

Learning Agenda – Sword Group H1 2025

FOCUS: BUSINESS ANALYST (ENERGY, PUBLIC & FINANCE SECTORS)

1. HOW DID SWORD GROUP PERFORM IN THE ENERGY SECTOR COMPARED TO LAST YEAR?

- **WHY:** Energy is a core, resilient sector for Sword, crucial for long-term contracts.
 - **OPPORTUNITIES:** Target growth opportunities in Energy (€40.4m vs €35m last year) with specialized digital solutions.
 - **MEASURE BY:** Segment revenue – Energy
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2. HOW HAS SWORD GROUP'S WORK WITH GOVERNMENTS AND THE PUBLIC SECTOR EVOLVED?

- **WHY:** Public institutions provide stable demand and multi-year contracts.
 - **OPPORTUNITIES:** Expand consulting and IT services for digital transformation in government.
 - **MEASURE BY:** Revenue – Governments (€38.7m vs €31.7m in 2024)
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3. WHAT ROLE DID FINANCE, HEALTH & TELECOM CLIENTS PLAY IN REVENUE TRENDS?

- **WHY:** Finance is strategically relevant, but this category declined (from €22.4m to €20.2m).
 - **OPPORTUNITIES:** Leverage new acquisition (iDelta Ltd, AI & cybersecurity in Open Banking) to strengthen financial sector offering.
 - **MEASURE BY:** Revenue – Finance/Health/Telecom
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4. HOW DOES THE OVERALL SECTOR MIX INFLUENCE SWORD'S GROWTH STRATEGY?

- **WHY:** Shifting mix shows where Sword is gaining traction (EU institutions doubled revenue to €51.9m).
 - **OPPORTUNITIES:** Rebalance portfolio, prioritize high-growth EU contracts alongside Energy & Government.
 - **MEASURE BY:** Revenue by sector breakdown
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5. ARE MARGINS (EBITDA, EBIT) SUSTAINABLE ACROSS THESE SECTORS?

- **WHY:** High growth in public/energy contracts is valuable only if margins are preserved.
 - **OPPORTUNITIES:** Ensure cost discipline in public contracts; use energy and finance projects for higher-margin consulting.
 - **MEASURE BY:** EBITDA margin stable at ~12%, EBIT margin 9.5%
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6. HOW ARE ACQUISITIONS (E.G., iDELTA LTD IN FINANCE) SUPPORTING GROWTH IN STRATEGIC SECTORS?

- **WHY:** Acquisitions enhance Sword's positioning in AI, cybersecurity, and financial services.
 - **OPPORTUNITIES:** Cross-sell iDelta's Open Banking and fraud detection tools to finance and public clients.
 - **MEASURE BY:** iDelta acquisition (€1.87m), goodwill increase, finance sector performance
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7. WHAT ARE THE RISKS AND OPPORTUNITIES IN FINANCIAL STABILITY (CASH FLOW, DEBT)?

- **WHY:** Healthy cash flow is needed to deliver on government & energy contracts, which are resource-intensive.
- **OPPORTUNITIES:** Optimize working capital and financing strategy for long-term public and energy projects.
- **MEASURE BY:** Cash fell (€70.6m → €40.5m), debt rose (€56m → €85m)