Administer Plc: Significant growth in net sales

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This release is a summary of Administer’s Half Year Financial Review January-June 2026. The complete report is attached to this release as a pdf-file. It is also available at www.administergroup.com/en/investors.

The information in the review has been prepared in accordance with the International Financial Reporting Standards (IFRS). The figures are unaudited. Figures in parentheses refer to the comparison period in the previous year, unless otherwise stated.

January–June 2026

Key figures

- Net sales were EUR 48.9 million (37.9), showing an increase of 29.0%.
- EBITDA was EUR 1.9 million (3.7), or 3.8% (9.8%) of the net sales.
- Comparable EBITDA was EUR 3.2 million (3.9), or 6.5% (10.3%) of the net sales.
- Operating profit was EUR 0.4 million (2.0), or 0.8% (5.2%) of the net sales.

April–June 2026

Key figures

- Net sales were EUR 31.2 million (19.2), showing an increase of 62.6%.
- EBITDA was EUR 0.5 million (1.9), or 1.5% (9.7%) of the net sales.
- Comparable EBITDA was EUR 1.8 million (2.1), or 5.8% (10.8%) of the net sales.
- Operating profit was EUR -0.3 million (0.8), or -0.8% (4.1%) of the net sales.

Key events

- The acquisitions of Sarastia’s financial, payroll and software services businesses were completed on 31 March 2026, with Numera Palvelut Oy acting as the seller and the business transfer taking place on 1 April 2026.
- The Group transitioned from the Finnish Accounting Standards (FAS) to International Financial Reporting Standards (IFRS) reporting. The Group’s first IFRS-aligned financial review is the Half-Year Financial Review published on 13 August 2026.

KEY FIGURES

EUR million unless otherwise stated	**1-6/ 2026**	**1-6/ 2025**	**Change, %**	**4-6/ 2026**	**4-6/ 2025**	**Change, %**	**1-12/ 2025**
Net sales	48.9	37.9	29.0%	31.2	19.2	62.6%	72.5
EBITDA	1.9	3.7	-50.0%	0.5	1.9	-75.1%	6.2
% of net sales	3.8%	9.8%	-61.2%	1.5%	9.7%	-84.7%	8.5%
Operating profit (loss)	0.4	2.0	-79.9%	-0.3	0.8	-133.3%	2.4
Profit before tax	-0.1	1.5	-108.6%	-0.6	0.6	-213.6%	1.5
Profit (loss) for the period	-0.4	1.7	-123.7%	-0.8	0.6	-226.3%	1.3
Return on equity (ROE), %	-2.9%	N/A	N/A	-2.9%	N/A	N/A	5.5%
Equity ratio, %	34.1%	39.8%	-14.3%	34.1%	39.8%	-14.3%	44.2%
Debt-to-equity ratio, %	55.3%	51.2%	8.0%	55.3%	51.2%	8.0%	40.7%
Number of personnel	1,211	1,037	16.8%	1,482	1,058	40.1%	1,018

Earnings per share (EPS), basic (EUR)	-0.03	0.12		-0.05	0.04		0.09
Earnings per share (EPS), diluted (EUR)	-0.03	0.11		-0.05	0.04		0.08

CEO's review

Administer Group has transitioned to reporting in accordance with the IFRS. Segment reporting was introduced in connection with the transition. Going forward, the Group will report its operations as three segments: Private sector, Public sector and Staffing. This transition increases the comparability of reported financial figures both in Finland and internationally.

In April–June, the Group's net sales increased by 62.6% and were EUR 31.2 million (EUR 19.2 million). In January–June, the Group's net sales increased by 29.0% and were EUR 48.9 million (EUR 37.9 million). Net sales growth was affected by the transfer of Sarastia's business to the Group as of 1 April 2026.

The Group's comparable EBITDA was EUR 1.8 million in April–June and EUR 3.2 million in January–June. The Group's EBITDA was EUR 0.5 million (EUR 1.9 million) in April–June and EUR 1.9 million (EUR 3.7 million) in January–June. Profitability development was particularly burdened by transaction costs related to the Sarastia acquisition and non-recurring costs associated with the implementation of its profitability measures, totalling EUR 1.3 million. In addition, Sarastia's business operations have been loss-making in the early stages of the transition to the Group.

Segment review

In April–June, the net sales of Private sector decreased by 2% and were EUR 14.4 million (EUR 14.7 million). In January–June, the net sales of Private sector decreased by 3.7% and were EUR 28.4 million (EUR 29.5 million). This was due to delays in software projects, a decrease in demand among existing customers as well as the expiry of some customer contracts, among other things. Private sector's EBITDA was EUR 1.6 million (EUR 1.8 million) in April–June and EUR 2.9 million (EUR 3.6 million) in January–June. Within Private sector, personnel adjustment measures were taken in various business operations and savings were sought in the purchase of external services. The impact of these measures will be shown in the second half of this year.

Public sector's net sales increased by 1,663% in April–June and were EUR 14.1 million (EUR 0.8 million). In January–June, Public sector's net sales increased by 900% and were EUR 15.0 million (EUR 1.5 million). Public sector's EBITDA was EUR -1.3 million (EUR -0.1 million) in April–June and EUR -1.3 million (EUR -0.1 million) in January–June. Profitability improvement measures were implemented in Sarastia after the business transfer. These measures included personnel- and premises-related cost adjustments in particular. The annual improvement effect of these measures will be approximately EUR 2.5 million, and it will be fully visible from the beginning of the second half of this year. Going forward, savings will be sought particularly in fixed costs.

The net sales of Staffing decreased by 15.4% in April–June and were EUR 3.3 million (EUR 3.9 million). In January–June, the net sales of Staffing decreased by 13.3% and were EUR 6.3 million (EUR 7.3 million). The net sales of Staffing decreased from the previous-year level but compared to the first quarter of this year, the net sales are slightly growing. The relative profitability of Staffing has improved compared to the previous year. Staffing's EBITDA was EUR 0.1 million (EUR 0.1 million) in April–June and EUR 0.3 million (EUR 0.2 million) in January–June.

During the first half year, the acquisitions of Sarastia's financial, payroll and software services businesses were completed, with Numera Palvelut Oy acting as the seller and the business transfer taking place on 1 April 2026. The acquisition strengthened our position as Finland's largest payroll services provider and made us the market leader in financial and payroll services for the public sector. The measures to develop Sarastia's business and improve its profitability are progressing as planned.

The Finnish Public Procurement Act reform, an important legal reform for the Group, was approved by the Finnish Parliament in June 2026. We consider the Public Procurement Act reform an extremely important one in order to make tendering more effective and to reshape the competitive field. Our Group has a strong foothold in customer relationships in the public sector, and we see significant growth potential in this customer segment. The long-planned law reform has already caused the expected movement in the market, and tendering is clearly revitalising and becoming more active. Sarastia's long and stable history, strong subject-matter expertise in financial and payroll management for the public sector, versatile and reliable system offering as well as good customer references have been seen as special strengths in market dialogues.

During the review period, we made a strategically significant opening in the international market by acquiring the majority stake in the Swedish Passion for Payroll Stockholm Ab, a company specialised in payroll services. This acquisition is strategically important for us: a subsidiary in Stockholm strengthens especially Silta's as well as the entire Group's Nordic operations. It supports the Group's aim to serve customers more comprehensively across borders and offers Silta opportunities to expand its payroll services operations in Sweden and other Nordic countries. In addition to our first international acquisition, we continued to make smaller accounting firm acquisitions in Finland.

The continuous development of our operating environment and the new solutions enabled by AI offer the Group interesting opportunities to boost our service production and way of working. Various of our operations have already utilised AI-enabled opportunities for a long time; AI is used in the development work related to the Group's software products as well as in the development of operations and process optimisation. To ensure our strong market position, provide our customers with high-quality and efficient processes and offer our professionals the best conditions for successful work, this summer we launched an extensive, Group-wide AI strategy process with the aim of creating a common AI strategy for the Group in early autumn.

The customer data of our accounting firm business shows that in the second quarter the comparable number of invoices has slightly increased compared to the corresponding period in 2025. This reflects the fact that economic activity among the customers of the accounting firm business seems to have turned to growth, which suggests positive developments in the general economic situation as well.

In addition to the AI strategy, we are about to start building the Group's business strategy for the next period. We will focus especially on ensuring our competitiveness in our different segments. In the upcoming strategy period, we will enhance our operations through a better customer experience as well as by optimising and harmonising our processes.

Kimmo Herranen
CEO

Outlook (unchanged)

Administer estimates that its net sales will rise to EUR 105–115 million and its EBITDA will be EUR 6.5–9.0 million in 2026.

Risks and near-term uncertainties

Interruptions or disturbances in Administer's IT, network, or communication systems may lead to unforeseen costs and malfunctions and be detrimental to the business operations of the company or its customers. Data security breaches targeted at IT systems and data links, or other data security breaches, may be detrimental to Administer or its customers and negatively impact Administer's business.

Administer's field of business is competitive, and the competition is fragmented, which may have a negative impact on the company's operations if Administer is unable to respond to competitor pricing or service quality or fails to develop new products or services.

Corporate acquisitions are an important part of the company's growth strategy. Administer may fail in integrating corporate acquisitions or finding new acquisition targets or an acquisition may fail.

Administer's brand and reputation are important competitive advantages, and reputation damage might have negative impacts on Administer's business and market position.

There are uncertainties relating to Finland's economic development this year as economic growth is expected to remain slow. The prolonged economic slump may also have negative impacts on Administer's net sales and result through customer companies.

The acceleration of inflation in Finland may also be reflected in wages and, together with personnel turnover, increase Administer's expenses and weaken profitability if the company is not able to transfer the increased expenses into the prices of the services it produces. The acceleration of inflation may also increase interest rates and thereby impact the price of external funding of Administer.

The company may not succeed in acquiring funding with competitive terms or at all, and its financing expenses may increase. Also, breaching the covenants included in the credit agreements of the company and its Group companies may complicate the availability of funding for the company, increase the company's financial expenses, or lead to premature maturity of the Group's loans.

More information

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Webinar

CEO Kimmo Herranen and CFO Kalle Lehtonen will present the results in a webinar on 13 August 2026 at 11:00 a.m. EEST. Questions can be sent during the event via the chat function.

You can join the webinar at https://administer.events.inderes.com/q2-2026.

A recording will be available after the event at https://administergroup.com/en/investors/.

About Administer Oyj

Administer Group is a multi-talent in payroll and financial management services, software services, consulting, personnel and international services. We are the largest salary outsourcing partner in Finland and the leading expert in the fight against the grey economy. Our services are used by more than 5,000 customers, from SMEs to large companies, as well as municipalities and other public sector actors. Founded in 1985, the company is listed on the First North list of Nasdaq Helsinki.

Administer Group consists of Sarastia Oy, which is providing financial and payroll management services for public sector, payroll management service company Silta Oy, accounting company Administer, business service and employment expert Econia Oy and software company EmCe Solution Partner Oy. In addition, the Group includes other subsidiaries and associated companies.
www.administergroup.com

Attachments

- Download announcement as PDF.pdf
- Administer Group_Half_Year_Report_13082026_EN.pdf