

Profitability improved more than expected

Administer's Q1 profitability exceeded our expectations, improving by 17.4% y/y. Net sales remained flat, as the weak market environment continued to weigh on organic growth.

- Net sales in Q1 were EUR 19.0m (EUR 19.0m in Q1'24) slightly below our estimate of EUR 19.3m. The challenging market environment continued to impact net sales during the quarter.
- EBITDA in Q1 was EUR 2.0m (Q1'24: EUR 1.7m) vs. Evli EUR 1.7m. This translates to a margin of 10.7%, which is above the 2025 FY guidance range (7–10%).
- EBITA in Q1 was EUR 1.6m (Q1'24: EUR 1.3m) vs. Evli 1.2m.
- Operating result in Q1 was EUR 0.5m (Q1'24: 0.2m) vs. Evli EUR 0.1m.
- Across the main brands, HR services provider **Silta** showed the strongest Q1 net sales performance, being the only one to post y/y growth, up 0.6% to EUR 6.6m.
- HR and staffing provider **Econia** continued to be the weak spot, with net sales declining 8.4% to EUR 5.0m. The generally weak economic conditions continued to affect the development of net sales.
- Net sales in **Administer's accounting** operations declined by 4.8% to EUR 4.7m. Three smaller acquisitions were made in the business area during the review period.
- Software services provider **EmCe** reported net sales of EUR 2.1m, down 0.4% y/y. Cross-selling with other business units has continued to perform well.
- Administer secured a EUR 0.7m price reduction in arbitration over the 2022 Econia acquisition, reducing related debt and goodwill. This has no impact on 2025 guidance.
- **Guidance for 2025 (reiterated):** Administer estimates that its net sales will be EUR 72–78 million and that its EBITDA–margin will be 7–10% in 2025.
- We currently estimate net sales of EUR 76.1m and EBITDA–margin of 8.2%.

Rating 🇫🇮🇪 Buy

Q1/25	Actual	Evli	Year ago	Q4'24
Net sales	19.0	19.3	19.0	18.7
EBITDA	2.0	1.7	1.7	0.9
EBITA	1.6	1.2	1.3	-0.2

Deviation	Actual	Evli	Year ago	Q4'24
Net sales		-2 %	0 %	1 %
EBITDA		18 %	17 %	129 %
EBITA		29 %	26 %	-

Share price, EUR (Last trading day's closing price) **2.30**
Target price, EUR 2.8

Latest change in recommendation 02–Mar–22

Latest report on company 05–May–25

Research paid by issuer: YES

No. of shares outstanding, '000's 14 954

No. of shares fully diluted, '000's 14 954

Market cap, EURm 33

Free float, % 0.0 %

Exchange rate 0.0

Reuters code ADMIN.HE

Bloomberg code ADMIN FH

Average daily volume, EURm 0.0

Next interim report 07–May–25

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🇫🇮🇪 BUY 🇫🇮🇪 ACCUMULATE 🇫🇮🇪 REDUCE 🇫🇮🇪 SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	75.9	-3.0	-3.9%	0.9	-0.27	-8.9	0.6	-15.6	2.5%	0.00
2024	74.7	-1.3	-1.8%	1.3	-0.16	-11.1	0.5	-31.0	4.2%	0.05
2025E	76.1	-0.1	-0.1%	3.1	-0.09	-24.8	0.5	-409.2	9.4%	0.06
2026E	79.8	1.3	1.6%	4.3	-0.01	-309.2	0.5	28.1	13.1%	0.09
2027E	83.7	2.7	3.3%	5.5	0.08	28.1	0.4	11.8	17.0%	0.11

Market cap, EURm	33	Gearing 2025E, %	31.3 %	CAGR EPS 2024–27, %	0.0 %
Net debt 2025E, EURm	7	Price/book 2025E	1.4	CAGR Sales 2024–27, %	3.9 %
Enterprise value, EURm	40	Dividend yield 2025E, %	2.8 %	ROE 2025E, %	-5.4 %
Total assets 2025E, EURm	53	Tax rate 2025E, %	20.0 %	ROCE 2025E, %	-0.3 %
Goodwill 2025E, EURm	31	Equity ratio 2025E, %	44.0 %	PEG, P/E 25/CAGR	0.0

All the important disclosures can be found on the last pages of this report

Important Disclosures

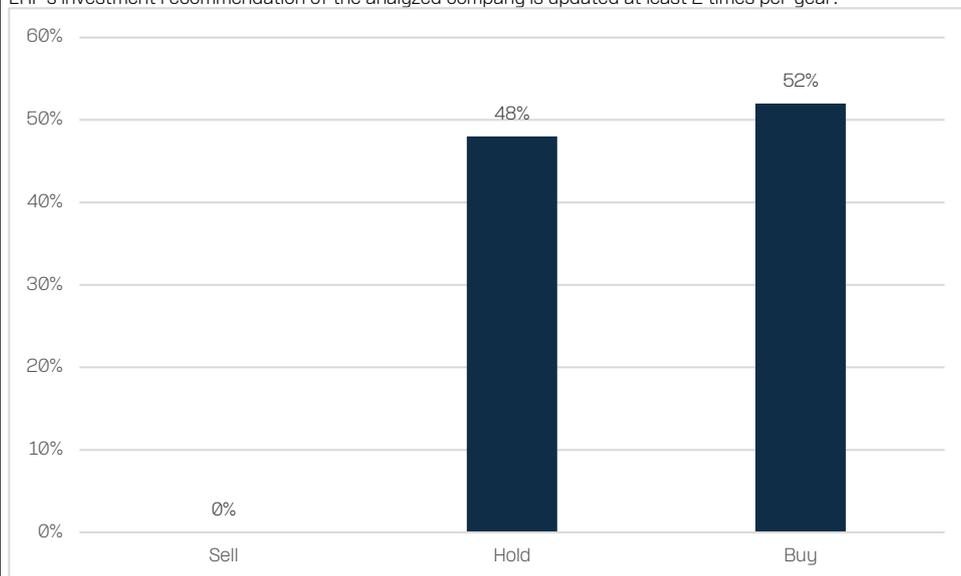
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Atte Pitkääjärvi

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