

The logo for 11880.com features the text '11880.com' in a bold, white, sans-serif font. The number '0' is stylized with a network diagram consisting of four white circles connected by thin white lines. One circle is at the top right, another at the bottom right, a third at the bottom left, and a fourth at the top left. The text 'Da werden Sie geholfen.' is positioned below the '11880' part of the logo.

11880.com
Da werden Sie geholfen.

6-MONTH REPORT 2020

Results

Key Figures of 11880 Solutions Group at a glance

in EUR million	6M 2020	6M 2019	Variance absolute	Variance in percent
Revenues and earnings 11 880 Solutions Group				
Revenues	24.0	23.2	0.8	3.3 %
EBITDA ¹	1.4	1.1	0.3	27.4 %
Net loss	-1.0	-1.4	0.4	25.3 %
Details Segments				
Revenues Digital	18.1	16.7	1.4	8.1 %
EBITDA ¹ Digital	1.4	0.9	0.5	61.2 %
Revenues Directory Assistance	5.9	6.5	-0.6	-8.9 %
EBITDA ¹ Directory Assistance	0.0	0.2	-0.2	-96.4 %
Statement of financial position²				
Total assets	25.3	27.3	-2.0	-7.5 %
Cash and cash equivalents ³	2.6	4.7	-2.2	-45.7 %
Equity	6.3	7.4	-1.0	-14.2 %
Equity ratio	25.0 %	26.9 %	-1.9	-7.1 %
Cash flow				
Cash flow from operating activities	0.6	0.9	-0.3	-32.2 %
Cash flow from investing activities	-2.1	-0.9	-1.2	> -100 %
Cash flow from financing activities	-0.7	-0.7	0.0	-4.4 %
Net Cash flow ⁴	-2.1	-1.8	-0.3	-14.4 %
Key figures for the 11 880 share				
Earnings per share (in EUR)	-0.05	-0.07	0,02	28.6 %
Share price (in EUR) ⁵	1.40	1.86	-0.5	-24.7 %
Market capitalisation	29.4	35.5	-6.1	-17.2 %
Other KPIs				
Number of Employees ⁶ Group	545	568	-23	-4.0 %

1 Earnings before interest, tax and depreciation

2 Comparison value as of 31 December 2019

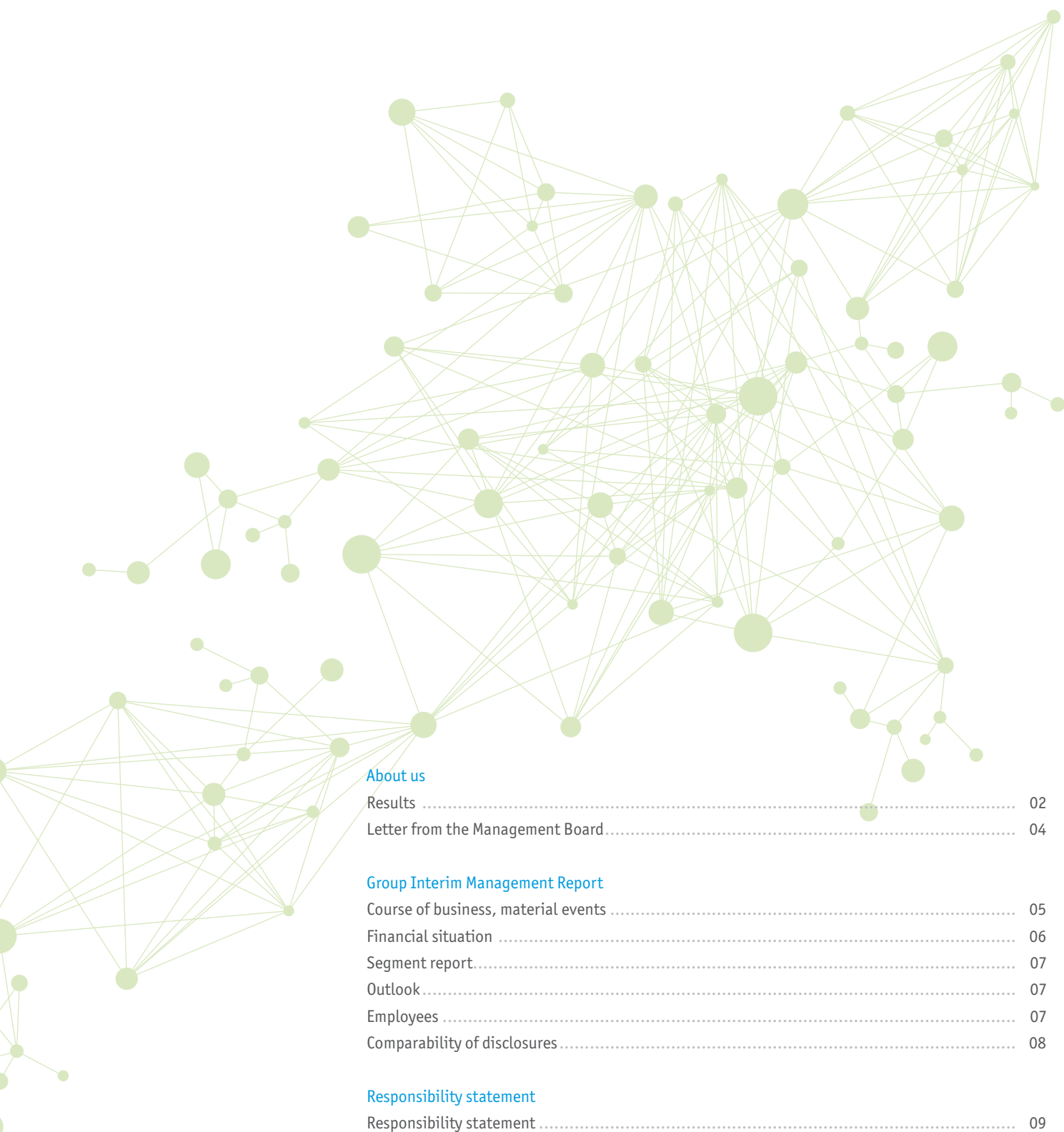
3 Portfolio of cash and cash equivalents as well as financial assets at fair value through profit or loss

4 Operating cash flow plus cash flow from investing activities, adjusted for the changes in financial assets at fair value through profit or loss

5 Xetra-closing prices as of 30 June 2020

6 Headcounts as of 30 June 2020 closing date (excluding the Management 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.



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Letter from the Management Board

Dear shareholders,
customers and friends of 11 880 Solutions AG,

The dominant issue facing our company in the first six months of the current 2020 financial year was and, of course, remains the global coronavirus pandemic and its impact. Our business model has proven largely stable so far, which means that, unlike the majority of German companies, we are only expecting a slight decline in revenue compared to our planning for this financial year and the following year. We are maintaining the guidance we issued at the start of this year. Of course, we are analysing the situation on a daily basis to ensure that we can react promptly at all times and that our operations can continue without restriction.

In the first half of 2020, we once again succeeded in attracting 2,998 new customers in our Digital business, bringing the total number of paying customers to 41,664 as of 30 June 2020.

Our motivation and passion for our business have not diminished in any way, even during the coronavirus shutdown – quite the opposite, in fact. We are particularly pleased with the rising number of companies promoting themselves with their rankings on [werkenntdenBESTEN.de](#) and highlighting them as accolades in their communications with the press and the general public. Around 3,000 entrepreneurs have already added their [werkenntdenBESTEN](#) rating seal to their company's homepage, while 175,000 regularly receive information about the status of their ratings. These are astonishing numbers that highlight the importance of [werkenntdenBESTEN.de](#).

We have been able to harness some initial synergies with our major shareholder united vertical media in both the Digital business and the Directory Assistance segment and have entered into two promising partnerships. We are evaluating collaboration opportunities and holding initial discussions with other potential partners. Since May 2020, our employees have also been handling incoming calls to the FRED 11811 telephone directory service and answering all directory inquiries with their customary expertise. As a result of this partnership, our annual call volumes in the Directory Assistance segment have risen by around five percent.

In the Digital business, we have been working with restaurant portal [speisekarte.de](#) since the start of June. As a complement to their offering on [speisekarte.de](#), our corporate customers in the

restaurant industry now have the option to permanently publish their latest menus and offers on more than 25 important portals with the 11880.com listing service, efficiently manage their reviews with [werkenntdenBESTEN](#) or increase their online visibility with SEM campaigns.

We also continued expanding our product portfolio in the first half of the current financial year to further increase the added value offered to our customers. This is also our goal for the second half of 2020. Increasing traffic on 11880.com portals is another issue on our agenda. Constant updates to the Google algorithm are causing a temporary drop in visibility both for us and for our competitors. Our SEO experts rapidly analysed the impact of these updates and have already introduced comprehensive measures.

This year we are advertising our 11880.com online brand across all media channels during the DFL relegation play-offs between Bundesliga 1 and 2 and Bundesliga 2 and 3 as well as the Supercup in August. We took advantage of this opportunity in previous years and achieved a very significant marketing effect in return for a small investment.

We are excited about the second half of the year, having set ourselves very ambitious targets in our quest to become Germany's leading online marketer for small and medium-sized enterprises. Potential synergies and collaborations with united vertical media will also continue to play a major role.

I would like to thank you for placing your trust in us and for accompanying us on this exciting journey.

Sincerely,



Christian Maar
Chief Executive Officer 11 880 Solutions AG

Essen, 3 August 2020

Course of business, material events

The coronavirus crisis overshadowed the first half of 2020 worldwide. Although it is not yet clear how the pandemic will play out and what impact it will have, the forecasts from economic experts are bleak. Compared to many other companies in Germany, 11880 Solutions AG has largely been able to weather the crisis. The number of contract customers in the Digital business rose from 38,666 to 41,664 in the first six months of the year. This means that the Company acquired 2,998 new customers despite the generally challenging situation.

In the Digital business, we formally agreed an important collaboration with restaurant portal speisekarte.de that offers significant added value for 11880 corporate customers in the restaurant industry. These customers now also benefit from the attractive speisekarte.de package, which offers a stronger and more efficient online presence in combination with 11880.com products. Collaboration discussions are currently underway with other well-known portals in different industries to harness potential synergies for the benefit of small and medium-sized companies in Germany.

Our comprehensive product portfolio in the Digital business, which offers companies a variety of online marketing opportunities depending on their needs, is being very well received by the market. Increasing numbers of consumers are also using our portals to look for information that can help them in their everyday lives. As a result, 11880.com was chosen by more than 40,000 consumers as the best online portal in the classified directory category for the fourth successive time in May 2020.

In addition to continually optimising our digital offering, our efforts in the first six months of the current financial year also focused on enhancing the online visibility of our portals. Like all other market players, we lost traffic after another update of the Google algorithm. To quickly compensate for this temporary decline in traffic, our SEO experts implemented several different measures that began to bear fruit in June.

In the Directory Assistance business, 11880 Solutions AG agreed a collaboration with the FRED 11811 telephone directory service. Since May 2020, 11880 employees have been taking directory assistance calls and providing callers with all information on behalf

of FRED 11811. This collaboration will increase annual 11880 call volumes by around 5 percent.

This year's Annual General Meeting of 11880 Solutions AG on 18 June 2020 was held virtually for the first time due to the coronavirus crisis. All agenda items were approved by the Annual General Meeting with 99.98 percent or 99.99 percent of votes.



Financial situation

The comparative periods ended 30 June 2019 have been restated as described in the footnotes to the respective financial statements sections.

Results of operations

Consolidated revenues as of the 30 June 2020 reporting date were EUR 24.0 million (previous year: EUR 23.2 million), representing a year-on-year increase of 3 percent. Due to the very good performance of our media business, the revenues of the Digital segment also trended upwards and increased by 8 percent.

The consolidated cost of revenues was EUR 13.5 million in the first half of 2020, an increase of 6 percent year-on-year (previous year: EUR 12.8 million). This increase is mainly due to higher consulting costs in connection with the necessary introduction of new IT systems in operations.

Selling and distribution costs increased only marginally year-on-year, from EUR 7.4 million to EUR 7.5 million.

The general administrative expenses incurred in the first six months rose slightly by EUR 0.1 million to EUR 4.3 million compared with the previous year.

Consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) improved by EUR 0.3 million year-on-year, from EUR 1.1 million to EUR 1.4 million. Earnings after taxes at the half-year mark were EUR -1.0 million (previous year: EUR -1.4 million). Significantly higher revenues compared to the same period of the previous year as well as a disproportionately low increase in costs, mainly in sales, were the reasons for the positive performance in earnings.

Net assets and financial position

Capital expenditures

Capital expenditures in the first half of 2020 totalled EUR 2.4 million (previous year: EUR 2.3 million). In addition to investments in product improvements and product innovations, especially in the Digital business, this item includes capitalised sales commission of EUR 1.7 million (previous year: EUR 2.3 million) and capitalised right-of-use assets of EUR 0.3 million (previous year: EUR 0.5 million) in accordance with IFRS 16 Leases.

Statement of financial position

As of 30 June 2020, total assets amounted to EUR 25.3 million, showing decrease of EUR 2.0 million compared with 31 December 2019 (31 December 2019: EUR 27.3 million).

On the assets side of the statement of financial position, current assets declined by EUR 1.8 million (31 December 2019: EUR 14.2 million) to EUR 12.4 million. This was due mainly to the EUR 2.2 million decrease cash. As of 30 June 2020, the 11880 Solutions Group had investments in short-term money market and bond funds that are reported as financial assets measured at fair value through profit or loss. The fair value of these investments remained unchanged at EUR 0.6 million compared with 31 December 2019. Trade accounts receivable rose slightly by EUR 0.3 million, from EUR 8.7 million as of 31 December 2019 to EUR 9.0 million.

As of the reporting date, the Group had non-current assets worth EUR 12.9 million (31 December 2019: EUR 13.2 million). The decrease of EUR 0.3 million resulted primarily from a decrease in capitalised right-of-use assets pursuant to IFRS 16.

On the liabilities side, current liabilities fell by EUR 0.6 million to EUR 12.1 million (31 December 2019: EUR 12.7 million). The reduction mainly concerned deferred current liabilities and other current liabilities.

Non-current liabilities decreased from EUR 7.3 million as of 31 December 2019 to EUR 6.8 million as of the 30 June 2020 reporting date. This decline is mainly due to a reduction in non-current lease liabilities and deferred tax liabilities.

Equity declined by EUR 1.1 million to EUR 6.3 million compared to 31 December 2019 (31 December 2019: EUR 7.4 million), due mainly to the net loss for the period incurred in the first half of 2020.

Cash flow & financing

Cash flow from operations in the first half of 2020 amounted to EUR 0.6 million, compared to EUR 0.9 million during the prior-year period.

The cash outflow from investing activities in the first six months amounted to EUR 2.1 million (previous year: EUR 0.9 million).

As in the prior-year period, the cash flow from financing activities was EUR -0.7 million in the first six months.

Cash holdings

Cash holdings (cash and current financial assets measured at fair value through profit or loss at the end of the period) declined from EUR 4.7 million to EUR 2.6 million compared with 31 December 2019. This represents a net cash flow of EUR -2.1 million.

Segment report

At EUR 18.1 million, revenues in the Digital segment were up year-on-year (previous year: EUR 16.7 million). The Digital business now accounts for around 75 percent of total revenue (previous year: 72 percent). Six-month earnings (EBITDA) as of the reporting date were EUR 1.4 million (previous year: EUR 0.8 million).

The traditional directory assistance business accounted for EUR 5.9 million of total revenues (previous year: EUR 6.5 million). Six-month earnings (EBITDA) as of the reporting date were EUR 0.0 million (previous year: EUR 0.2 million).

Outlook

Digital segment

After the Company in 2019 successfully focused on a continued customer-driven optimisation of its existing product range and the introduction of additional products and services, 2020 will see us put our strategic focus on continuing on our dynamic growth trajectory in this segment and optimising our products in a customer-driven way. In the area of new customer business, the Group will again be working on a continued, moderate increase in the 2020 financial year. The 11880 Solutions Group is committed to building on its success in 2019 and achieving a significant increase in its customer portfolio in 2020 again.

Directory Assistance segment

In the Directory Assistance segment, the 11880 Solutions Group anticipates that the negative trend with respect to call volumes in Germany will also persist in 2020. In addition to further expanding the call centre third-party business, the Company is reviewing – and in some cases also testing – new business models in order to ward off decreases in business volume as much as possible and ensure long-term success.

Group

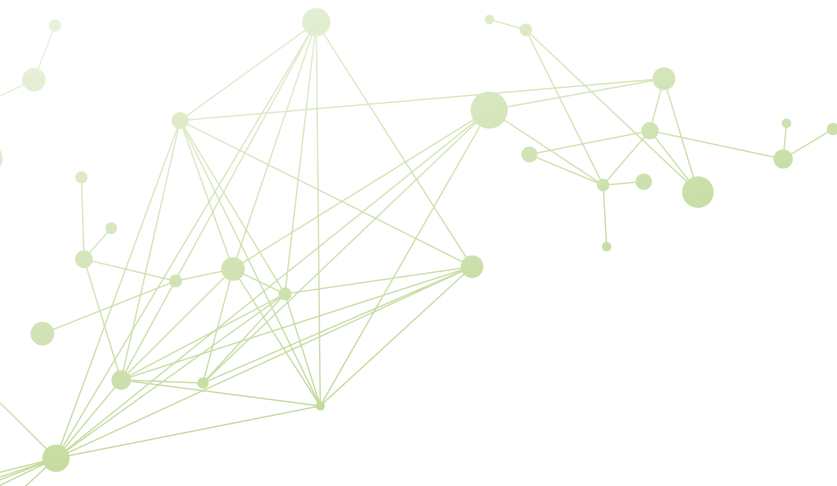
At Group level, the 11880 Solutions Group continues to expect posting revenues of EUR 47.8 to EUR 51.0 million in 2020. In comparison, revenues were generated in the amount of EUR 47.7 million in 2019. The 11880 Solutions Group also continues to expect EBITDA in 2020 to be in the range of EUR 1.7 to EUR 3.2 million. In comparison, the Company generated EBITDA in the amount of EUR 2.8 million in 2019.

Cash holdings

The planning of the 11880 Solutions Group continues to assume positive cash holdings of between EUR 1.6 and EUR 2.8 million as of the end of the 2020 financial year. Cash holdings at the end of 2019 amounted to EUR 4.7 million.

Employees

On 30 June 2020, the 11880 Solutions Group had 545 employees (head count; excluding Management Board, trainees, “mini-jobs” and dormant employment contracts), which represents a year-on-year decrease of 4 percent (previous year: 568).



Comparability of disclosures

The 6-month report for 2020 and the consolidated financial statements for the year ended 31 December 2019 have been published on the 11880 Solutions AG website at: <https://ir.11880.com/finanzberichte>.

Essen, 3 August 2020



Christian Maar
Chief Executive Officer



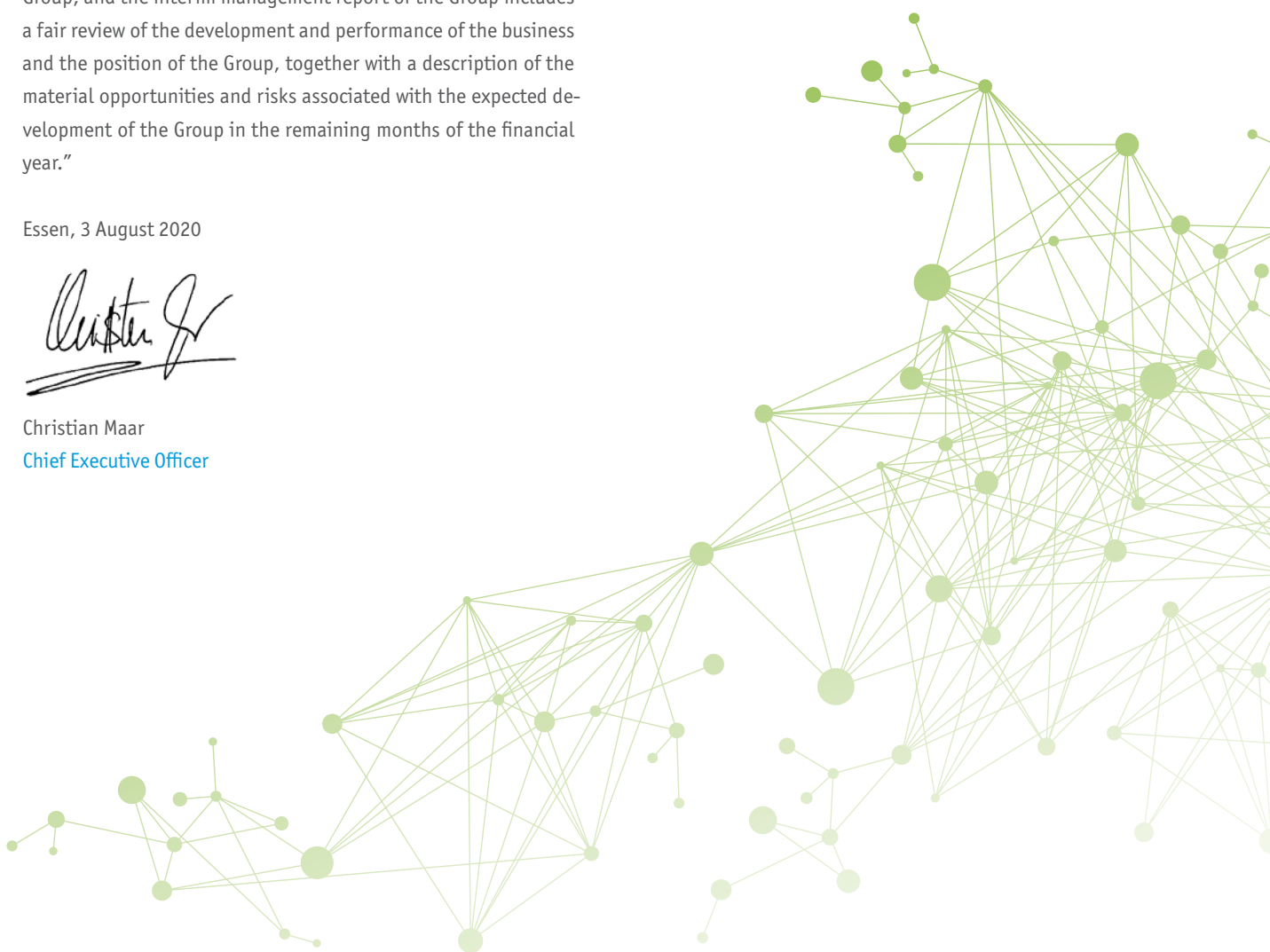
Responsibility statement

“To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group 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 in the remaining months of the financial year.”

Essen, 3 August 2020



Christian Maar
Chief Executive Officer



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Consolidated income statement (IFRS)

in EUR thousand	Quarterly Report		6-Month Report	
	(unaudited)		(unaudited)	
	01.04. – 30.06.2020	01.04. – 30.06.2019	01.01. – 30.06.2020	01.01. – 30.06.2019
Revenues	11,903	11,596	23,962	23,189
Cost of revenues	-6,564	-6,671	-13,496	-12,775
Gross profit	5,339	4,925	10,466	10,414
Selling and distribution costs	-3,611	-3,885	-7,512	-7,443
General administrative expenses	-2,141	-1,934	-4,288	-4,230
Other operating expense	-4	-8	-4	-8
Operating income (loss)	-417	-902	-1,339	-1,267
Interest income	6	0	6	0
Interest expense	-1	-1	-3	-3
Interest expenses for rights of use (IFRS 16)	-78	-81	-159	-170
Profit/loss from the disposal of financial assets	0	-17	0	-20
Gain (loss) from marketable securities	22	32	-5	74
Financial income (loss)	-51	-67	-162	-119
Income (loss) before income tax	-468	-969	-1,500	-1,386
Current income tax	0	0	0	0
Deferred income tax	173	105	458	-9
Income tax	173	105	458	-9
Net income (loss) from continuing operations	-295	-864	-1,042	-1,395
Net income (loss) from discontinued operations	0	-1	0	-1
Net income (loss)	-295	-865	-1,042	-1,396
Attributable to:				
Owners of the parent	-295	-865	-1,042	-1,396
	-295	-865	-1,042	-1,396
Earnings per share for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	-0.01	-0.05	-0.05	-0.07
Earnings per share for continuing operations for net income (loss) for the reporting period attributable to ordinary equity holders of the parent (in euro)	-0.01	-0.05	-0.05	-0.07

For technical calculation reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted in favour of the representation of mathematically correct rounded values.

Consolidated statement of comprehensive income (IFRS)	Quarterly Report		6-Months Report	
	(unaudited)		(unaudited)	
in EUR thousand	01.04. – 30.06.2020	01.04. – 30.06.2019	01.01. – 30.06.2020	01.01. – 30.06.2019
Net income (loss)	-295	-865	-1,042	-1,396
Other comprehensive income (loss)				
Items that can be reclassified subsequently to profit or loss				
Foreign currency translation differences	0	0	0	1
Other comprehensive income (loss) after tax	0	0	0	1
Total comprehensive income (loss)	-295	-865	-1,042	-1,395
Thereof from:				
Continuing operations	-295	-865	-1,042	-1,394
Discontinued operations	0	0	0	-1
	-295	-865	-1,042	-1,395
Attributable to:				
Owners of the parent	-295	-865	-1,042	-1,395
	-295	-865	-1,042	-1,395

For technical calculation reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted in favour of the representation of mathematically correct rounded values.

Consolidated statement of financial position (IFRS)

in EUR thousand	30 June 2020	30 June 2019	31 December 2019
	(unaudited)	(unaudited)	
ASSETS			
Current assets			
Cash and cash equivalents	1,929	126	4,090
Restricted cash	67	94	67
Trade accounts receivable	8,950	8,221	8,743
Current tax assets	3	19	19
Financial assets at fair value through profit or loss	577	562	582
Other financial assets	149	163	97
Other current assets	708	636	556
Total current assets	12,383	9,821	14,154
Non-current assets			
Goodwill	416	416	416
Intangible assets	6,062	5,655	6,051
Property and equipment	868	971	921
Capitalized right-of-use assets (IFRS 16)	5,279	5,850	5,583
Other non-current assets	278	251	218
Total non-current assets	12,904	13,143	13,189
Total assets	25,287	22,964	27,343



in EUR thousand	30 June 2020	30 June 2019	31 December 2019
	(unaudited)	(unaudited)	
LIABILITIES AND EQUITY			
Current liabilities			
Trade accounts payable	1,296	676	1,262
Accrued liabilities*	4,576	4,440	4,824
Provisions*	35	35	35
Short-term lease liabilities (IFRS 16)	1,344	1,191	1,426
Other current liabilities	4,867	4,363	5,140
Total current liabilities	12,119	10,705	12,687
Non-current liabilities			
Provisions	843	220	651
Provisions for retirement benefits	477	168	477
Long-term lease liabilities (IFRS 16)	4,739	5,401	4,920
Deferred tax liabilities	787	547	1,245
Total non-current liabilities	6,847	6,336	7,293
Total liabilities	18,966	17,041	19,980
Equity			
Share capital	21,022	19,111	21,022
Additional paid in capital	33,598	32,059	33,598
Retained earnings**	-47,969	-45,114	-46,927
Other components of equity**	-330	-133	-330
Equity attributable to owners of the parent	6,321	5,923	7,363
Total equity	6,321	5,923	7,363
Total liabilities and equity	25,287	22,964	27,343

For technical calculation reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted in favour of the representation of mathematically correct rounded values.

(*) New balance sheet accounts were set up in the first half of 2019 and their allocation was adjusted retroactively.

(**) Figures including adjustments from the first-time application of IFRS 16 "Leases" and reclassification of actuarial gains and losses. For more detailed information, please refer to our consolidated financial statements as of December 31, 2019.

Consolidated statement of cash flows (IFRS)

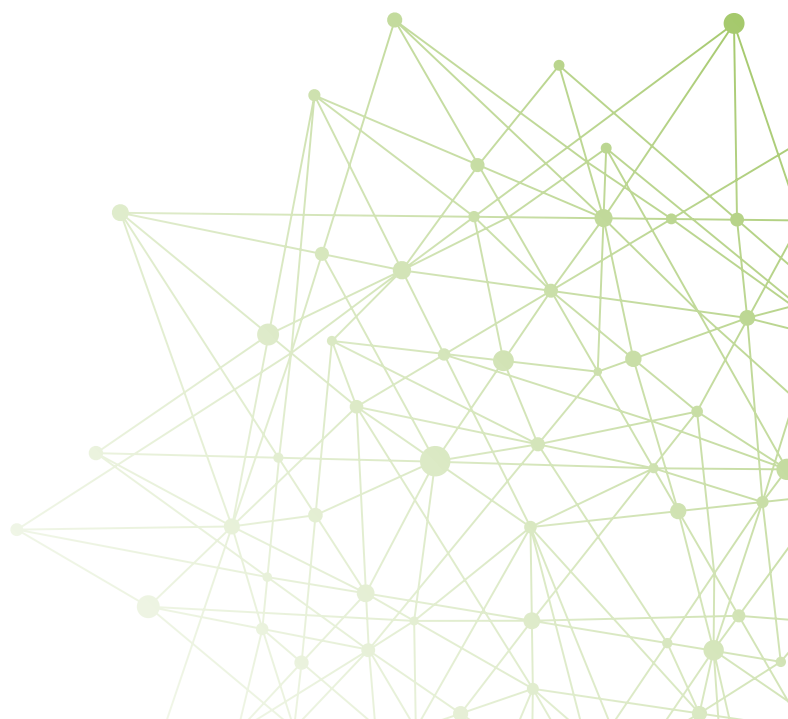
in EUR thousand	01.01. – 30.06.2020	01.01. – 30.06.2019
	(unaudited)	(unaudited)
Cash flow from operating activities		
Income (loss) before income tax from continuing operations	-1,500	-1,385
Income (loss) before income tax from discontinued operations	0	-1
Income (loss) before income tax	-1,500	-1,386
Adjustments for:		
Amortisation and impairment of intangible assets	1,992	1,645
Depreciation and impairment of right-of-use assets IFRS 16	570	547
Depreciation and impairment of property and equipment	137	142
Gain (loss) on disposal of property and equipment	4	0
Interest income	6	0
Interest expense	161	169
Gain (loss) from marketable securities	5	-74
Valuation allowance for trade accounts receivable	131	125
Impairment of other non-current assets	73	62
Gain (loss) on disposal of subsidiaries	0	-15
Changes in non-current provisions	196	33
Changes in non-current financial and other assets	-134	-126
Cash outflow / cash inflow before changes in operating assets and liabilities	1,643	1,122
Changes in operating assets and liabilities:		
Trade accounts receivable	-338	950
Miscellaneous current assets	-205	-149
Trade accounts payable	32	202
Current provisions*	0	0
Accrued expenses and other current liabilities*	-524	-1,259
Income taxes received / paid	16	52
Cash outflows / cash inflows from operating activities	624	920

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(*) New balance sheet accounts were set up in the first half of 2019 and their allocation was adjusted retrospectively.

in EUR thousand	01.01. – 30.06.2020	01.01. – 30.06.2019
	(unaudited)	(unaudited)
Cash flow from investing activities		
Purchase of intangible assets excl. customer contracts	-286	-440
Purchase of customer contracts with contract period > 1 year	-1,717	-1,578
Proceeds from the disposal of intangible assets	0	2
Purchase of property and equipment	-86	-81
Proceeds from sale of property and equipment	0	8
Disposal of financial assets at fair value through profit or loss	0	1,210
Interest received	-6	0
Cash outflows / cash inflows from investing activities	-2,096	-879
Cash flow from financing activities		
Interest paid	-1	-3
Interest expenses for leases in accordance with IFRS 16	-159	-169
Payments from the repayment of lease liabilities IFRS 16	-529	-549
Cash outflows / cash inflows in financing activities	-689	-721
Change in cash	-2,161	-681
Cash at the beginning of the reporting period	4,090	807
Cash at the end of the reporting period	1,929	126
Cash and cash equivalents as well as financial assets at fair value through profit or loss at the end of reporting period	2,574	782

For technical calculation reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted in favour of the representation of mathematically correct rounded values.



Consolidated statement of changes in equity (IFRS)

in EUR thousand	Equity attributable to owners of the parent				Total equity
	Share capital	Additional paid in capital	Retained earnings	Other components of equity	
Balance at January 1, 2020	21,022	33,598	-46,927	-330	7,363
Net income (loss)	-	-	-1,042	-	-1,042
Foreign currency translation	-	-	-	0	0
Other comprehensive income (loss)	0	0	0	0	0
Total comprehensive income (loss)	0	0	-1,042	0	-1,042
Balance at June 30, 2020	21,022	33,598	-47,969	-330	6,321
Balance at January 1, 2019*	19,111	32,059	-43,739	-133	7,298
Changes in the scope of consolidation	-	-	19	-	19
Net income (loss)	-	-	-1,394	-	-1,394
Foreign currency translation	-	-	-	1	1
Other comprehensive income (loss)	0	0	0	1	1
Total comprehensive income (loss)	0	0	-1,375	1	-1,375
Balance at June 30, 2019	19,111	32,059	-45,114	-133	5,923

For technical calculation reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted in favour of the representation of mathematically correct rounded values.

(*) Figures including adjustments resulting from the first-time application of IFRS 16 "Leases" and reclassification of actuarial gains and losses. For more detailed information, please refer to our consolidated financial statements as of December 31, 2019.

Notes to the interim consolidated financial statements

1. Presentation of the interim consolidated financial statements

The business operations of the 11880 Solutions Group (hereinafter also referred to as the 11880 Solutions Group/the Group), consisting of 11880 Solutions AG and its subsidiaries comprise the provision of online marketing services for small and medium-sized enterprises (SMEs). They provide companies with an online presence with products such as corporate websites, Google Ads (search engine marketing), Google My Business and Facebook company pages and supports them in the planning and implementation of their digital advertising efforts. The Group's companies also provide company entries (product: advertisement entry) on its 11880.com online business directory and on partner portals as well as on the 11880.com app (and partner apps). The Group also offers *erkenntdenBESTEN.de*, Germany's first and so far only search engine for online reviews, which is being optimised continually.

At the beginning of 2019, the job portal *wirfindendeinenJOB.de* was launched, which makes it much easier for corporate customers to find personnel.

The software solutions business within the Digital segment includes digital telephone books and yellow pages on CD-ROM and as an intranet solution, and also database solutions.

The Directory Assistance segment comprises telephone directory assistance services to private and business customers in Germany and abroad. These services are also provided to other telephone companies in Germany on the basis of outsourcing agreements. Additional services offered include a secretarial service and further services in the call centre third-party business.

11880 Solutions AG (hereinafter also referred to as the Company) is a listed stock corporation under German law and the parent company of the 11880 Solutions Group. The Company is domiciled in Hohenzollernstraße 24, 45128 Essen, Germany, and has been registered in the Commercial Register of the Essen Local Court, Germany, under registration number HRB 29301.

These condensed interim consolidated financial statements of 11880 Solutions AG and its subsidiaries were prepared for the first

six months ended 30 June 2020 in accordance with the International Financial Reporting Standards (IFRSs) – as applicable in the European Union.

All International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) as well as the interpretations of the IFRS Interpretations Committee (IFRIC) and the interpretations of the Standing Interpretations Committee (SIC) whose application was mandatory as of 30 June 2020 were taken into account.

The interim consolidated financial statements were prepared in accordance with IAS 34 Interim Financial Reporting and should be read in the context of the audited consolidated financial statements for the 2019 financial year.

The consolidated financial statements of the 11880 Solutions Group are presented in euros (EUR). Unless stated otherwise, all values were rounded to thousands of euros (EUR thousand).

The interim consolidated financial statements are generally prepared using the historical cost system.

The interim consolidated financial statements have not been audited. They were released for publication by the Company's Management Board on 3 August 2020.

The consolidated financial statements and the group management report prepared as of 31 December 2019 were submitted with the publisher of the Federal Gazette and published electronically in the Federal Gazette.

2. Changes in accounting policies

The accounting policies applied in the interim consolidated financial statements are consistent with those applied in the consolidated financial statements for the 2019 financial year, except for the changes listed below.

To improve clarity, the changes are now presented in tabular form in contrast to the presentation in previous years.

Pronouncement	Title	Changes	Effective date for the Group	Anticipated effects on the presentation of the 11880 Group's net assets, financial position and results of operations
Amendments to IFRS 3	Business combinations	Changes in the definition of a business to clarify whether a business or a group of assets has been acquired.	01.01.2020	No material effects
Amendments to IFRS 9, IAS 39 and IFRS 7	Financial instruments, Financial instruments: recognition and measurement, Financial instruments: disclosures	Relief with regard to hedge accounting rules that must be applied for all hedges affected by the Interest Rate Benchmark Reform Additional disclosures on this are envisioned.	01.01.2020	No material effects
Amendments to IAS 1 and IAS 8	Presentation of Financial Statements, Accounting policies, changes in accounting estimates and errors	Clarification of the definition of material.	01.01.2020	No material effects
Amendments to the References to the Conceptual Framework		The amendments contain revised definitions of assets and liabilities, and new guidance on measurement and derecognition, reporting and disclosures. In the revision, the IASB limited itself to topics that had not previously been explicitly covered or contained obvious loopholes.	01.01.2020	No material effects

3. Future changes in accounting policies

The Group does not currently expect the future first-time application of the following standards adopted or amended by the IASB or IFRIC to have any material effect on the Group's net assets, financial position and results of operations. Since these standards have not yet been transposed into EU law, none of them have been applied to date.

Pronouncement	Title	Changes	Effective date for the Group	Anticipated effects on the presentation of the 11880 Group's net assets, financial position and results of operations
IFRS 17	Insurance Contracts		n/a*	No effects
Amendments to IAS 1	Presentation of Financial Statements	Adjustment of the assessment criteria for classification of liabilities as current or non-current	01.01.2022	No effect under current circumstances
Amendments to IFRS 16	Leases	The lessee is exempted, under certain conditions and for a limited period of time, from assessing whether the concessions granted in connection with the coronavirus pandemic should be considered a change in the lease.	01.01.2020 – 31.12.2020	

(*) The 11880 Group does not act as an insurer.



4. Segment reporting

The Management Board of 11880 Solutions AG, as the Group's main decision-making entity, reviews the Group's results on the basis of weekly and monthly reporting and makes significant business decisions on this basis.

For the purpose of internal reporting and management control, the 11880 Solutions Group divides its activities into two operating segments: Digital und Directory Assistance.

The two segments' main key performance indicators for operations are revenues and EBITDA (earnings before interest, taxes, depreciation and amortisation).

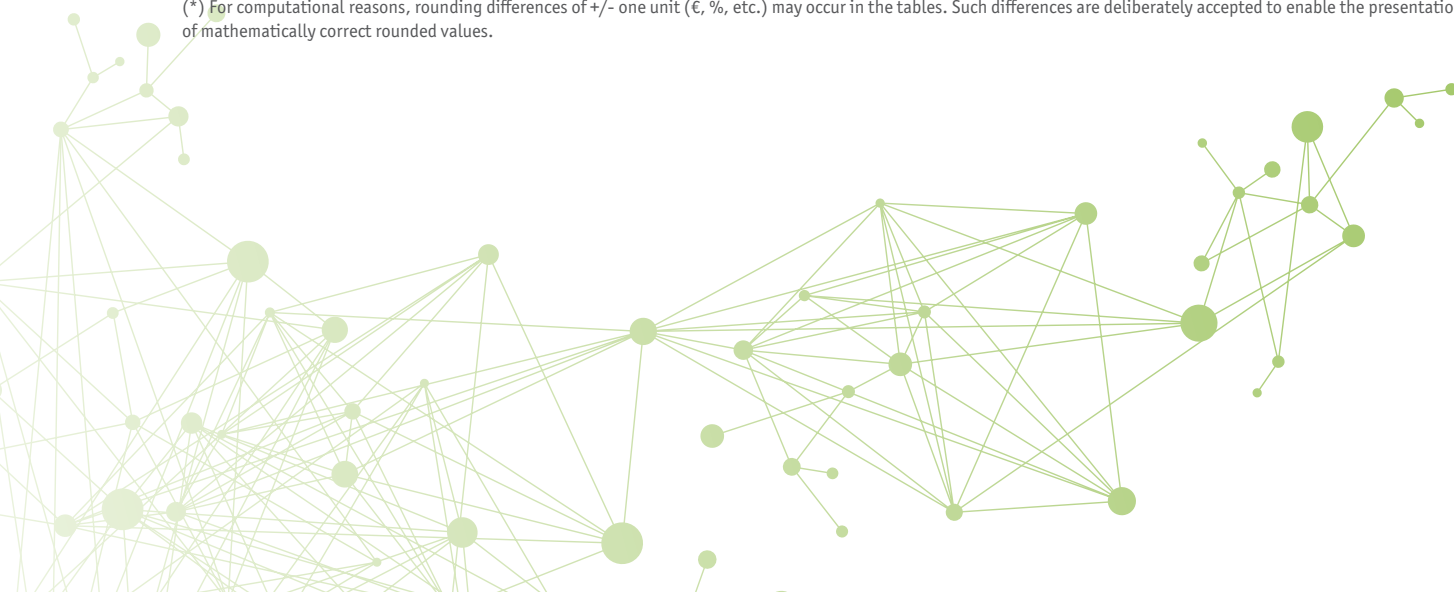
The accounting principles for the segments essentially match those described in the consolidated financial statements for the year ended 31 December 2019.

For more information on the change in the estimate of cost allocation between the segments in financial year 2019 and the change in the presentation of segment profit/loss, please refer specifically to section 4.3 of the notes to our consolidated financial statements for the period ended 31 December 2019. The cost allocation for the comparative period has been restated accordingly.

There were no intersegment revenues in the first six months of the current financial year or in the same period of the previous year.

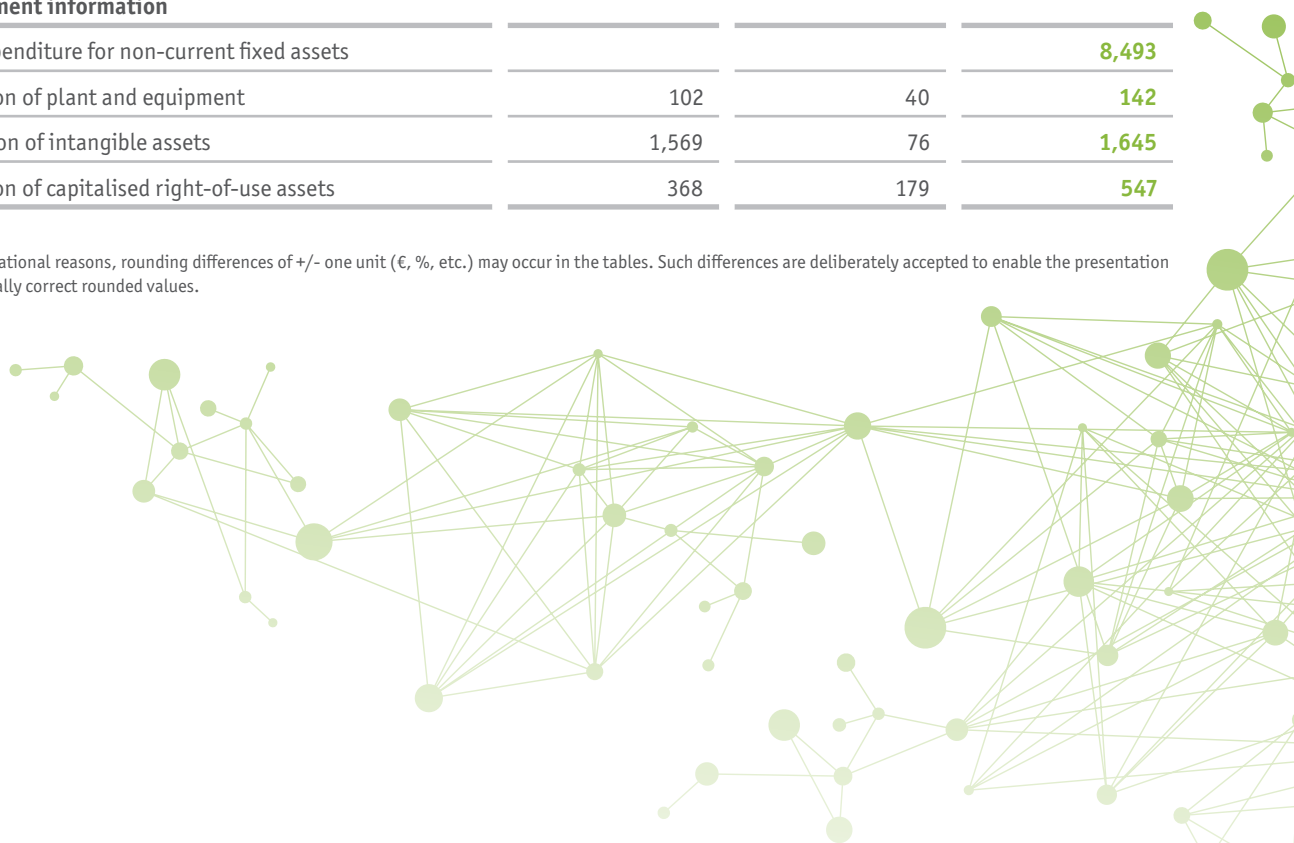
1 January – 30 June 2020 in EUR thousand	Digital*	Directory Assistance*	Group
Revenues			
Revenues from transactions with external customers	18,084	5,877	23,962
of which over periods of time	17,377	5,877	23,255
of which relating to points in time	707	0	707
Total revenues	18,084	5,877	23,962
Cost of revenues			
	-8,955	-4,541	-13,496
Selling and distribution costs			
	-7,162	-349	-7,511
General administrative expenses, other operating income & expenses			
	-3,026	-1,266	-4,293
Operating result			
	-1,060	-279	-1,339
Depreciation and amortisation	-2,412	-287	-2,699
EBITDA			
	1,352	8	1,360
Interest income	4	2	6
Interest expense	-127	-36	-163
Other finance income	19	8	27
Other finance costs	-23	-10	-33
Earnings before income taxes	-1,185	-315	-1,500
Assets and liabilities			
Segment assets			25,287
Segment liabilities			18,966
Other segment information			
Capital expenditure for non-current fixed assets			2,357
Depreciation of plant and equipment	97	40	137
Amortisation of intangible assets	1,936	56	1,992
Depreciation of capitalised right-of-use assets	378	192	570

(*) For computational reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted to enable the presentation of mathematically correct rounded values.



1 January – 30 June 2019 in EUR thousand	Digital*	Directory Assistance*	Group
Revenues			
Revenues from transactions with external customers	16,734	6,455	23,189
of which over periods of time	15,963	6,455	22,418
of which relating to points in time	771	0	771
Total revenues	16,734	6,455	23,189
Cost of revenues			
	-7,742	-5,033	-12,775
Selling and distribution costs	-7,131	-312	-7,443
General administrative expenses, other operating income & expenses	-3,062	-1,176	-4,238
Operating result	-1,200	-66	-1,266
Depreciation and amortisation	-2,039	-296	-2,335
EBITDA	839	229	1,068
Interest income	0	0	0
Interest expense	-142	-31	-173
Other finance income	48	28	76
Other finance costs	-16	-6	-22
Earnings before income taxes	-1,310	-75	-1,386
Assets and liabilities			
Segment assets			22,964
Segment liabilities			17,041
Other segment information			
Capital expenditure for non-current fixed assets			8,493
Depreciation of plant and equipment	102	40	142
Amortisation of intangible assets	1,569	76	1,645
Depreciation of capitalised right-of-use assets	368	179	547

(*) For computational reasons, rounding differences of +/- one unit (€, %, etc.) may occur in the tables. Such differences are deliberately accepted to enable the presentation of mathematically correct rounded values.



5. Financial instruments

The Group holds investment fund units that invest in short-term, low-risk money market instruments and bonds.

The fair value of the Group's monetary investments in investment fund units as of 30 June 2020 was EUR 577 thousand (2019: EUR 562 thousand). The fair value corresponds to the nominal value multiplied by the quoted (redemption) price on the reporting date. The quoted (redemption) prices are based on the net asset value of the corresponding investment fund published daily and can be realised by the 11 880 Group by returning them.

As in the previous year, the securities held by the Company in the amount of EUR 577 thousand, which were measured at fair value through profit or loss as of 30 June 2020 are allocated to Level 1 of the fair value hierarchy.

The financial assets measured at fair value through profit or loss changed as follows:

in EUR thousand	Other financial assets at fair value through profit or loss
As of 1 January 2019	1,698
Addition	0
Disposal	-1,210
Measurement gain recognised in profit or loss	94
As of 31 December 2019	582
Addition	0
Disposal	0
Measurement loss recognised in profit or loss	-5
As of 30 June 2020	577

6. Changes in the basis of consolidation

There were no changes in the scope of consolidation in the reporting period.

7. Related party transactions

Business transactions carried out in the current financial year between 11880 Solutions AG and its subsidiaries that are considered affiliated companies were eliminated in consolidation and are not explained in these notes to the financial statements.

No further material related party transactions occurred in the first half of 2020.

Related parties here primarily comprise the members of the Management Board and the Supervisory Board. In the current financial year, there were no transactions between the 11880 Solutions Group and members of the Management Board or the Supervisory Board extending beyond the existing employment, service or appointment relationship or the contractual remuneration for this relationship.

8. Disclosure regarding the corporate bodies of 11880 Solutions AG

Change in the Supervisory Board

There were no changes in the composition of the Supervisory Board in the reporting period.

9. Report on post-balance sheet date events

The global spread of the novel coronavirus (COVID-19) continues to represent an additional element of uncertainty with regard to the economic impact on the 11880 Solutions Group as well. The Company's business model is proving to be resilient at the time the financial statements were being prepared, even though it is not yet possible to reliably predict customer behaviour with regard to contract fulfilment for the next few months.

In view of the dynamic developments, it is not currently possible to reliably quantify either the duration or the extent of the future economic consequences of this crisis. As a result, statements regarding the further course of business are still subject to uncertainty. We currently expect a slight decline in revenue and earnings compared to our planning, but not compared to the previous year. In light of the Company's performance in the first half of 2020 as well as the measures introduced to reduce potential revenue, earnings and liquidity risks, we are confident of being able to bear the stresses resulting from COVID-19.

10. German Corporate Governance Code

The joint declaration of compliance by the Management Board and Supervisory Board of 11880 Solutions AG in accordance with section 161 AktG relating to the German Corporate Governance Code was made in June 2020.

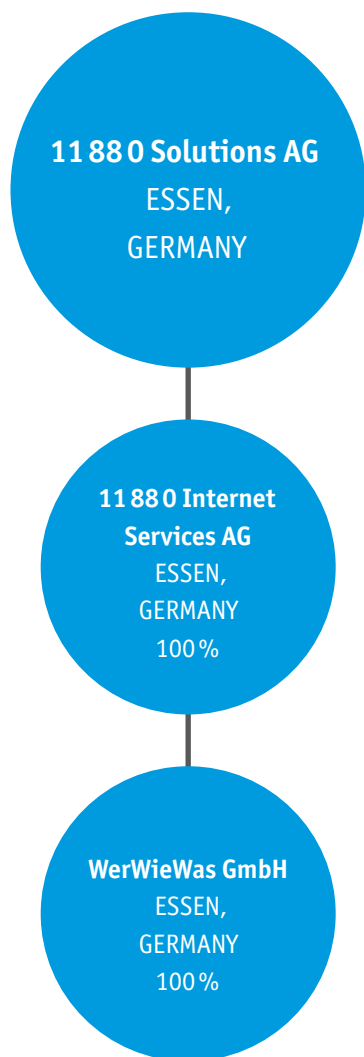
The exact wording of the declaration can be retrieved under <https://ir.11880.com/corporate-governance/entsprechenserklaerung>.

Essen, 3 August 2020



Christian Maar
Chief Executive Officer

Corporate structure 11 880 Solutions Group



Imprint

Contact

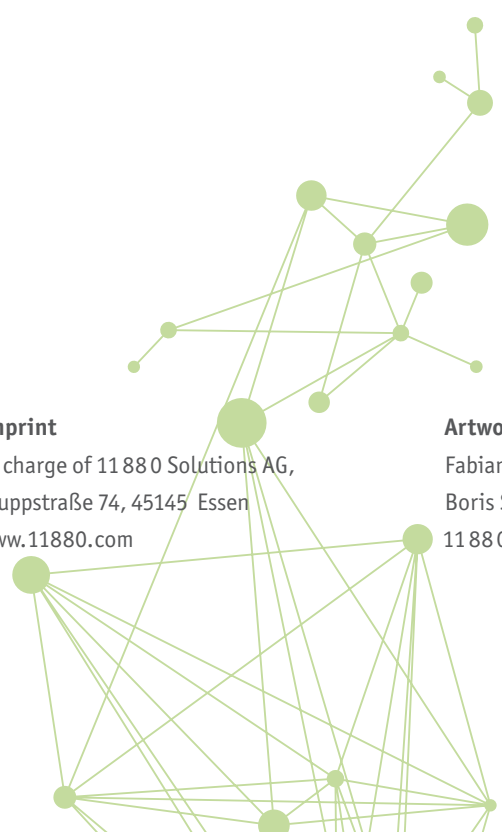
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