

BOARD OF DIRECTORS' REPORT

REAKTOR GROUP OY

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Industry & structure

On the basis of its industry, Reaktor Group Oy may manage the organization, administration, financing, IT operations, company planning, and other financial administration tasks of the Group. The company may also own, purchase, sell, manage and rent flats, real estate, securities, shares, interests, and rights in Finland and abroad. Reaktor Group is a global technology consulting company that designs and builds digital products and services for its customers.

Reaktor Group Oy is the parent company of the Reaktor Group. In addition to the parent company, the Group included the following subsidiaries at the end of 2025: Reaktor Innovations Oy, Reaktor Advanced Technologies Oy, Reaktor Ecosystem Oy, Reaktor Inc, Reaktor Japan kk, Reaktor B.V., Reaktor Sweden Ab, Reaktor Enterprises S.L., Reaktor Sociedade Unipessoal LDA, Fusion Technologies Oy, Nieve Consulting Services S.L., Mallow Oy and Splended Oy.

The following subsidiaries were consolidated as associated companies: Sevendos Oy, Good-In People Oy, Adventure Club Oy, Growberry Oy, Krosswise Oy, 61 North Point Solutions Oy, Minna Learning Oy, Codemate Oy, Brightly Works Oy, Robot Automation Group Oy, Feed A/S, Fraktal Oy, AI Think Group Oy, Witted Megacorp Oyj konserni, Fairness & Friends Oy, Voizy Oy, Allies Oü, Avenyo Oy, FusionID Oy, Havina Consulting Oy, Tekai Oy, Kaiku Krew Oy, Locoda Oy, Meshly Oy, Premium Security Associates Oy, Silmaril Innovations Oy, The Value Lab Oy, Liminal Group Oy and Revice Oy.

Material events during the financial year

In March–April 2025, Reaktor Group Oy conducted a directed share issue for employees, with subscriptions totalling 1,4 million euros. In May 2025, the company distributed non-restricted equity of EUR 4,00 per share, amounting to 5,6 million euros in total.

Reaktor Ecosystem Oy's subsidiary Splended Oy became a joint venture in April and again a subsidiary in December 2025. Reaktor Shanghai Computer Technology Co Ltd was formally liquidated during the financial year 2025. The company had no operations. Two new subsidiaries of Reaktor Group Oy, Reaktor Growth Oy and Reaktor Solutions Oy, were established in 2025.

Financial arrangements

The Annual General Meeting of Reaktor Group Oy on May 22, 2025 resolved to grant the Board of Directors an authorization to acquire no more than 150 000 own shares and to decided on the terms related to the acquisition of the shares. However, the purchase price must be at least EUR 1,00 and at most EUR 100,00 per share.

The Annual General Meeting further resolved to authorize the Board of Directors to decide on share issues corresponding to at most 300 000 shares. The authorizations supersede the previous authorization granted by the General Meeting of May 29, 2024, and is valid until June 30, 2026.

At the end of the financial year, the number of Reaktor Group Oy's outstanding shares was 1 390 378, including employee shareholder' shares with redemption rights. Directed share issues related to the retention of personnel were carried out for a total of 24 856 shares. The number of purchased own shares was 16 809.

Material events after the close of the financial year

In January–February 2026 Reaktor Group Oy carried out a share issue directed at employees, in which shares worth EUR 1,4 million were subscribed. Reaktor Group Oy's Board of Directors approved a distribution of non-restricted equity of EUR 3,00 per share (EUR 4,2 million in total). The payments were made in March 2026.

Reaktor Defence & Security secured a major license and professional services agreement with a European NATO member country. This multi-million agreement represents Reaktor's first-ever defence and security deal outside of Finland.

Estimate of likely future development

The Group's future financial performance is dependent on the business development of its subsidiaries. Group management forecasts the Group's revenue to grow in 2026, and expects the product business to launch in early 2026. No estimates on the profitability of the business are presented.

Scope of research and development activities

In the Generative Artificial Intelligence (GenAI) research project supported by Business Finland, Reaktor comprehensively investigates and explores the opportunities and impacts of generative artificial intelligence from the perspective of the company's business, customers, and the entire software industry. The project aims to explore new processes, offerings, expertise, and methods that will help us maximize the benefits of GenAI for our customers and the entire industry.

The Defence & Security business unit invested in the further development of the gateway product and other licensable solutions.

The Health business unit has researched and developed solutions licensed to healthcare service providers. These licensable solutions focus on improving the efficiency of healthcare professionals' work by leveraging AI-native applications and task automation, as well as enabling the safe, effective, and compliant scaling of these AI solutions.

Estimate of the most significant risks and uncertainty factors affecting operations

Reaktor Group's business is subject to strategic and operational risks that may materially affect its results and financial position.

The growth strategy targets expansion through existing customers, international markets and a scaling software product business, including defence and security products for NATO member states, but may not deliver anticipated results. At the same time, AI opens great business opportunities for Reaktor, while posing a structural risk to the IT services industry by potentially commoditizing software development and reducing demand for consulting. Further risks include customer concentration, pricing model transition and uncertainty of investments in early-stage Ecosystem companies.

Operationally, attracting and retaining skilled technology professionals is critical, while personnel costs, subcontractor reliance and human error add exposure. Reaktor faces contractual and compliance related obligations, including, e.g., GDPR and DORA.

Financially, the company is exposed to credit risk, currency fluctuations, asset impairments and multi-jurisdictional tax risks. Macro-economic and geopolitical uncertainty, including trade tariffs and cuts in Finnish public sector IT spending, may further reduce demand. The conflict in Iran adds to geopolitical uncertainty, which may slow broader economic activity and customers' willingness to invest, but the conflict has no direct impact on Reaktor's business.

Estimate and key indicators related to the financial position and result

The Group's operations showed a profit and liquidity was at a good level. The Group's revenue increased and return on equity remained at an excellent level. The equity ratio was affected by the reclassification of shares held by employee shareholders with redemption rights from equity to liability. Adjusted equity ratio was at an excellent level.

Personnel

Information on the Group's personnel is presented in note 3.4.

Company's shares

Reaktor Group Oy has one class of shares. All of the shares confer the same right to dividends and the company's assets. All shares are subject to a redemption clause as laid down in the Articles of Association in accordance with which primarily the company and secondarily the other shareholders have a redemption right if a share changes owners. All shares are subject to a consent clause laid down in the Articles of Association in accordance with which the acquisition of a share by assignment requires the company's consent.

As of December 31, 2025, the total number of shares in Reaktor Group Oy is 1 414 221. The company holds 23 843 own shares. The share capital of Reaktor Group Oy is EUR 18 293,10.

Distribution of profit

Reaktor Group Oy's distributable funds are total EUR 9 372 841,11, of which the profit for the period is EUR 1 224 062,15. The Board of Directors proposes to the Annual General Meeting to authorize the distribution of unrestricted equity in an amount not exceeding EUR 2,20 per share.

The company's organization, management and auditors

The members of the company's Board of Directors are Mika Sutinen, Taru Tujunen, Vesa Lauronen, Antti Mäkelä and Lara Saulo.

Mika Sutinen was re-elected as the Chair of the Board of Directors on May 22, 2025.

The company's CEO is Pekka Horo.

KPMG Oy, Authorized Public Accountants, is the company's auditor, with Authorized Public Accountant (KHT) Turo Koila as the responsible auditor.