11 88 0 Group also concluded a new lease on September 2, 2024, which is expected to begin mid-2025. The start of the new lease is also associated with our physical relocation to the new building, also in Essen. EUR 282 thousand of the future cash outflows for this new leasie agreement are due within the next financial year and EUR 2,997 thousand are due in 1 to 5 years. At EUR 3,097 thousand in total, the majority of the lease liabilities are not due for more than 5 years.

Lease liabilities do not include short-term leases or leases with low-value assets. In the 2024 financial year, this resulted in expenses of EUR 114 thousand (previous year: EUR 135 thousand) for short-term leases and EUR 92 thousand (previous year: EUR 17 thousand) from leases of lesser value. The Group expects expenses to decrease slightly in 2025.

In the financial year, total lease payments amounted to EUR 1,393 thousand (previous year: EUR 1,556 thousand).

15. Other current liabilities

in EUR thousand	31.12.2024	31.12.2023
Contract liabilities	4,562	3,608
Value added tax liabilities	823	674
Loan liabilities to banks	128	188
Other liabilities	1,109	753
Total	**6,621**	**5,223**

Contract liabilities relate exclusively to payments received from customers prior to the provision of services in the area of digital business. These are recognized as revenue within the following twelve months, i.e. the outstanding performance obligations still to be rendered by the company correspond to the associated transaction price. In the financial year, revenue from contract liabilities that still existed as at 31 December 2023 was recognized in the amount of EUR 3,608 thousand at. The increase in this item was partly due to the increase in revenue from customers who opted for immediate payment at the beginning of the performance period

Other current liabilities mainly comprise lease incentives, refund liabilities, liabilities from wage and church taxes, as well as the solidarity surcharge. As at December 31, 2024, passive lease incentives amounting to EUR 410 thousand were reported, which have already been paid out in connection with the new rental agreement starting in 2025 and will reduce the right-of-use asset to be capitalized in the 2025 financial year. In the 2025 financial year, the company expects to receive further contractually agreed payments totaling EUR 615 thousand in this context.

Of the other current liabilities, an amount of EUR 128 thousand (2023: EUR 188 thousand) is attributable to financial liabilities. These are due within the next reporting year in the amount of EUR 128 thousand.

16. Pension obligations

There are defined contribution plans for the company pension scheme for employees of the 11 88 0 Solutions Group, and there are also defined benefit plans for former members of the Management Board.

16.1. Defined benefit plans

The defined benefit pension plans were individual commitments to company pension benefits (retirement, invalidity and surviving dependants' pensions) for former members of the Executive Board. The amount of the pension commitments from the defined benefit pension plans was mainly based on the length of service and the basic salary of the individual members of the Management Board.

Reinsurance policies were taken out to secure the respective pension benefits from the pension commitments and their benefits were pledged to the beneficiaries. The reinsurance policies with pledged claims to the beneficiaries were recognized as plan assets, as these are qualified insurance policies within the meaning of IAS 19.8. There were no legal or regulatory minimum funding requirements in Germany.

The actuarial valuations of the plan assets and the present value of the defined benefit obligation were carried out as at December 31 of the respective financial year, taking into account the following actuarial assumptions:

in %	2024	2023
Actuarial interest rate	3.56	3.60
Pension trend	1.00	1.00

The actuarial interest rate was determined on the basis of the yields achieved on the market on the balance sheet date for first-class, fixed-interest corporate bonds.

The Group recognized the following expenses and income relating to these defined benefit plans in the result for the period and in other comprehensive income:

in EUR thousand	2024	2023
Current service cost	-	-
Interest expense	-45	-47
Interest income	50	56
Expenses for defined benefit plans recognized in net income	**5**	**9**
Remeasurements recognized in other comprehensive income for defined benefit plans	**12**	**-9**

Interest expense and interest income were components of the financial result. The present value of the defined benefit obligation was calculated in accordance with IAS 19.67 using the projected unit credit method based on the biometric calculation principles of the Heubeck 2018 G mortality tables revised in 2018 and developed as follows:

in EUR thousand	2024	2023
Present value of defined benefit obligations as of 1 January	**1,265**	**1,109**
Interest expense	45	47
Current pension payments	-24	0
Actuarial gains (-) or losses (+) from changes in financial assumptions	8	107
Actuarial gains (-) or losses (+) from experience adjustments	-17	2
Present value of defined benefit obligations as of 31 December	**1,278**	**1,265**

The share of the present value of the defined benefit obligations attributable to retired beneficiaries amounted to EUR 1,278 thousand (2023: EUR 1,265 thousand).

The development of the fair value of the plan assets was as follows:

in EUR thousand	2024	2023
Fair value of plan assets as of 1 January	**1,383**	**1,342**
Interest income	50	56
Actuarial gains (+) or losses (-) excluding the amounts recognized in interest income	33	-15
Benefit payments from the plan	-17	-
Current pension payments	-24	-
Fair value of plan assets (before asset ceiling) as of 31 December	**1,426**	**1,383**

The plan assets are reinsurance policies with pledged claims to the beneficiaries. The insurance company's investments are broadly diversified in order to balance out price fluctuations as far as possible and generate stable income.

The present value of the defined benefit obligation and the fair value of the plan assets can be reconciled with the provision amount recognized in the balance sheet as follows:

Financial year ended on 31 December in EUR thousand	**2024**	2023
Present value of the defined benefit obligation	1,278	1,265
Fair value of the plan assets	-1,426	-1,383
Net assets (-) / liabilities (+)	**-148**	**-118**
Effects of the ceiling in IAS 19.57 (b) - asset ceiling	148	118
Net assets (-) / liabilities (+) recognized in the statement of financial position	**0**	**0**

In the financial year 2024, the asset ceiling in accordance with IAS 19.57 (b) results in a net asset / liability of EUR 0 thousand recognized in the balance sheet.

The reconciliation of the net obligation is summarized as follows:

	Present value of pension obligation EUR thousand	**Fair value of plan assets** EUR thousand	**Net asset value** EUR thousand
1 January 2024	**-1,265**	**1,265**	**-**
Interest expense (-) / interest income (+)	-45	50	5
Total amount recognized in profit or loss	**-45**	**50**	**5**
Return on plan assets excluding amounts included in interest (income)	-	33	33
Actuarial loss from the change in demographic assumptions	-	-	-
Actuarial loss from the change in financial assumptions	-8	-	-8
Experience adjustments	17	-	-17
Effects of the ceiling in IAS 19.57 (b) - asset ceiling	-	-30	-
Total amount recognized in other comprehensive income	**9**	**3**	**12**
Benefit payments from the plan	-	-17	-17
Current pension payments	24	-24	-
31 December 2024	**-1,278**	**1,278**	**-**

	Present value of pension obligation EUR thousand	**Fair value of plan assets** EUR thousand	**Net asset value** EUR thousand
1 January 2023	**-1,109**	**1,109**	**-**
Interest expense (-) / interest income (+)	-47	56	9
Total amount recognized in profit or loss	**-47**	**56**	**9**
Return on plan assets excluding amounts included in interest (income)	-	-15	-15
Actuarial loss from the change in demographic assumptions	-	-	-
Actuarial loss from the change in financial assumptions	-107	-	-107
Experience adjustments	-2	-	-2
Effects of the ceiling in IAS 19.57 (b) - asset ceiling	-	115	115
Total amount recognized in other comprehensive income	**-109**	**100**	**-9**
31 December 2023	**-1,265**	**1,265**	**-**

11 88 0 Solutions AG is exposed to risks in the defined benefit pension plans. Changes in actuarial assumptions, primarily a reduction in the discount rate, can lead to higher pension obligations. Significant underfunding may necessitate the payment of additional contributions by the company.

The Group continuously reviews the obligations arising from commitments to company pension benefits. One aim is to avoid significant underfunding. The 11 88 0 Solutions Group has not made any changes to the risk management process compared to the previous year.

The sensitivity of the present value of the defined benefit obligations to changes was as follows:

As of 31 December 2024		Effects on the obligation	
Assumptions	**Change in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.50 %	Decrease by 6.98 %	Increase by 7.80 %

As of 31 December 2023		Effects on the obligation	
Assumptions	**Change in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.50 %	Decrease by 7.14 %	Increase by 7.99 %

The projected unit credit method was used to calculate the sensitivity. Those changes were taken into account that are considered possible by the Group or that should enable a statement to be made on the assessment of the impact on the present value of the defined benefit obligations. Worst or best-case scenarios were not included in the sensitivity analysis.

The observation horizon for possible changes in assumptions as part of the sensitivity analysis covered the period up to 31 December 2024 (previous year: up to 31 December 2023).

As part of the sensitivity analysis, the actuarial interest rate was identified as a key parameter influencing the present value of the defined benefit obligations. The Group does not expect to make any contributions to defined benefit pension plans for the financial year 2024 .

The weighted average duration of the defined benefit plans is 15 years.

There are no significant uncertainties with regard to the payment date.

16.2. Defined contribution plans

The Group granted post-employment benefits to almost all employees in the form of defined contribution plans. In this context, the 11 88 0 Solutions Group also offered its employees a contribution to an employee-financed pension plan. The amount of the subsidy was based on the contributions paid by the employees themselves.

The contributions to the above-mentioned defined contribution plans, including current subsidy payments, recognized in profit or loss amounted to EUR 14 thousand (2023 : EUR 18 thousand); of this amount, EUR 1 thousand (2023: EUR 4 thousand) was attributable to contributions for former members of the Management Board.

Contributions to statutory pension insurance amounted to EUR 1,843 thousand in the financial year (2023: EUR 1,930 thousand).

17. Other non-current liabilities / liabilities to banks

Non-current liabilities to banks break down as follows:

in EUR thousand	31.12.2024	31.12.2023
Bank loans		
Non-current	0	94
Total	**0**	**94**

Other non-current liabilities amounting to EUR 0 thousand (2023: EUR 94 thousand) as at December 31, 2023 exclusively included non-current loan liabilities to banks. As the entire contractual term ends on June 30, 2025, the remaining debt of EUR 93 thousand is reported under current liabilities in the reporting year.

18. Liabilities to Group companies

In the 2022 financial year, the 11 88 0 Solutions Group took out an unsecured loan of EUR 2,000 thousand from the parent company, united vertical media GmbH, Nuremberg, with a term of five years. The loan is reported in the balance sheet under liabilities to Group companies. The loan was taken out at a market interest rate of 6.1 % p.a. and is due in one lump sum on May 31, 2027. The interest expense amounted to EUR 122 thousand in the financial year 2024 (2023: EUR 122 thousand) and was paid in December 2024.

19. Equity

19.1. Subscribed capital

As at the balance sheet date, the subscribed capital of 11 88 0 Solutions AG was divided into 26,232,200 (2023: 26,232,200) no-par value shares, each with a notional share capital of EUR 1.00 per share. All no-par value shares issued by the company were fully paid up. As at December 31,2024 , the number of shares in circulation was 26,232,200 (2023: 26,232,200 shares).

By resolution of the Annual General Meeting on 19 June 2024, the Management Board is authorized, with the approval of the Supervisory Board, to increase the company's share capital on one or more occasions in the period up to 18 June 2029 by a total of up to EUR 13,116,100.00 by issuing up to 13,116,100 new no-par value bearer shares against cash and / or non-cash contributions (**Authorized Capital 2024**). The shareholders must generally be granted subscription rights. The subscription right can also be granted to shareholders indirectly in accordance with Section 186 (5) AktG. The Executive Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in full or in part in certain cases.

The share capital is conditionally increased by up to EUR 10,492,880.00 by issuing up to 10,492,880 new no-par value bearer shares (**Conditional Capital 2024/I**). The conditional capital increase serves to service bonds issued on the basis of the authorization resolution of the Annual General Meeting on 19 June 2024 under agenda item 7 lit. b). The new shares participate in profits from the beginning of the financial year in which they are created; to the extent permitted by law, the Management Board may, with the approval of the Supervisory Board, determine the profit participation of new shares for a financial year that has already expired, in deviation from Section 60 para. 2 AktG.

The company's share capital is conditionally increased by up to EUR 5,246,440.00 by issuing up to 5,246,440 new no-par value bearer shares (**Conditional Capital 2024/II**). The conditional capital increase serves exclusively to service subscription rights from share options issued by the company until 18 June 2029 on the basis of the authorization of the Annual General Meeting on 19 June 2024 in accordance with agenda item 8 lit. b).

19.2. Capital reserve

As at December 31,2024 , the capital reserve amounted to EUR 34,300 thousand (2023: EUR 34,300 thousand).

19.3. Accumulated deficit

The consolidated balance sheet loss developed as follows:

in EUR thousand	
Accumulated deficit as of 1 January 2023	**-52,776**
Net income (loss) for the 2023 financial year	-4,294
Accumulated deficit as of 31 December 2023	**-57,071**
Accumulated deficit as of 1 January 2024	**-57,071**
Net income (loss) for the 2024 financial year	435
Accumulated deficit as of 31 December 2024	**-56,635**

19.4. Other components of equity

As at the balance sheet date, other equity components amounted to EUR -1 thousand (previous year: EUR -12 thousand). The development is as follows:

in EUR thousand	
Other components of equity as of 1 January 2023	**1**
Actuarial losses from pensions and similar obligations of EUR 13 thousand less deferred taxes of EUR 1 thousand	-13
Other components of equity as of 31 December 2023	**-12**
Actuarial gains from pensions and similar obligations in the amount of EUR 15 thousand and losses from deferred taxes in the amount of EUR 4 thousand	11
Other components of equity as of 31 December 2024	**-1**

For the change in presentation of actuarial gains and losses in other components of equity, see the corresponding section on pension obligations.

Other notes and disclosures

1. Cash flow statement

The liquidity effect on the change in financial liabilities is as follows:

in EUR thousand	January 1, 2024	of which cash	of which non-cash	December 31, 2024
Lease liabilities	3,409	-1,393	-701	1,315
Liabilities to banks*	281	-188	34	128
Liabilities to Group companies	2,000	-122	122	2,000
December 31, 2024	**5,690**	**-1,703**	**-545**	**3,443**

* In addition, interest of EUR 3 thousand was paid.

in EUR thousand	January 1, 2023	of which cash**	of which non-cash	December 31, 2023
Lease liabilities	4,473	-1,556	492	3,409
Liabilities to banks*	468	-188	0	281
Other financial liabilities of Ormigo GmbH	0	-102	102	0
Liabilities to Group companies	2,044	-166	122	2,000
December 31, 2023	**6,985**	**-2,012**	**716**	**5,690**

* In addition, interest of EUR 11 thousand was paid.

** The remaining interest payments of EUR 14 thousand resulted from other interest-bearing liabilities.

2. Operating segments

The Management Board of 11880 Solutions AG, as the Group's main decision-maker, reviews the Group's results based on weekly and monthly reports and makes key corporate decisions on this basis.

For the purposes of internal reporting and corporate management, the 11880 Solutions Group divided its activities into two operating segments: Digital and Directory Assistance.

In the Digital segment, the 11880 Solutions Group generates revenue with small and medium-sized enterprises. The Group offers online marketing services in Germany. The core services of FAIRRANK GmbH, Cologne, include search engine optimization (SEO), online advertising and usability optimization. Ormigo GmbH, Cologne, offers services as part of the pay-per-lead business. For the purposes of internal reporting and corporate management, the activities of Fairrank GmbH and Ormigo GmbH were allocated to the Digital segment. The Digital segment also includes the software solutions product area, which comprises digital telephone and business directories on CD-ROM and as intranet or database solutions.

In the directory assistance segment, revenues are generated exclusively with end customers or private customers in Germany. These customers independently call our directory assistance numbers, where users are offered information and directory assistance services. This segment also includes third-party call center business. Here, too, a user (customers of our customers in third-party business) actively seeks contact with our employees. The connecting element is that the employees in this segment serve both customer groups.

Costs that are directly attributable to the respective revenue generation and product development are allocated to the segments and include all personnel, technical, rental and license expenses required to manage the segments. Costs that are not directly attributable are allocated to the segments using a key that is regularly reviewed and takes actual utilization into account.

The prevailing measurement standards used by the Executive Board were consistent with those used in the Group's consolidated financial statements and have been presented in this report on the same basis.

The key performance indicators for the two segments in the operating business were sales revenue and the earnings indicator EBITDA (earnings before interest, taxes, depreciation and amortization).

There were no intersegment or third-country revenues in the current financial year or in the previous year.

No capital allocation of liabilities and assets to the individual segments was made, as the measurement of assets and liabilities per segment is not part of the regular reporting to management. Furthermore, for the same reason, cash flow was not calculated on a segment basis.

Financial year ended on 31 December 2024 in EUR thousand	Digital	Directory assistance	Group
Revenues			
Revenue from transactions with external customers	44,249	11,394	55,643
Of which period-related	43,519	86	43,605
Of which time-related	730	11,308	12,038
Total revenues	**44,249**	**11,394**	**55,643**
Cost of revenues	-22,223	-10,458	-32,681
Selling and distribution costs	-11,267	-281	-11,548
General administrative expenses, Other operating income / expenses	-8,575	-730	-9,305
Impairment losses on receivables	-2,778	-163	-2,941
Operating result	**-594**	**-238**	**-832**
Depreciation and amortization	4,237	318	4,555
EBITDA	**3,815**	**80**	**3,895**
Interest income	39	48	87
Interest expenses	-206	-96	-302
Currency gains/losses	0	0	0
Earnings before taxes	**-708**	**-339**	**-1,046**
Assets and liabilities			
Segment assets			20,035
Segment liabilities			16,137
Other segment information			
Depreciation of property and equipment	202	33	235
Amortization of intangible assets	3,200	3	3,202
Amortization of capitalized right-of-use assets	835	283	1,118

Financial year ended on 31 December 2023 in EUR thousand	Digital	Directory assistance	Group
Revenues			
Revenue from transactions with external customers	44,793	12,261	**57,054**
Of which period-related	43,942	94	**44,036**
Of which time-related	850	12,167	**13,017**
Total revenues	**44,793**	**12,261**	**57,054**
Cost of revenues	-22,459	-11,120	**-33,579**
Selling and distribution costs	-12,701	-247	**-12,948**
General administrative expenses, Other operating income / expenses	-8,974	-1,036	**-10,009**
Impairment losses on receivables	-3,295	-186	**-3,481**
Operating result	**-2,636**	**-328**	**-2,963**
Depreciation and amortization	5,014	344	**5,357**
EBITDA	**2,621**	**17**	**2,638**
Interest income	53	4	**57**
Interest expenses	-335	-41	**-376**
Other financial income / financial costs	0	0	**0**
Currency gains / losses	-1	0	**-1**
Earnings before income taxes	**-2,869**	**-415**	**-3,283**
Assets and liabilities			
Segment assets			**20,854**
Segment liabilities			**17,404**
Other segment information			
Depreciation of property and equipment	218	30	**247**
Amortization of intangible assets	3,789	16	**3,804**
Amortization of capitalized right-of-use assets	1,008	299	**1,307**

3. Share-based payment

The Management Board of 11 88 0 Solutions AG is entitled to variable remuneration each financial year, the value of which depends on the achievement of targets in accordance with personal target agreements. The amount of the variable remuneration is determined individually. The variable remuneration is made up of performance-related and qualitative components. Part of the annual performance-related variable remuneration is converted into virtual shares in 11 88 0 Solutions AG as long-term variable remuneration (deferrals), which are paid out after a holding period of two years.

The conversion into virtual shares takes place as part of the determination of target achievement, immediately after the annual financial statements for the respective financial year for which the targets were agreed have been approved. The relevant share price of the virtual shares at the time of conversion is the arithmetic mean of the closing prices of the shares of 11 88 0 Solutions AG in Xetra trading on the Frankfurt Stock Exchange on the trading days in the last three months prior to the adoption of the annual financial statements for the financial year for which the targets were agreed. The number of virtual shares granted for a financial year is therefore not determined until the following year.

After a holding period of two years following conversion into virtual shares, the value of the virtual shares is determined and paid out. The amount of the payout is determined by the arithmetic mean of the closing prices of the 11 88 0 Solutions share in Xetra trading on the Frankfurt Stock Exchange on the trading days in the last three months prior to the adoption of the annual financial statements for the financial year after next. Any dividends distributed to shareholders during the holding period are added to the value calculated in this way. The amount to be paid out thereafter is limited to 120 % of the initial value upon conversion and reduced to EUR 0 if the virtual shares only have 50 % of their original value.

In the 2024 financial year, personnel expenses of EUR 34 thousand (2023: EUR 42 thousand) were recognized for the long-term variable remuneration of the Management Board (deferrals). The obligation amount of virtual shares is derived from the market price of the 11 88 0 Solutions share on the measurement date.

4. Other financial obligations and claims

The future minimum expenses for non-cancellable contracts with original terms of one year or more, excluding lease liabilities already recognized in accordance with IFRS 16, are as follows:

in EUR thousand	Reporting date December 31, 2024 Obligations from			Reporting date December 31, 2023 Obligations from		
Maturity	Rental and lease contracts	Marketing and IT service contracts	Consulting and other service contracts	Rental and lease contracts	Marketing and IT service contracts	Consulting and other service contracts
Up to 1 year	624	162	1,530	1,579	217	1,518
Between 1 and 5 years	520	1	636	2,713	69	1,016
Total	**1,144**	**163**	**2,165**	**4,292**	**286**	**2,534**

Unlike in the previous year, future financial obligations related to the rental of server capacity are no longer reported under rental and lease agreements in the financial year. These contracts are concluded for an indefinite period but can be terminated or modified by the company at any time. In the 2024 financial year, expenses of EUR 560 thousand were incurred under these contracts.

The Group expects cash outflows of EUR 114 thousand from short-term leases in 2024. The Group expects payments totaling around EUR 92 thousand from leases with low-value assets. The cash outflow is expected in 2025.

5. Contingent liabilities and commitments

Contingent liabilities represent a possible obligation whose existence depends on the occurrence of one or more uncertain events, or a present obligation whose payment is not probable or the amount of the obligation cannot be estimated with sufficient reliability.

As at the balance sheet date, the Group companies were only involved in one court case in which it was the defendant (passive litigation).

There were no significant contingent liabilities as at the reporting date.

6. Number of employees

The number of employees for the 11 88 0 Solutions Group is shown below. The Management Board was not included in the calculation.

Financial year 2024	Reporting date December 31, 2024		Annual average	
11 88 0 Solutions Group	absolute	in full-time equivalents	absolute	in full-time equivalents
In total	485	434	483	433
of which operators and sales	275	231	269	226
of which administration	210	203	214	207

Financial year 2023	Reporting date December 31, 2023		Annual average	
11 88 0 Solutions Group	absolute	in full-time equivalents	absolute	in full-time equivalents
In total	514	461	531	477
of which operators and sales	285	238	298	250
of which administration	229	223	233	227

7. Auditor's fees

The expenses recognized in the income statement for the auditor's fee of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Essen, for the audit of the consolidated financial statements as well as the audit of the financial statements of 11 88 0 Solutions AG and one subsidiary break down as follows:

in EUR thousand	2024	2023
Audits of financial statements	334	290
Incidental costs audits of financial statements	8	8
Total	**342**	**298**

8. Financial risks

The Group had various financial assets such as trade receivables and cash and cash equivalents.

The Group's financial liabilities mainly comprised trade accounts payable, short-term accrued liabilities (outstanding invoices), liabilities to Group companies, lease liabilities, other current liabilities to financial institutions and available overdraft facilities, which were not utilized in the financial year 2024.

For information on existing overdraft facilities, please refer to Note 1 in the notes to the consolidated balance sheet and for information on existing credit lines from the parent company, united vertical media GmbH, Nuremberg, please refer to Note 10 Related party transactions in Other notes to the consolidated financial statements.

As part of its business activities, the 11880 Solutions Group is exposed to various financial risks: default risk, liquidity risk and market risks, which are explained in more detail below. Detailed information on risk management and the management of risks is provided in the Group management report in the "Opportunity and risk management" section.

8.1. Credit risk

The Group assumes that a financial asset is in full default if contractual payments are 360 days overdue. In certain cases, the Group may also assume that a financial asset is in default if internal or external information indicates that it is unlikely that the Group will receive the outstanding contractual amounts in full before all of the credit collateral it holds is taken into account. A financial asset is written down if there is no reasonable expectation that the contractual cash flows will be realized.

The maximum default risk on the balance sheet date for the following classes of financial assets corresponds to the respective carrying amount.

The cash and cash equivalents of the 11880 Solutions Group are denominated exclusively in euros and are held at reputable German financial institutions. The Group continuously monitors its positions with financial institutions and the creditworthiness of the financial institutions and sees a very low risk of non-performance.

The trade receivables reported in the balance sheet are net of impairments, which are calculated using the simplified method in accordance with IFRS 9. This involves determining the expected credit losses over the entire term of the financial instruments. The determination of expected credit losses is based on analyses of historical default rates, age structures, current developments in the economic environment and the creditworthiness of customers. With regard to the default risk position of trade receivables, please refer to the disclosures under "Trade receivables" in the notes.

If an impaired credit rating is determined in the event of individual circumstances and risk indications (e.g. conspicuous deterioration in payment behavior or insolvency filing), individual value adjustments are made. If it can no longer be assumed that a trade receivable will be settled in full or in part (e.g. existence of an affidavit or statute of limitations, unsuccessful collection proceedings or termination of insolvency proceedings), the financial instrument is derecognized. If the reasons for an individual impairment no longer apply, reversals of impairment losses are recognized in profit or loss.

In the directory assistance business, the Group concludes transactions with carriers that are characterized by a high credit rating or with customers that are historically characterized by low bad debt losses due to their broad portfolio. Based on years of experience, the amount of these bad debt losses is easy for the company to plan.

In the digital business, customers are primarily made up of small and medium-sized businesses. There is a significantly higher risk of default here, which is taken into account by a professional debt collection process that is reviewed and optimized at regular intervals. Overdue trade receivables are passed on to a debt collection company by means of reminders and phone calls after going through an internal dunning process. A full value adjustment is made if no payment has been made after 360 days (previous year: 360 days).

All major customers are subject to a credit check and receivables are monitored on an ongoing basis. To ensure an efficient dunning process, the Group will also deploy an internal dunning call team in the 2024 financial year. Default risks are taken into account by means of individual value adjustments and value adjustments on a portfolio basis, based on the expected credit losses over the term.

BT (Germany) GmbH & Co. OHG (BT for short) is a very important business partner for 11 88 0 Solutions AG. 11 88 0 Solutions AG uses BT as a transit carrier for the routing of all calls in the area of traditional directory assistance and third-party call center business. All standardized security and emergency concepts are guaranteed and adhered to by BT. As another important business partner, Deutsche Telekom AG provides the subscriber data required for the telephone directory assistance services and the software area. Should BT or DTAG no longer meet their contractual obligations, this could have a negative impact on the company's operating result. However, due to the financial and earnings power of DTAG and BT, the obligations arising from the deregulation of the telecommunications market and the existing emergency plans, this is not expected from today's perspective. Outsourcing customers are billed directly both in Germany and in other European countries.

8.2. Liquidity risk

Liquidity risk is the risk that a company will have difficulties in meeting its obligations arising from financial liabilities. Liquidity risk is managed at Group level. It is ensured that the Group always has sufficient cash and cash equivalents to meet its payment obligations. Cash and cash equivalents are the key control parameter.

In the current financial year, the Group reported trade payables, liabilities to Group companies, lease liabilities, accrued short-term liabilities (outstanding invoices), as well as current financial liabilities to banks as financial liabilities. These amounted to EUR 6,359 thousand as at December 31, 2024 (2023: EUR 2,781 thousand). Trade account payable were due in full within a period of 14 to 60 days. Current financial liabilities amounting to EUR 93 thousand have a term until June 30, 2025 and are to be repaid quarterly in the amount of EUR 47 thousand. Non-current liabilities to Group companies have a term until May 31, 2027 and are due in the amount of EUR 2 million. Further information on trade payables, short-term accrued liabilities (outstanding invoices) as well as current and non-current financial liabilities and non-current liabilities to Group companies can be found in the corresponding disclosures in the "Notes to the consolidated balance sheet" section. Details of transactions with related parties are presented in the section "Other notes to the consolidated balance sheet".

The declining call volume in the directory assistance business, which makes a significant contribution to the company's earnings, continues to increase the pressure for an accelerated improvement in profitability in the Digital segment. Sufficient liquidity is to be ensured with the help of efficiency-enhancing measures, particularly in sales, as well as sustainable cost discipline. To ensure sufficient liquidity for the 11 88 0 Solutions Group, the parent company, united vertical media GmbH, Nuremberg, has granted an additional credit line of EUR 2 million. If necessary, the credit line can be drawn down at short notice to the extent required until March 31, 2026 and is repayable by December 31, 2028. Further information and estimates on the assessment of liquidity risk can be found in the Group management report in the report on "Opportunity and risk management".

The future cash outflows from financial liabilities as at December 31,2024 are presented below:

Cash outflow in EUR thousand > 1-5 years	Cash outflow in EUR thousand > 5 years
2,608	0

As of December 31, 2023, cash outflows from financial liabilities due within 1 to 5 years amounted to EUR 4,131 thousand. There were no cash outflows with maturities exceeding 5 years in the previous year.

The expected cash outflow, which will take place within the next 12 months, is attributable to the current lease liabilities, trade payables, liabilities for outstanding invoices, and the current liabilities to credit institutions, which are reported under other current liabilities, in the total amount of EUR 938 thousand (previous year: EUR 1,560 thousand). In addition, an expected cash outflow within the next 12 months arises from accrued short-term liabilities (outstanding invoices) in the amount of EUR 2,724 thousand (previous year: EUR 2,906 thousand).

8.3. Currency risk

The main business transactions of the 11 88 0 Solutions Group are conducted in euros within Europe. Only a small proportion of procurement transactions are conducted in other currencies, the amounts of which can be classified as insignificant, meaning that there is no currency risk.

8.4. Interest rate risk

There is only a very low interest rate risk for the Group.

9. Capital management

The object of capital management is equity according to the consolidated balance sheet.

The primary objective of the Group's capital management is to ensure that it maintains a high credit rating and an appropriate return on equity in order to support its business activities and maximize shareholder value.

The Group manages its capital structure and makes adjustments in line with changes in the economic environment. In order to maintain or adjust the capital structure, the Group can adjust dividend payments to shareholders or repay capital to shareholders and also issue new shares.

The equity ratio (equity in relation to total assets) was 17.8 % as at December 31,2024 (2023: 16.5 %).

No changes were made to the objectives, guidelines and procedures for managing capital compared to the previous year.

10. Business transactions with related companies and persons

As at 31 December 2024, 11880 Solutions AG, Essen, held a majority stake of 100 % in 11880 Internet Services AG, Essen, which in turn holds a 100 % stake in WerWieWas GmbH, Essen. In the 2020 financial year, 11880 Solutions AG directly acquired 100 % of the shares in FAIRRANK GmbH, Cologne, and indirectly acquired 100 % of the shares in its subsidiary Seitwert GmbH, Cologne. In the 2023 financial year, 11880 Solutions AG acquired 100 % of the shares in Ormigo GmbH, Cologne, with effect from September 1. According to the most recent notification dated September 16, 2019, united vertical media GmbH, Nuremberg (Nuremberg Local Court, HRB 28744), holds 73.2 % of 11880 Solutions AG pursuant to Section 40 (1) of the German Securities Trading Act (WpHG). Based on our assessment as of the reporting date, united vertical media GmbH and its affiliated companies collectively hold 73.0 % of the shares. The company is included in the consolidated financial statements of united vertical media GmbH, prepared in accordance with the German Commercial Code (HGB), as part of full consolidation. The consolidated financial statements are published in the company register.

Transactions between 11880 Solutions AG and its subsidiaries, which are to be regarded as related parties, have been eliminated through consolidation and are not explained in these notes.

In the 2022 financial year, 11880 Internet Services AG took out an unsecured loan of EUR 2,000 thousand from the parent company, united vertical media GmbH, Nuremberg, with a term of five years. The loan is reported in the balance sheet under liabilities to Group companies. The loan was taken out at a market interest rate of 6.1 % p.a. and is due in one lump sum on May 31, 2027. The interest expense amounted to EUR 122 thousand in the financial year 2024.

In addition, the parent company united vertical media GmbH granted 11880 Internet Services AG a further credit line of EUR 2 million in March 2023 to ensure sufficient liquidity. With Addendum 03 dated January 20, 2025, the previous limitation of the drawdown period until March 31, 2025 in accordance with Addendum 02 is canceled and replaced by a limitation of the drawdown period until March 31, 2026. The loan must be repaid by December 31, 2028. The other conditions correspond to those agreed for the existing loan. The credit line was not utilized during the reporting period.

10.1. Transactions with related parties (persons)

Related parties include the members of the Management Board and the Supervisory Board. There were no transactions between the 11880 Solutions Group and members of the Management Board and Supervisory Board that go beyond the existing employment, service or appointment relationship or the contractual remuneration for this.

In the financial year 2024 , a member of the management of the largest shareholder, united vertical media GmbH, Nuremberg, was a member of the Supervisory Board of 11880 Solutions AG. This Supervisory Board member was entitled to Supervisory Board remuneration of EUR 25 thousand (previous year: EUR 25 thousand) for the financial year 2024, which was recognized accordingly as a current liability.

10.2. Remuneration of persons in key management and Supervisory Board positions

The management consists of a sole member of the Management Board. The expenses for the remuneration of the Management Board recognized in the consolidated income statement are presented below:

	Management Board	
in EUR thousand	**2024**	2023
Fixed remuneration - Short-term remuneration	440	440
Fringe benefits	44	39
Total	**484**	**479**
One-year variable remuneration (excluding deferral), bonus - Short-term variable remuneration	106	106
Multi-year variable remuneration (deferral - 2 years) - Share-based payment	34	42
LTI (annual share, at least 5 or 3 years)	167	80
Total	**307**	**228**
Total remuneration	**791**	**707**

The total remuneration of the members of the Management Board of 11 88 0 Solutions AG is generally made up of monetary remuneration components which are divided into non-performance-related and performance-related components. The non-performance-related components consist of fixed remuneration components and fringe benefits as well as pension commitments. Performance-related components comprise variable remuneration components.

The fixed salary, as basic remuneration independent of annual performance, is paid monthly as a salary and is based on an income plan determined by the Supervisory Board. It takes into account the situation and medium-term objectives of the company and the relevant criteria in accordance with Section 87 (1) AktG and the German Corporate Governance Code.

Variable remuneration components are capped in terms of amount and are made up of performance-related and qualitative components. The performance-related components have a multi-year focus in order to take into account the sustainable development of the company.

Other components of total remuneration include, where contractually agreed, pension commitments, other commitments, in particular in the event of termination of employment, fringe benefits of all kinds and benefits from third parties that were promised or granted in the financial year with regard to the Management Board activities.

The variable, performance-related remuneration components consist of short-term variable components in the form of an annual bonus and long-term variable components in the form of bonuses based on long-term performance criteria (“**LTI bonus**”). The variable remuneration components are capped in terms of amount and are made up of performance-related and qualitative components. The performance-related components are aligned over several years in order to take into account the sustainable development of the company, 60 % of the short-term annual variable remuneration consists of a performance bonus for the achievement of financial targets (“performance bonus”) and 40 % of a bonus for the achievement of non-financial targets (“qualitative bonus”). For further information on share-based payment, please refer to the disclosures under “Other notes” and the disclosures in the notes to the consolidated financial statements under “Share-based payment”. The provisions for future share-based payments for the years 2020 to 2024 amounted to EUR 76 thousand as at December 31, 2024 (2023: EUR 42 thousand) and were reported under other non-current provisions. As at December 31, 2024, there were, in connection with other non-share-based short-term variable compensation components, outstanding items amounting to EUR 106 thousand (previous year: EUR 106 thousand).

The LTI bonus is intended to promote the Management Board’s long-term commitment to the company and its sustainable growth. The bonus consists of three project-based components (Appreciation Value Bonus, Cash Generation Bonus, and Growth Bonus), each of which is subject to a maximum monetary cap. The LTI bonus is set to run for five years and, provided all the necessary conditions are met, is due for payment within thirty business days of approval of the audited consolidated financial statements. As at December 31, 2024, outstanding items in this context amounted to EUR 567 thousand (previous year: EUR 400 thousand).

No remuneration was paid to former members of the Executive Board in the 2024 financial year.

As at December 31,2024, provisions of EUR 1,278 thousand (2023: EUR 1,265 thousand) were set aside for pension obligations to former members of the Executive Board and their surviving dependants. Further information on pension commitments can be found in the notes to the consolidated balance sheet.

In addition to reimbursement of expenses, the members of the Supervisory Board receive a fixed remuneration. The remuneration of the Supervisory Board for the financial year 2024 amounted to EUR 136 thousand (2023: EUR 136 thousand) and is reported in full under current liabilities. This does not include any defined contribution pension entitlements.

Remuneration paid to employee representatives on the Supervisory Board for work performed outside of their Supervisory Board activities is in line with market conditions.

11. Disclosure regarding the corporate bodies of 11 88 0 Solutions AG

11.1. Supervisory Board of 11 88 0 Solutions AG

	Supervisory Board member since / occupation	Additional positions in the financial year
Dr. Michael Wiesbrock	Chairman of the Supervisory Board since June 25, 2014, Lawyer / Partner, Flick Gocke Schaumburg, Frankfurt / Main	none
Mr. Michael Amtmann	Member of the Supervisory Board since June 12, 2019 and Vice Chairman of the Supervisory Board since June 14, 2022, Managing Director of united vertical media GmbH, Nuremberg	none
Mr. Ralf Ruhrmann	Member of the Supervisory Board since June 12, 2018, Auditor, tax advisor and partner, RLT Ruhrmann Tieben & Partner mbB, Essen	none
Dr. Silke Feige	Member of the Supervisory Board since June 14, 2022, Head of committee and staff work, ZBI GmbH, Erlangen	none
Ms. Sandy Jurkschat (*)	Member of the Supervisory Board since June 12, 2019, Senior Project and Process Manager, 11 88 0 Internet Services AG, Essen	none
Mr. Leonard Kiedrowski (*)	Member of the Supervisory Board since June 12, 2019, Head of IT Service Desk, 11 88 0 Internet Services AG, Essen	none

(*) Employee representative

The Supervisory Board of 11 88 0 Solutions AG is formed in accordance with the provisions of Sections 96 (1), 101 (1) AktG in conjunction with Sections 1 (1), 2 (1), 3, 4 et seq. Drittelbeteiligungsgesetz (German One-Third Participation Act) and, in accordance with section 4.1 (1) of the Articles of Association of 11 88 0 Solutions AG, consists of four members elected by the Annual General Meeting and two members elected by the employees.

11.2. Management Board of 11 88 0 Solutions AG

		(Supervisory Board) positions in the financial year
Mr. Christian Maar	Member of the Management Board since June 24, 2015, Business manager, Essen	none

12. Utilization of exemption provisions pursuant to Section 264 (3) HGB

The following subsidiary included in the consolidated financial statements of 11 88 0 Solutions AG made use of the exemption provision of Section 264 (3) HGB for the financial year from January 1, 2024 to December 31, 2024

- 11 88 0 Internet Services AG, Essen

13. Report on post-balance sheet date events

In March 2023, united vertical media GmbH, Nuremberg, granted the 11 88 0 Solutions Group a further credit line of EUR 2.0 million to ensure sufficient liquidity. If necessary, the credit line could be drawn down at short notice to the extent required until March 31, 2025 and is repayable by December 31, 2026. With the addendum dated January 20, 2025, the previous term of the drawdown period was extended until March 31, 2026. In addition, the loan must now be repaid by December 31, 2028. For further details, please refer to the other disclosures in the notes to the consolidated financial statements in the section “Related party transactions”.

There were no other reportable events of particular significance that occurred between the end of the financial year and the date of preparation of the consolidated financial statements.

14. German Corporate Governance Code

The German Corporate Governance Code was adopted by the “Government Commission on the German Corporate Governance Code” on February 26, 2002 and has since been revised several times. The current version of the GCGC dated April 28, 2022 came into force with its publication in the Federal Gazette on June 27, 2022. It sets out key legal requirements for the management and supervision of German listed companies (corporate governance) and contains internationally and nationally recognized standards for good, responsible and sustainable corporate governance.

The joint declaration of compliance with the German Corporate Governance Code by the Management Board and Supervisory Board of 11 88 0 Solutions AG pursuant to Section 161 AktG was issued in March 2025. The exact wording of the declaration can be viewed at https://ir.11880.com/corporate-governance/entsprechenserklaerung.

Essen, April 23, 2025

Christian Maar

Christian Maar
Management Board

Independent auditor's report

To 11 88 0 Solutions AG, Essen

Report on the audit of the consolidated financial statements and of the group management report

Audit Opinions

We have audited the consolidated financial statements of 11 88 0 Solutions AG, Essen, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of 11 88 0 Solutions AG, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024. In accordance with German legal requirements, we have not audited the content of the subsection "Overall statement by the Executive Board on the risk management system of the 11 88 0 Solutions Group" in section "9. Opportunity and risk management" of the Group management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the abovementioned subsection.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

1 Revenue Recognition

Our presentation of this key audit matter has been structured as follows:

(1) Matter and issue
(2) Audit approach and findings
(3) Reference to further information

Hereinafter we present the key audit matter:

1 Revenue Recognition

(1) In the consolidated financial statements of 11 88 0 Solutions AG, revenue of € 55.6 million is recognized in the consolidated income statement. The key streams of revenue presented in the consolidated financial statements stem from services the Company offers to give small and medium-sized enterprises an online presence and to provide access to data in digital telephone book and yellow pages, directory assistance services, and call center and secretarial services. This significant item in terms of its amount is subject to a particular risk of an accounting misstatement due to the complexity of the systems required for accurately recognizing and deferring various streams of revenue. In addition, IFRS 15 "Revenue from Contracts with Customers " requires the executive officers to make estimates and judgments in certain areas and contains extensive disclosure requirements. Against this background, the recognition of revenue was of particular significance in the context of our audit.

(2) In the knowledge that the complexity and the need to make estimates and assumptions give rise to an increased risk of accounting misstatements, as part of our audit we initially assessed the processes and controls put in place by the Group, including the IT systems used for the purposes of revenue recognition. Our audit approach included testing of the controls and substantive audit procedures. This included an assessment of the IT system environment for invoicing and measurement, other relevant systems supporting the accounting treatment of revenue, and the invoicing and measurement systems up to entries in the general ledger. We then reviewed customer invoices and receipts of payment on a test basis and obtained balance confirmations for business customers. Based on a review of customer contracts, we verified the identification of performance obligations and assessed whether these services are performed over time or at a point in time. We assessed the appropriateness of the procedures used and the estimates and judgments made by the executive directors with respect to the recognition and deferment of revenue, and assessed wether the disclosures in the notes to the financial statements were complete and appropriate. We were able to satisfy ourselves that the systems, processes and controls in place are appropriate and that the estimates and assumptions made by the executive directors are sufficiently documented and substantiated to ensure that revenue is properly accounted for.

(2) The Company's disclosures relating to revenue as presented in 11 88 0 Solutions AG´s consolidated financial statements are contained in the sections "Summary of significant accounting policies", "Material estimates and discretionary decisions" and in section "1. Revenues" of the chapter "Notes to the Consolidated Income Statement" of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the subsection "Overall statement by the Executive Board on the risk management system of the 11 88 0 Solutions Group" in section "9. Opportunity and risk management" of the Group management report as a non-audited component of the group management report.

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- the separate non-financial report to comply with §§ 289b to 289e HGB and with §§ 315b to 315c HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file 11880_Solutions_AG_KA_ZLB_ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 19 June 2024. We were engaged by the supervisory board on 26 August 2024. We have been the group auditor of the 11 88 0 Solutions AG, Essen, without interruption since the financial year 2019.

We declare that the audit opinions expressed in this auditor’s report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Reference to an other matter – use of the auditor’s report

Our auditor’s report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the “Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB” and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Philip Meyer zu Spradow.

Essen, 23 April 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Michael Preiß	Philip Meyer zu Spradow
Wirtschaftsprüfer	Wirtschaftsprüfer

Corporate Information

Company headquarters
11 88 0 Solutions AG
Hohenzollernstraße 24
45128 Essen
Germany
Phone: +49 (0)201 8099-0
Fax: +49 (0)201 8099-999

Legal Form: Aktiengesellschaft
Register Office: Amtsgericht Essen HRB 114518

USt-ID-Nr.: DE 182 755 407
Tax Number: 112/5965/1276

11 88 0 on the internet
More information on 11 88 0 Internet Services AG and 11 88 0 Solutions AG can be found on our website: www.11880.com

Information about single brands and subsidiaries are available at: www.11880.com

PDF files of our Annual Report as well as interim reports, Investor Presentations and general investor information are available on our website in the section Investor Relations / Reports and can be downloaded in both German and English.

To recieve an investor package or request other information please contact our Investor Relations department at

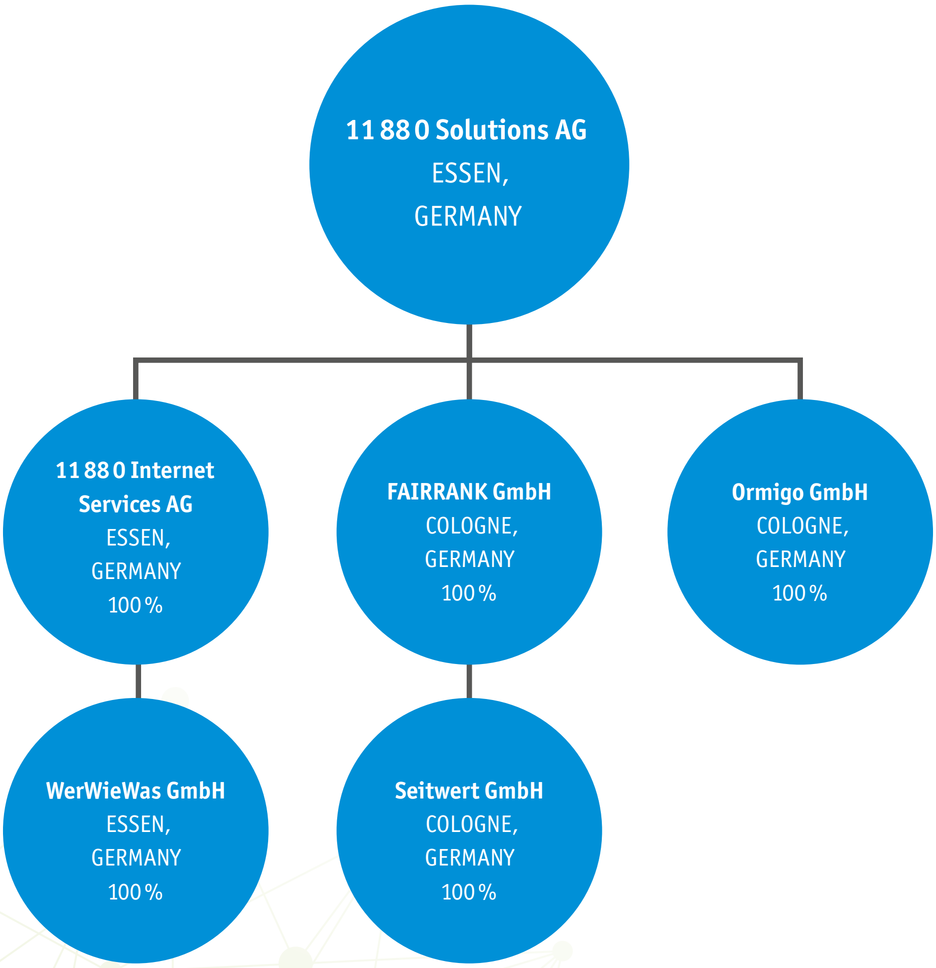
Phone: +49 (0)201 8099-188
Mail: Investor.Relations@11880.com

Auditor
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft, Essen

Forward-looking statements

This document contains forward-looking statements that reflect the management's current views with respect to future events. Such statements are subject to risks and uncertainties that are beyond the ability of 11 88 0 Solutions AG to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants and the actions of government regulators. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. 11 88 0 Solutions AG does not intend or assume any obligation to update any forward-looking statements to reflect events or circumstances after the date of these materials.

Shareholding Structure of the 11 88 0 Solutions Group



Financial Calendar 2025

30 April 2025
Publication of the annual report 2024

8 May 2025
Publication of the interim statement for the 1st quarter 2025

25 June 2025
Annual General Meeting 2025

7 August 2025
Publication of the financial report of the 1st half year 2025

6 November 2025
Publication of the interim statement for the 3rd quarter 2025

Imprint

Contact
Investor Relations
Phone: +49 (0)201 8099-188
E-Mail: investor.relations@11880.com

Imprint
In charge of 11 88 0 Solutions AG,
Hohenzollernstraße 24, 45128 Essen
www.11880.com

Artwork
Jennifer Lennermann

11 88 0 Solutions AG · Hohenzollernstraße 24 · 45128 Essen

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