



ADMINISTER GROUP



# TRANSITION TO IFRS REPORTING



ADMINISTER GROUP

## Administer Plc: Transition to IFRS reporting and unaudited comparative IFRS information

Administer Plc Group ("Administer Group" or "the Group") will transition from the Finnish Accounting Standards (FAS) to International Financial Reporting Standards (IFRS) reporting. The transition will increase the comparability of reported financial figures both in Finland and internationally. In addition, the transition to IFRS reporting will improve the company's readiness to join the Nasdaq Helsinki Main Market in case the company decides to execute such a migration in the future.

Administer Group will publish its first IFRS-aligned financial report for the reporting period 1 January–30 June 2026. Comparative information will be presented for the financial period ended on 31 December 2025 and the comparison period ended on 30 June 2025. The transition date for IFRS reporting is 1 January 2025.

In this report, the following IFRS-aligned comparative information is published for the benefit of investors:

- consolidated income statements for 1 January–30 June 2025 and 1 January–31 December 2025
- consolidated balance sheets for 1 January 2025 (transition date), 30 June 2025 and 31 December 2025
- key figures for the financial periods 1 January–31 December 2025 and 1 January–30 June 2025.

The key changes arising from the IFRS transition in comparison to FAS are as follows:

- **IFRS 2** The costs of Administer Group's share-based incentive plan are allocated across the life span of the plan, and the costs are not recognised on the income statement as they materialise. The portion to be paid in equity is recognised as equity increase based on services received. This recognition has a significant impact on operating profit/loss and the result for the financial period as well as a minor impact on the equity-related key figures.
- **IFRS 8** Segment reporting is introduced as part of the transition. Going forward, the reporting on the Group's business will be divided into three segments: Private sector, Public sector, and Staffing. Segment-specific information is presented in accordance with management's internal reporting. As the previous reporting practice (FAS) did not meet the requirements of the IFRS 8 standard, the segment structure, key figures to be reported and the information to be presented have been re-evaluated in connection with the IFRS transition.
- **IFRS 15** The costs related to unfinished implementation projects as well as payments from clients are recognised as assets and liabilities on the balance sheet. Once a project is completed, the items recorded on the balance sheet are allocated across the life span of the service agreement. This has weakened the reported operating profit/loss and the result for the financial period.
- **IFRS 16** The right-of-use asset based on lease agreements as well as the lease debt based on future lease payments are recognised on the balance sheet. Due to this recognition, the amount of non-current assets and lease debt on the balance sheet has increased. The right-of-use asset is amortised during its economic life, and correspondingly the lease expenses are adjusted from "Other operating expenses" on the income statement to lease debt repayment and related interest

expenses. This has somewhat improved the operating profit/loss and somewhat weakened the result for the financial period.

- **IAS 12** Deferred taxes are recorded for temporary discrepancies between book values and taxation. Losses confirmed in taxation are recorded as deferred tax assets, which are revalued in each financial period in the future. This has improved the Group's equity and equity-related key figures.
- **IAS 36/38** The intangible assets capitalised on the balance sheet have been reviewed at the transition date. Also depreciation period has been shortened and capitalization criterias have been re-evaluated. Goodwill is no longer amortised, but it is subject to impairment testing in each reporting period as well as whenever there are indications of potential impairment. At transition date impairment of goodwill was made. These records have a significant impact on the equity-related key figures.

**KEY FIGURES**

(EUR 1,000 unless otherwise stated)	1 Jan - 30 June 2025		1 Jan - 31 Dec 2025	
	FAS	IFRS	FAS	IFRS
<b>Key figures</b>				
Net sales	38,323	37,887	73,307	72,481
EBITDA	3,566	3,718	5,819	6,195
EBITDA,%	9.3%	9.8%	7.9%	8.5%
Operating profit (loss)	641	1,974	-272	2,385
Operating profit (loss),%	1.7%	5.2%	-0.4%	3.3%
Profit before appropriations and tax	288	1,544	-1,000	1,513
Profit (loss) for the period	204	1,688	-1,644	1,321
Return on equity (ROE), %	-10.4%	N/A	-6.6	5.5%
Equity ratio, %	44.4%	39.8%	47.1%	44.1%
Debt-to-equity ratio,%	49.0%	61.9%	43.1%	51.8%
Net sales growth,%	-0.1%	N/A	-1.9%	N/A
Number of personnel	1,037	1,037	1,018	1,018
Net sales per employee	37	37	72	71
Personnel expenses per employee	-25	-25	-49	-49
Ratio of personnel expenses to net sales,%	67.0%	68.1%	67.7%	68.8%

### Consolidated statement of comprehensive income 1 January–31 December 2025

	FAS 1.1- 31.12.2025	Employee benefits expenses	Business combinations	Revenue from contracts	Leases	Other adjustments and reclassificatio ns	IFRS 1.1.- 31.12.2025
<b>EUR 1,000</b>							
Revenue (net sales)	73,307			-826		0	72,481
Other operating income	139				-5	0	134
Materials and services	-8,963	0	0	153	0	0	-8,810
Employee benefit expenses	-49,612	-477	0	280	0	-66	-49,875
Depreciations, amortisations and impairment	-6,092		4,437		-1,285	-870	-3,810
Other operating expenses	-9,052				1,379	-62	-7,735
Operating profit (EBIT)	-272	-477	4,437	-392	89	-998	2,385
Share of results of associated companies							
Financial income	37				0	0	38
Financial expenses	-765		-6		-139	0	-910
Profit before tax	-1,000	-477	4,431	-392	-50	-998	1,513
Income tax	-605	95		78	10	228	-192
Non-controlling interests	-39					39	0
Profit for the financial period	-1,644	-382	4,431	-314	-40	-730	1,321
Attributable to							
Equity holders of the parent	-1,644	-382	4,431	-314	-40	-769	1,282
Non-controlling interests	0					39	39
Other comprehensive income/(loss) for the year, net of tax							
Total comprehensive income for the financial period	-1,644	-382	4 431	-314	-40	-730	1,321
Attributable to							
Equity holders of the parent	-1,644	-382	4,431	-314	-40	-769	1,282
Non-controlling interests	0					39	39


**Consolidated Balance 31 December 2025**

	FAS 31.12.2025	Employee benefits expenses	Business combinations	Revenue from contracts	Leases	Impairments of intangible assets	Other adjustments and reclassifications	IFRS 31.12.2025
<b>EUR 1,000</b>								
<b>Assets</b>								
<b>Non-current assets</b>								
<b>Intangible assets</b>	36 882	0	4 555	0	0	-4 225	0	37 212
Development costs	5 649					-1 720	0	3 929
Intangible rights	68		453			0	0	521
Goodwill	30 053		4 483			-1 774	0	32 762
Other intangible assets	1 112		-381			-731	0	0
<b>Tangible assets</b>	884	0	0	0	0	6	-104	786
<b>Right-of-use assets</b>	0				2 546	0	0	2 546
<b>Investments</b>	67	0	0	0	0	0	0	67
<b>Non-current receivables</b>	39	100	0	61	15	470	564	1 249
Other long-term receivables	39	0	0	0	5	0	-5	39
Deferred tax assets	0	100		61	10	470	564	1 206
<b>Total non-current assets</b>	<b>37 872</b>	<b>100</b>	<b>4 555</b>	<b>61</b>	<b>2 561</b>	<b>-3 748</b>	<b>459</b>	<b>41 860</b>
<b>Current assets</b>								
<b>Current receivables</b>	10 881	0	0	1 641	4	93	-62	12 557
Trade and other receivables	10 881	0	0	1 641	4	93	-1 738	10 881
<b>Other current assets</b>	2					0	0	2
<b>Cash and cash equivalents</b>	2 815					0	0	2 815
<b>Total current assets</b>	<b>13 699</b>	<b>0</b>	<b>0</b>	<b>1 641</b>	<b>4</b>	<b>93</b>	<b>-62</b>	<b>15 375</b>
<b>Total assets</b>	<b>51 570</b>	<b>100</b>	<b>4 555</b>	<b>1 702</b>	<b>2 565</b>	<b>-3 656</b>	<b>398</b>	<b>57 235</b>
<b>Equity and liabilities</b>								
<b>Equity</b>								
Share capital	80					0	0	80
Other funds	32 164	0				0	0	32 164
Share-based payments	-747					0	0	-747
Translation differences	8	0	0	0	0	0	0	0
Retained earnings	-7 192	100	4 443	-243	-40	-3 656	346	-6 242
<b>Equity attributable to equity holders of the parent</b>	<b>24 312</b>	<b>100</b>	<b>4 443</b>	<b>-243</b>	<b>-40</b>	<b>-3 656</b>	<b>346</b>	<b>25 263</b>
<b>Non-controlling interests</b>	23	0	0	0	0	0	0	23
<b>Liabilities</b>								
<b>Non-current liabilities</b>								
Interest-bearing loans and borrowings	4 476				0	0	0	4 476
Other payables	0		71			0	0	71
Lease liabilities	0				1 388	0	0	1 388
Deferred tax liabilities	0					0	52	0
<b>Total non-current liabilities</b>	<b>4 476</b>	<b>0</b>	<b>71</b>	<b>0</b>	<b>1 388</b>	<b>0</b>	<b>52</b>	<b>5 987</b>
<b>Current liabilities</b>								
Interest-bearing loans and borrowings	6 021					0	0	6 021
Lease liabilities	0				1 217	0	0	1 217
Trade and other payables	16 738	0	41	1 945	0	0	0	18 724
<b>Total current liabilities</b>	<b>22 760</b>	<b>0</b>	<b>41</b>	<b>1 945</b>	<b>1 217</b>	<b>0</b>	<b>0</b>	<b>25 962</b>
<b>Total liabilities</b>	<b>27 235</b>	<b>0</b>	<b>112</b>	<b>1 945</b>	<b>2 605</b>	<b>0</b>	<b>52</b>	<b>31 950</b>
<b>Total equity and liabilities</b>	<b>51 570</b>	<b>100</b>	<b>4 555</b>	<b>1 702</b>	<b>2 565</b>	<b>-3 656</b>	<b>398</b>	<b>57 235</b>

## Consolidated statement of comprehensive income 1 January–30 June 2025

	FAS 1.1- 30.6.2025	Employee benefits expenses	Business combinations	Revenue from contracts	Leases	Other adjustments and reclassification s	IFRS 1.1.- 30.6.2025
<b>EUR 1,000</b>							
Revenue (net sales)	38,323			-436		0	37,887
Other operating income	74				-2	0	72
Materials and services	-4,484	0	0	87	0	0	-4,397
Employee benefit expenses	-25,681	-239	0	147	0	-20	-25,791
Depreciations, amortisations and impairment	-2,925		2,229		-623	-425	-1,744
Other operating expenses	-4,666				668	-54	-4,052
Operating profit (EBIT)	641	-239	2,229	-202	42	-498	1,974
Share of results of associated companies							
Financial income	9				0	0	10
Financial expenses	-363		-3		-74	0	-440
Profit before tax	288	-239	2,226	-202	-31	-498	1,544
Income tax	-74	48	0	40	6	123	144
Non-controlling interests	-10					10	
Profit for the financial period	204	-191	2,226	-161	-25	-365	1,688
Attributable to							
Equity holders of the parent	204	-191	2,226	-161	-25	-375	1,678
Non-controlling interests	0					10	10
Other comprehensive income/(loss) for the year, net of tax							
<b>Total comprehensive income for the financial period</b>	<b>204</b>	<b>-191</b>	<b>2,226</b>	<b>-161</b>	<b>-25</b>	<b>-365</b>	<b>1,688</b>
Attributable to							
Equity holders of the parent	204	-191	2,226	-161	-25	-375	1,678
Non-controlling interests	0					10	10

## Consolidated Balance sheet 30 June 2025

	FAS 30.6.2025	Employee benefits expenses	Business combinations	Revenue from contracts	Leases	Impairments of intangible assets	Other adjustments and reclassifications	IFRS 30.6.2025
EUR 1,000								
<b>Assets</b>								
<b>Non-current assets</b>								
<b>Intangible assets</b>	<b>39 107</b>	<b>0</b>	<b>2 355</b>	<b>0</b>	<b>0</b>	<b>-3 999</b>	<b>0</b>	<b>37 464</b>
Development costs	5 480		0			-1 413	0	4 067
Intangible rights	23		193			0	0	216
Goodwill	32 357		2 598			-1 774	0	33 181
Other intangible assets	1 248		-435			-812	0	0
<b>Tangible assets</b>	<b>968</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>-88</b>	<b>890</b>
<b>Right-of-use assets</b>	<b>0</b>				<b>2 559</b>	<b>0</b>	<b>0</b>	<b>2 559</b>
<b>Investments</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62</b>
<b>Non-current receivables</b>	<b>50</b>	<b>53</b>	<b>0</b>	<b>571</b>	<b>9</b>	<b>420</b>	<b>547</b>	<b>1 649</b>
Other long-term receivables	50	0	0	174	2	0	-176	50
Deferred tax assets	0	53		397	6	420	547	1 423
<b>Total non-current assets</b>	<b>40 188</b>	<b>53</b>	<b>2 355</b>	<b>571</b>	<b>2 568</b>	<b>-3 569</b>	<b>459</b>	<b>42 624</b>
<b>Current assets</b>								
<b>Current receivables</b>	<b>13 248</b>	<b>0</b>	<b>0</b>	<b>1 610</b>	<b>5</b>	<b>116</b>	<b>-54</b>	<b>14 924</b>
Trade and other receivables	13 248	0	0	1 610	5	116	-1 730	13 248
Other current assets	2					0	0	2
<b>Cash and cash equivalents</b>	<b>2 572</b>					<b>0</b>	<b>0</b>	<b>2 572</b>
<b>Total current assets</b>	<b>15 823</b>	<b>0</b>	<b>0</b>	<b>1 610</b>	<b>5</b>	<b>116</b>	<b>-54</b>	<b>17 499</b>
<b>Total assets</b>	<b>56 010</b>	<b>53</b>	<b>2 355</b>	<b>2 181</b>	<b>2 572</b>	<b>-3 453</b>	<b>406</b>	<b>60 123</b>
<b>Equity and liabilities</b>								
<b>Equity</b>								
Share capital	80					0	0	80
Other funds	30 838	0				0	0	30 838
Share-based payments	-720					0	0	-720
Translation differences	20	0	0	0	0	0	0	0
Retained earnings	-5 354	53	2 238	-161	-25	-3 453	360	-6 342
<b>Equity attributable to equity holders of the parent</b>	<b>24 864</b>	<b>53</b>	<b>2 238</b>	<b>-161</b>	<b>-25</b>	<b>-3 453</b>	<b>360</b>	<b>23 876</b>
<b>Non-controlling interests</b>	<b>38</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38</b>
<b>Liabilities</b>								
<b>Non-current liabilities</b>								
Interest-bearing loans and borrowings	6 941					0	0	6 941
Other payables			69			0	0	69
Deferred payables	0			304	0	0	0	304
Lease liabilities	0				1 309	0	0	1 309
Deferred tax liabilities				357		0	46	402
<b>Total non-current liabilities</b>	<b>6 941</b>	<b>0</b>	<b>69</b>	<b>661</b>	<b>1 309</b>	<b>0</b>	<b>46</b>	<b>9 026</b>
<b>Current liabilities</b>								
Interest-bearing loans and borrowings	5 267					0	0	5 267
Lease liabilities	0				1 288	0	0	1 288
Trade and other payables	18 900	0	48	1 681	0	0	0	20 629
<b>Total current liabilities</b>	<b>24 167</b>	<b>0</b>	<b>48</b>	<b>1 681</b>	<b>1 288</b>	<b>0</b>	<b>0</b>	<b>27 184</b>
<b>Total liabilities</b>	<b>31 108</b>	<b>0</b>	<b>117</b>	<b>2 342</b>	<b>2 597</b>	<b>0</b>	<b>46</b>	<b>36 210</b>
<b>Total equity and liabilities</b>	<b>56 010</b>	<b>53</b>	<b>2 355</b>	<b>2 181</b>	<b>2 572</b>	<b>-3 453</b>	<b>406</b>	<b>60 123</b>

## Opening Balance Sheet at transition date 1 January 2025

	FAS 1.1.2025	Employee benefits expenses	Business combinations	Revenue from contracts	Leases	Impairments of intangible assets	Other adjustments and reclassifications	IFRS 1.1.2025
<b>EUR 1,000</b>								
<b>Assets</b>								
<b>Non-current assets</b>								
<b>Intangible assets</b>	41 259	0	127	0	0	-3 843	0	37 543
Development costs	5 126					-1 186	0	3 940
Intangible rights	17					0	0	17
Goodwill	35 233		127			-1 774	0	33 586
Other intangible assets	883					-883	0	0
<b>Tangible assets</b>	997	0	0	0	0	15	-71	940
<b>Right-of-use assets</b>	0				2 836	0	0	2 836
<b>Investments</b>	62	0	0	0	0	0	0	62
<b>Non-current receivables</b>	62	5	0	362	0	376	568	1 374
Other long-term receivables	62	0	0	19	0	0	-19	62
Deferred tax assets		5		343	0	376	568	1 293
<b>Total non-current assets</b>	42 380	5	127	362	2 836	-3 452	497	42 755
<b>Current assets</b>								
<b>Current receivables</b>	12 085	0	0	1 696	0	172	-136	13 817
Trade and other receivables	12 085	0	0	1 696	0	172	-1 868	12 085
<b>Cash and cash equivalents</b>	2 401					0	0	2 401
<b>Total current assets</b>	14 486	0	0	1 696	0	172	-136	16 218
<b>Total assets</b>	56 866	5	127	2 058	2 836	-3 279	361	58 973
<b>Equity and liabilities</b>								
<b>Equity</b>								
Share capital	80					0	0	80
Other funds	30 760	0				0	0	30 760
Share-based payments	-30					0	0	-30
Translation differences	50	0	0	0	0	0	0	50
Retained earnings	-5 555	5	12	0	0	-3 279	322	-8 496
<b>Equity attributable to equity holders of the parent</b>	25 304	5	12	0	0	-3 279	322	22 363
<b>Non-controlling interests</b>	28	0	0	0	0	0	0	28
<b>Liabilities</b>								
<b>Non-current liabilities</b>								
Interest-bearing loans and borrowings	6 646					0	0	6 646
Other payables	88		67			0	0	155
Deferred payables	0			19	0	0	0	19
Lease liabilities	0			0	1 759	0	0	1 759
Deferred tax liabilities				343		0	39	382
<b>Total non-current liabilities</b>	6 734	0	67	362	1 759	0	39	8 962
<b>Current liabilities</b>								
Interest-bearing loans and borrowings	5 302					0	0	5 302
Trade payables	4 443					0	0	4 443
Advances received	0	0	0	0	0	0	0	0
Other liabilities	5 429		47			0	0	5 476
Lease liabilities	0				1 077	0	0	1 077
Contract liabilities	9 626			1 696		0	0	11 322
Trade and other payables	19 498	0	47	1 696	0	0	0	21 241
<b>Total current liabilities</b>	24 800	0	47	1 696	1 077	0	0	27 620
<b>Total liabilities</b>	31 534	0	114	2 058	2 836	0	39	36 582
<b>Total equity and liabilities</b>	56 866	5	127	2 058	2 836	-3 279	361	58 973

## Notes to the IFRS transition

Administer has applied the following exemptions provided in IFRS 1 “First-time Adoption of International Financial Reporting Standards” for first-time adopters:

- Goodwill recognised before the IFRS transition date of 1 January 2025 is measured by using the goodwill presented in the FAS-aligned financial statements for 31 December 2024. The amortisation of goodwill presented in the FAS accounting for the financial period 1 January–31 December 2025 has been reversed.
- Lease liabilities and right-of-use assets are recognised at the IFRS transition date. Lease liabilities are measured at the present value of the remaining lease payments, discounted at Group’s additional credit interest rate. Right-of-use assets are measured at the amount of lease liabilities taking into account any potential prepaid or accrued lease payments that relate to a lease agreement or were recorded on the balance sheet just before 1 January 2025.
- The cumulative exchange rate differences for all foreign operations are considered to be zero at the transition date of 1 January 2025.

### 1) Share-based payments

IFRS 2 “Share-based Payment”: Administer has a share based incentive scheme targeted to Groups key employees. Shares allocated from this has been valued on fair value at grant date. Cost associated to this has been booked to employee costs in profit and loss statement over the earnout period and to other reserves in the balance sheet. The effects of this adjustment are presented in the column Personnel expenses.

### 2) Leases

In line with IFRS 16 “Leases”, Administer recognises all essential leases on the balance sheet as a lease liability and a corresponding right-of-use asset. Administer has applied the standard exemptions relating to current leases and leases where the underlying asset has a low value. These items are not recognised on the balance sheet. At the transition date, the balance sheet includes an amount of right-of-use assets that corresponds to the non-current and current liabilities related to leases. The amount of lease liabilities and the corresponding values of right-of-use assets are based on the present value of the leases to be paid during the lease term.

Management’s judgement has been applied to determining the lease term of open-ended leases and leases with an extension option. The related assumptions are reviewed during each reporting period. The discount rate used in the calculation of the present value of lease liabilities is based on the interest rate of Administer’s additional credit in an equivalent loan facility agreement.

In FAS reporting, lease payments allocated to a certain financial period have been treated as “Other operating expenses” and lease payments of future financial periods as off-balance sheet liabilities. In IFRS reporting, the aforementioned payments are removed from “Other operating expenses” and recognised as repayment and interest expense of lease liabilities. Additionally, planned depreciation of right-of-use assets on the balance sheet is recognised. The effects of leases are presented in the column Leases.

### 3) Business combinations

Any goodwill accrued on or after 1 January 2025 is recognised in the amount by which the consideration transferred exceeds the fair value of the net assets acquired.

Administer has applied the first-time adopter's exemption relating to goodwill accrued before 1 January 2025, meaning that the book value of this goodwill is considered to correspond to the remaining unamortised portion at the transition date of 1 January 2025.

For business combinations executed after 1 January 2025, Administer has allocated a part of the acquisition cost to customer relationships, which are treated as intangible rights and measured at fair value. These assets have been subject to amortisation based on their economic lives. Based on management's judgement, economic life is considered to be five (5) years.

In accordance with IFRS, goodwill is no longer amortised, but it is subject to impairment testing in each reporting period and whenever there are indications of need for impairment. For impairment testing purposes, goodwill is allocated to cash flow-generating units. Goodwill is measured at the amount recognised at the time of acquisition, less any accumulated impairment losses.

In FAS accounting, goodwill is amortised over the economic life. The amortisation of goodwill recognised in FAS accounting has been cancelled in IFRS reporting as of 1 January 2025. The customer relationships identified in the allocation of acquisition costs are subject to amortisation based on their economic lives.

In FAS accounting, business acquisition-related transaction costs are recognised as part of the goodwill of the acquisition and amortised over the economic life. In IFRS reporting, the transaction costs of acquisitions executed on or after 1 January 2025 are recognised as "Other operating expenses" through profit or loss.

In connection with some acquisitions, Administer has agreed to pay the purchase price after a certain period of time. Administer has measured the assets at amortised cost and the liabilities at their discounted present value using Administer's additional credit interest rate. The impact of these recognitions is minor.

The impacts of business combinations are presented in the column Acquisitions.

### 4) Financial instruments

For credit loss allowance of trade receivables, a provision is also calculated for undue trade receivables in accordance with IFRS 9 "Financial instruments". Any potential transaction costs related to the issuance of new shares are recognised as decrease in equity in accordance with the standard "IAS 32 Financial instruments: Presentation".

The transaction costs related to Administer's financial liabilities are amortised using the effective interest method.

## Expected credit losses

For assessing the expected credit losses of trade receivables, Administer applies the simplified approach according to IFRS 9. In line with this approach, an impairment loss is recognised for all trade receivables based on an estimate of the expected credit losses over the entire life of the receivable. Trade receivable-related impairment losses are recognised as “Other operating expenses” through profit or loss. In FAS accounting, Administer has applied a similar approach to credit loss allowance for trade receivables that have been overdue for over 30 days. In connection with the IFRS transition, the scope of the credit loss allowance has been expanded to also cover receivables that have been overdue for less than 30 days as well as undue receivables. According to the judgement of Administer’s management, the expected credit loss of undue trade receivables is 0.2% and that of those that have been overdue for less than 30 days 2.0%. The effects of credit loss allowance are presented in the column Other adjustments and reclassifications.

## 5) Revenue from contracts with customers

In IFRS reporting, those payroll contracts that are performance obligations to be fulfilled over time are recognised as income in the same way as in FAS accounting.

Those payroll contracts that are performance obligations to be fulfilled at a single point in time have been recognised in FAS accounting in equal amounts for income and expenses as they accrue, and the difference is recorded on the balance sheet and recognised as income upon completion of the performance obligation.

In the IFRS transition, the implementation work related to the commencement of a payroll service is a performance obligation to be fulfilled at a single point in time. Before a payroll service is delivered, the considerations received for the implementation work are treated as accrued expenses. The costs arising from implementation are simultaneously capitalised on the balance sheet as accrued income. Income recognition of a contract in accordance with IFRS 15 only begins when the delivery of the payroll service to the customer begins, at which point control over the service is transferred to the customer. In this case, balance sheet items capitalised under the contract are accrued through the income statement as net sales and expenses over the term of the payroll service. The effects of this adjustment are presented in the column Sales contracts.

## 6) Deferred taxes

Deferred tax assets are recognised for losses confirmed in taxation and for previous tax years’ non-deductible net interest expenses for Group affiliates. Deferred tax assets are revalued in each financial period.

Deferred tax assets and liabilities are recognised for adjustments made in connection with the IFRS transition. These deferred tax assets and liabilities are netted against each other in the event that the asset is realised and the liability is settled simultaneously. In practice, this netting has been done regarding taxes calculated from the accrual of expenses and income from payroll implementations as well as deferred tax assets related to leases. The impacts of this adjustment are presented in the column Other adjustments and reclassifications.

## 7) Impairment of assets

All assets are monitored for impairment whenever there are indications of impairment, and any impairment losses are recognised. Regardless, this impairment testing is conducted at least annually.

Administer has tested at transition date goodwill for impairment where the recoverable amount of a cash flow-generating unit is determined based on value-in-use calculations. The calculations are made using the discounted cash flow method, utilising estimates for future development approved by management and based on strategic plans. The key factors in the valuation are net sales growth, market position and potential in key markets, which are based on the Group's result and future strategic growth plans. The discount rate used is the pre-tax weighted average cost of capital (WACC).

Administer recognises impairment losses through profit or loss. The effects of this adjustment are presented in the column Impairment of intangible rights.

## 8) Reclassifications

In connection with the IFRS transition, Administer has classified the renovation costs of leased premises capitalised on the balance sheet as tangible right-of-use assets instead of other non-current liabilities. Other items recognised as other non-current liabilities have been recognised as income or transferred to other balance sheet items. The impacts of this adjustment are presented in the column Other adjustments and reclassifications.

## 9) Operating segments

With the IFRS transition, the Group has introduced three reportable operating segments: public sector, private sector and staffing. As the highest-ranking operational decision-maker, the CEO of the Group's parent company evaluates the segments' development on a monthly basis. The assessment of a segment's profitability is based on the segment's operating profit (loss). The Group's assets and liabilities are not allocated to the operating segments because the highest-ranking operational decision-maker neither allocates resources based on a segment's assets or liabilities nor reviews a segment's assets or liabilities. Assets and liabilities are reviewed at the Group level. Financial income and expenses as well as income tax have not been allocated to the segments.

**1 Jan - 31 Dec 2025**

EUR 1,000

	Private sector	Public sector	Staffing	Eliminations	Group total
<b>Revenue (net sales)</b>					
Sales to external customers	55,953	3,120	13,409	0	72,482
Inter-segment revenue	694	12	9	-715	0
<b>Total revenue</b>	<b>56,647</b>	<b>3,132</b>	<b>13,417</b>	<b>-715</b>	<b>72,482</b>
Other operating income	39	5	90	0	134
Materials and services	-8,148	-516	-146	0	-8,810
Employee benefit expenses	-35,975	-1,863	-12,037		-49,875
Depreciations, amortisations and	-3,594	-13	-203		-3,810
Other operating expenses	-6,835	-341	-559	0	-7,735
Inter-segment expenses	-21	-416	-278	715	0
<b>Operating profit</b>	<b>2,113</b>	<b>-12</b>	<b>284</b>	<b>0</b>	<b>2,385</b>

**1 Jan - 30 June 2025**

EUR 1,000

	Private sector	Public sector	Staffing	Eliminations	Group total
<b>Revenue (net sales)</b>					
Sales to external customers	29,138	1,481	7,269	0	37,888
Inter-segment revenue	0	0	0	0	0
<b>Total revenue</b>	<b>29,138</b>	<b>1,481</b>	<b>7,268</b>	<b>0</b>	<b>37,888</b>
Other operating income	20	5	47	0	72
Materials and services	-4,027	-275	-95	0	-4,397
Employee benefit expenses	-18,229	-934	-6,628		-25,791
Depreciations, amortisations and	-1,639	-7	-98		-1,744
Other operating expenses	-3,601	-201	-250	0	-4,052
Inter-segment expenses	0	0	0	0	0
<b>Operating profit</b>	<b>1,661</b>	<b>69</b>	<b>245</b>	<b>0</b>	<b>1,974</b>

**Statement of changes in equity 2025**

EUR thousand	Note	1 Jan 2025	30 June 2025	31 Dec 2025
<b>Equity, FAS</b>		<b>25,332</b>	<b>24,902</b>	<b>24,335</b>
<b>IFRS adjustments:</b>				
Personnel expenses	1	5	53	100
Acquisitions	3	12	2,238	4,443
Other adjustments and reclassifications	2, 4, 6, 8	322	174	63
Impairment of intangible rights	7	-3,279	-3,453	-3,656
Total adjustments		<b>-2,940</b>	<b>-988</b>	<b>951</b>
<b>Equity, IFRS</b>		<b>22,391</b>	<b>23,913</b>	<b>25,285</b>
<b>Equity attributable to owners of parent company</b>		<b>22,363</b>	<b>23,876</b>	<b>25,263</b>
<b>Equity attributable to non-controlling interests</b>		<b>28</b>	<b>38</b>	<b>23</b>

## KEY FIGURES AND CALCULATION OF KEY FIGURES

Administer Group presents alternative performance measures for the time period covered by the historical financial information, supplementing the key figures presented in Administer's income statements, balance sheets and cash flow statements prepared in accordance with the IFRS. Not all performance measures presented are performance measures defined in the IFRS, in which case they are considered alternative performance measures.

In the view of Administer Group, the alternative performance measures provide additional information for investors and others interested in the Group. The published performance measures should be considered together with the performance measures prepared in accordance with the IFRS. In addition, it should be noted that not all companies calculate alternative performance measures in the same way. Thus, the reported performance measures may not be comparable with similarly named performance measures reported by other companies.

The definitions and purpose of the performance measures are presented in the section Calculation and definitions of key figures.

## CALCULATION AND DEFINITIONS OF KEY FIGURES

Key figure	Definition	Purpose
EBITDA	Operating profit (loss) + depreciation, amortisation and impairment	Describes profitability of the operations without the effect of depreciation, amortisation and impairment.
EBITDA, %	$\frac{\text{EBITDA}}{\text{Net sales}} \times 100$	Describes the ratio of EBITDA to net sales.
Operating profit (loss)	Net sales + other operating income – materials and services – personnel expenses – other operating expenses – depreciation, amortisation and impairment	Operating profit (loss) describes the profitability of the operations.
Operating profit (loss), %	$\frac{\text{Operating profit (loss)}}{\text{Net sales}} \times 100$	Describes the ratio of operating profit to net sales.
Return on equity (ROE), %	$\frac{\text{Profit (loss) for the financial period (rolling 12 months)}}{\text{Average equity (rolling 12 months)}} \times 100$	Measures the result for the period in relation to equity. Average equity is an average of equity at the beginning of and at the end of a financial period.
Equity ratio, %	$\frac{\text{Equity at the end of period}}{\text{Total assets at the end of period – advances received}} \times 100$	Describes the ratio of Administer's assets to equity.
Debt-to-equity ratio, %	$\frac{\text{Interest-bearing liabilities}}{\text{(Equity + goodwill + minority interest + accrued appropriations)}} \times 100$	Reflects the total amount of Administer's external debt financing.
Net sales growth, %	$\frac{\text{Net sales for the period – net sales for the reference period}}{\text{Net sales for the reference period}} \times 100$	Describes operating growth between periods.



## More information

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