Implenia

A LEADING MULTINATIONAL INTEGRATED CONSTRUCTION AND REAL ESTATE SERVICES PROVIDER

Investor Presentation

January / February 2023

LEGAL NOTICE

DISCLAIMER

This presentation, material, any associated oral presentation and/or discussion (hereafter together, the "**MATERIAL**") has been prepared by Implenia Ltd and/or its affiliates (hereafter "**IMPLENIA**") for informational purposes only and may contain confidential and/or legally protected information. The MATERIAL may include forward-looking information and statements, including statements concerning the outlook for IMPLENIA'S businesses. These statements are based on current expectations, estimates and projections about the factors that may affect IMPLENIA'S future performance, including global economic conditions and the economic conditions of the regions and industries that are major markets for IMPLENIA. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates", "targets", "plans", "outlook", or similar expressions.

Numerous risks and uncertainties, many of which are beyond IMPLENIA'S control, could cause IMPLENIA'S actual results to differ materially from the forward-looking information and statements made in this MATERIAL, and could affect IMPLENIA'S ability to achieve any or all of its stated targets. The information and opinions contained in this MATERIAL do not purport to be comprehensive, are provided as of the date of this MATERIAL or as of the date specified herein and are subject to change without notice.

Although IMPLENIA believes that the expectations reflected in all such forward-looking statements are based upon reasonable assumptions, it can give no assurance that these expectations will be achieved. IMPLENIA also disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This MATERIAL is not an offer to sell or a solicitation of offers to purchase or subscribe for shares of Implenia Ltd. This MATERIAL is (i) not a prospectus within the meaning of article 652a of the Swiss Code of Obligations, (ii) not a listing prospectus as defined in articles 27 et seqq. of the listing rules of the SIX Swiss Exchange Ltd or of any other stock exchange or regulated trading venue in Switzerland, (iii) not a prospectus within the meaning of the Swiss Financial Services Act and (iv) not a prospectus under any other applicable laws.

This MATERIAL does not constitute an offer to sell, or a solicitation of an offer to purchase, shares in Implenia Ltd. or any other securities in the United States.

This MATERIAL is not for publication, transmission or distribution, directly or indirectly, into the United States or its territories or possessions or to persons in the United States (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")) and are only addressed to and directed at persons outside the United States, as defined in Regulation S under the Securities Act. This MATERIAL does not constitute an "offer of securities to the public" within the meaning of the Prospectus Regulation (EU) 2017/1129 of the European Union and is not a public offering in the United Kingdom. The information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy, in any jurisdiction in which such offer or solicitation would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction. Neither this MATERIAL nor any part or copy of it nor the information contained in it and any related materials may be taken or transmitted into the United States or any jurisdiction which prohibits the same or distributed or redistributed, directly or indirectly, in the United States or any jurisdiction which prohibits the same or to any resident thereof.

All of the information and material used in this MATERIAL , including text, images, logos and product names, is either the property of IMPLENIA, or is used by IMPLENIA with permission.

Whilst IMPLENIA uses all reasonable attempts to ensure the accuracy and completeness of all contents, IMPLENIA gives no warranties or representations of any kind that material in this MATERIAL is complete, accurate, reliable or timely, or that it does not infringe third-party rights. IMPLENIA does not accept any liability for any direct, indirect or consequential loss and/or damage arising from reliance on this MATERIAL.

The contents of this MATERIAL may not be reproduced, modified or copied, or used for any commercial purposes, or communicated to any third parties without written consent from IMPLENIA. All trademarks mentioned are legally protected.

Copyright © 2021 Implenia Ltd and/or its affiliates. All rights reserved.

By attending this presentation and/or by accepting this MATERIAL you will be taken to have represented that you agree to accept the terms set out above.

IMPLENIA CREATES AND BUILDS WITH AND FOR PEOPLE

3,765 mn
CHF, 2021 revenue

114.8 mn
CHF, 2021 EBIT

>130 mn
CHF, 2022 EBIT guidance

CHF 7,148 mn
Order book HY1.2022

4 Divisions

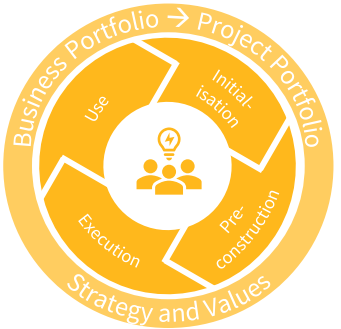
- **Real Estate**
- **Buildings**
- **Civil Engineering**
- **Specialties**

1 Integrated model

Joint service offering along value chain

4 strategic priorities

- Portfolio
- Profitable Growth
- Innovation
- Talent and Organisation



7,653
Total workforce
FY 2021

Culture based on **5 values**

- Sustainability
- Collaboration
- Excellence
- Integrity
- Agility

Implenia

2019-2022
TRANSFORMATION
SUCCESSFULLY COMPLETED

SHORT TO MID TERM
'FIT FOR GROWTH'
CURRENT FOCUS:
FURTHER STRENGTHEN OUR COMPETITIVE POSITION

MID TO LONG TERM
'NEW HORIZON'
AN INTEGRATED LEADING MULTINATIONAL CONSTRUCTION AND REAL ESTATE SERVICE PROVIDER

© Implenia

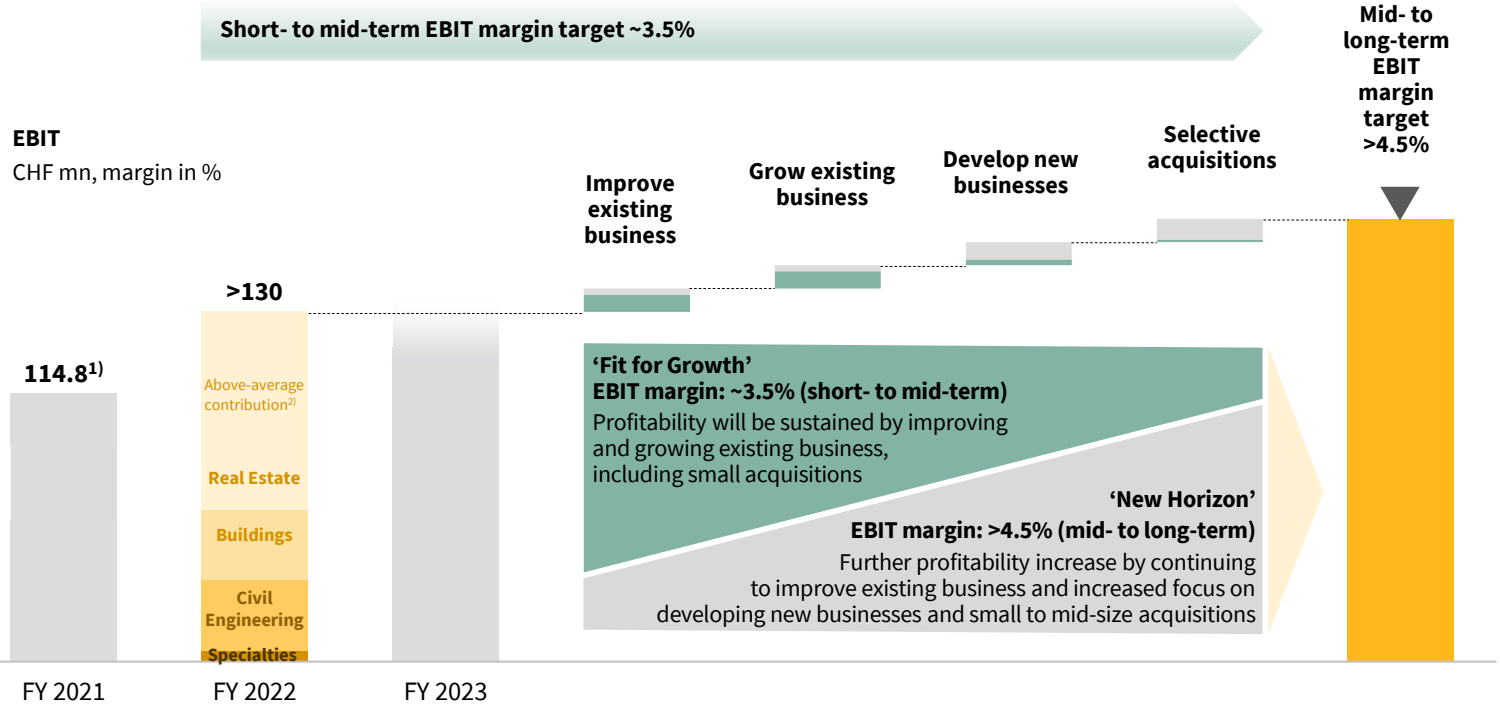
IMPLENIA IS TARGETING SUSTAINABLE AND PROFITABLE GROWTH

PORTFOLIO

PROFITABLE GROWTH

INNOVATION

TALENT & ORGANI-SATION



1) Including one-time effects of CHF 38.3 million; Underlying performance: CHF 76.5 million
2) Above-average earnings from sale of large development projects

MEGATRENDS CONTINUE TO OFFER ATTRACTIVE OPPORTUNITIES

Global **population** is estimated to rise from 8 billion in 2022 to over **10 billion people by 2059**[1)]

- Increasing demand for **living space**
- Sustainable use of **resources**

Implenia

- Specialisation for **living, working and mobility needs**
- Long **track record** for **sustainable** solutions in project execution
- **Customer-centric project development**

81.2%[2)] of the population in Western Europe will live in **urban areas by 2025**

- **Densification** in urban areas
- **Smart** cities
- **Sharing** economy

Implenia

- Positioned for large, complex real estate and infrastructure projects in **dense, urban environment** at **high customer requirements**
- Attractive and strategically well positioned resilient **Real Estate portfolio in urban areas**

EUR 10.7 trillion need to be invested in mobility and **infrastructure** in Europe **by 2040**[3)]

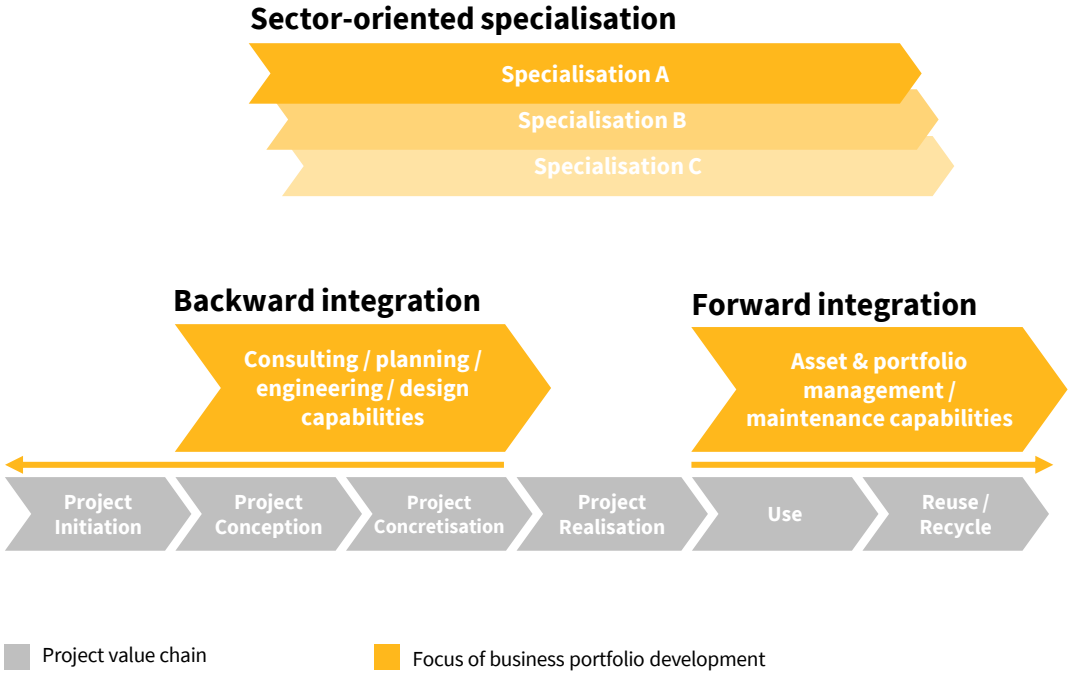
- **Modernisation** of infrastructure
- Further **expansion** and **networks**
- Energy scarcity and **alternative resources**

Implenia

- Targeted existing **offering** for large and **complex infrastructure**
- At forefront to **incorporate new demand** of public customers for complex mobility infrastructure and underground spaces

1) United Nations World Population Prospects 2022 2) United Nations World Urbanization Prospects; by 2040: 84.6%
3) Estimate of Oxford Economics

STRENGTHEN INTEGRATED MODEL WITH NEW COMPETENCIES ALONG VALUE CHAIN AIMING TO INCREASE MARGINS



Differentiation

- **Specialisation**: Create **USPs** in existing business models with **specialised**[1)], sector-oriented service offering to strengthen competitive market position

Integrate additional potential

- **Backward integration**: Benefit from early-stage client interactions, e.g. generate leads through early involvement and project optimisation
- **Forward integration**: Benefit from ‘use data’, reuse and recycling potentials, recurring fees through operations

1) E.g. large complex projects with highest requirements in all Divisions, sustainable development in Real Estate, healthcare in Buildings, energy infrastructure in Civil Engineering, modular industrialised timber construction in Specialties

SUSTAINABILITY AND INNOVATION FOR OUR CUSTOMERS

Increasing customer demand

- **Preferred partner** for the implementation of demanding, **customer-driven, sustainable developments**
- **Transparent** ESG reporting to authorities
- **Holistic view** and high optimisation potential through integrated model with own Real Estate portfolio including asset management
- Ambitious **decarbonisation strategy** in own Real Estate portfolio
- **12 sustainability goals until 2025**

Green Village, Geneva

Sustainable site development by Division Real Estate in the heart of Geneva's international quarter, with seven buildings for offices, homes and hotels, **realised by Division Buildings**

Implenia leading in ESG ratings[1)]

MSCI ESG RATINGS — AAA

CCC	B	BB	BBB	A	AA	AAA

GOLD 2022 ecovadis Sustainability Rating

SUSTAINALYTICS a Morningstar company — ESG INDUSTRY TOP RATED 2022

1) Sustainalytics and Ecovadis for assessment period 2021; MSCI ESG rating of AAA as of December 2021

MSCI: THE USE BY IMPLENIA OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF IMPLENIA BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED 'AS-IS' AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

Implenia

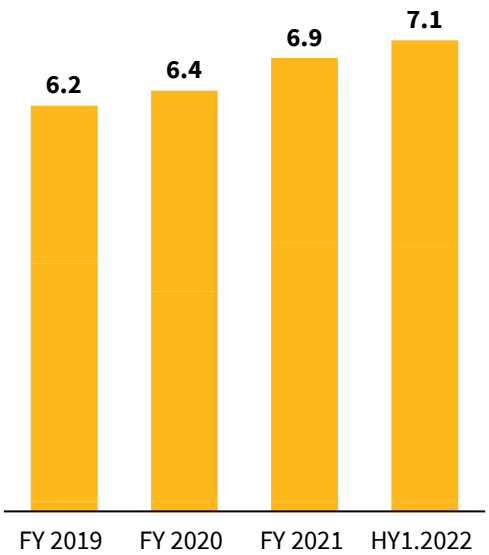
FINANCIAL DEVELOPMENT

Baader Suisse Equities Conference

BALANCED COMPOSITION OF THE ORDER BOOK AND DIVERSIFIED CUSTOMER SPLIT STRENGTHEN RESILIENCE

Order book

CHF bn



- **Divisional distribution** with Division Buildings slightly below 50% and Civil Engineering orders slightly above 50%; Specialties stable at 2%; Civil Engineering with longest lead times
- **Customer split** indicates that almost **2/3 of the Group's order book come from public-sector customers**
- **Civil Engineering:** vast **majority** of **public-sector customers** (around 90%)
- **Buildings: order book shows an almost even split** between private and public-sector clients; of the private-sector clients, a considerable number are large private institutions
- **Complex, longstanding** projects mainly for **public-sector customers** with **reliable financial standing**
- **Diversified** customer split **strengthens resilience** to economic fluctuations and debt defaults

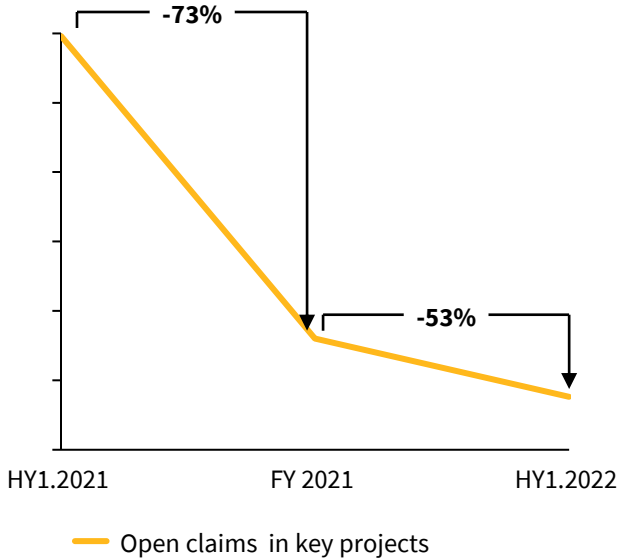
SIGNIFICANT PROGRESS MADE REGARDING PROJECT REVIEW AND APPROVAL OF REFLECTED CLAIMS

Value Assurance: Quarterly in-depth review process of all major projects

Result Delivery Assessment (RDA)

- **Structured process** to closely monitor project performance
- **Early warning KPIs** and **analysis of gross margin development** allow for prompt mitigation actions
- **RDA-relevant KPIs under review:**
  - Percentage of cash-in vs. revenue
  - Percentage of completion vs. time analysis
  - Revenue / claim capitalisation assessment

RDA process led to significant reduction of open claims in key projects



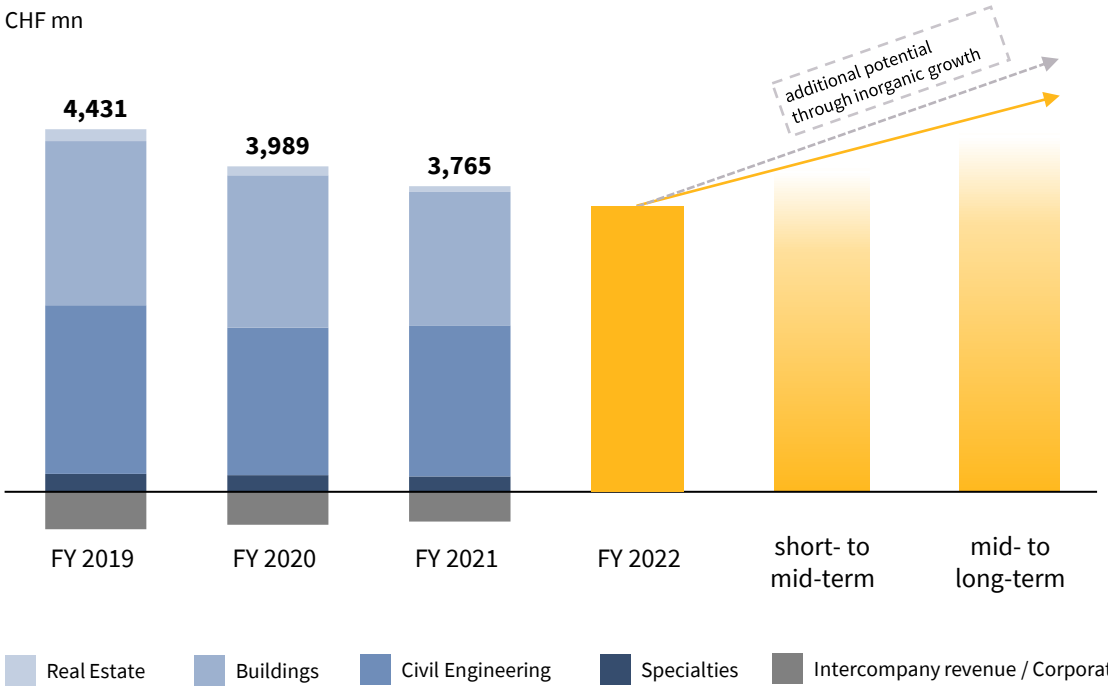
Achievements

- **Process proven successful,** no major surprises since full implementation of Value Assurance
- **Significant progress** made regarding **review** and **approval** of reflected **claims** according to **internal governance**
- Increased **transparency**
- **Joint assessments of claims** by Operations, Legal and Finance

REVENUE DEVELOPMENT OF THE GROUP REFLECTS EXECUTION OF STRATEGY IN THE PAST YEARS

Revenues

CHF mn

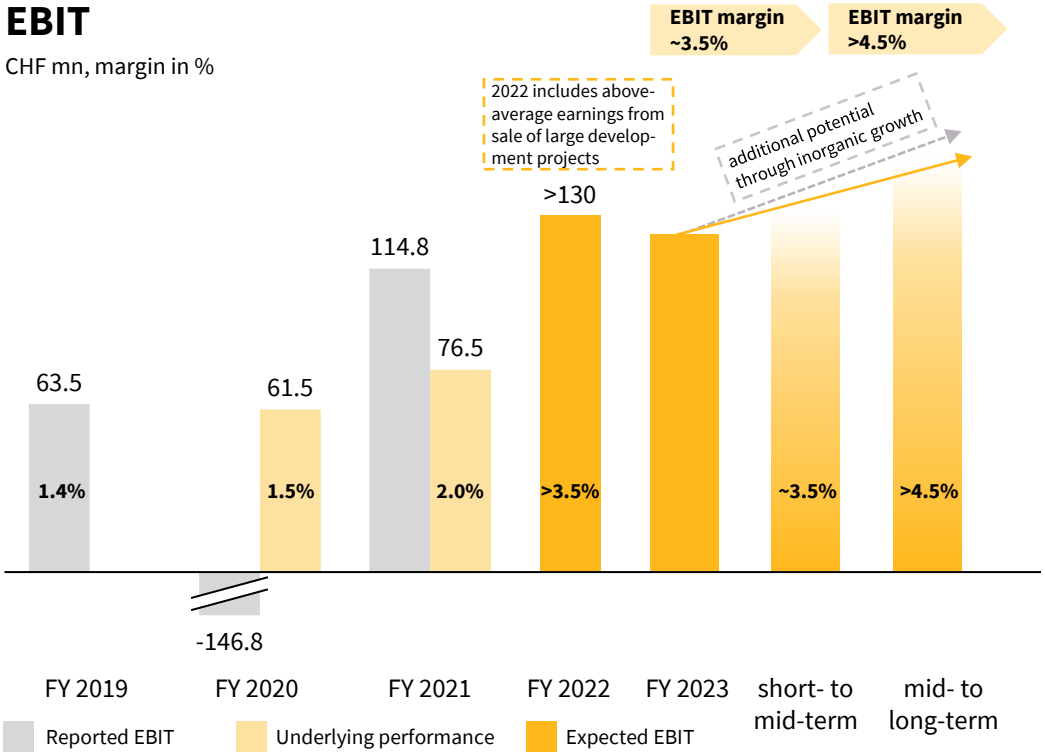


- **Strategic decision** of **selective project tendering** and **FX impact**, leading to an **expected revenue decline** until FY 2022
- **Integrated model proving effective**: increase of intercompany revenue visible
- **Short- to mid-term**, Implenia aims to **stabilise and increase revenue** mainly by organic growth
- **Mid- to long-term**, Implenia aims to **further increase revenue** by organic and inorganic growth

EBIT SUSTAINABLY IMPROVED BY STRONG PERFORMANCE OF DIVISIONS

EBIT

CHF mn, margin in %



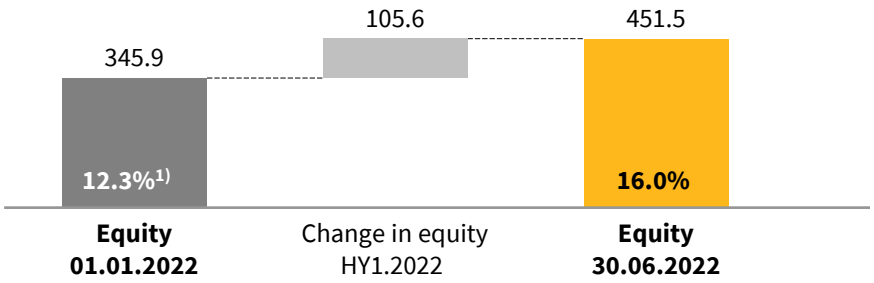
- Future group EBIT driven by **improved performance of large Divisions** – **short- to mid-term EBIT margin target**: **~3.5% p.a.**
- **Specialisation**, backward/ forward integration and **operational excellence** in the divisions **sustainably improve performance** towards a **mid- to long-term EBIT margin target of >4.5%**
- Savings target of **CHF 50 million annual recurring savings will be reached early by end of 2022**[1)], further potential from applying operational excellence and lean methodologies
- Consistently executed **Value Assurance** process **contributes significantly** to the **profitability of projects** and **secures EBIT improvements** of the group

1) Initial target date: end of 2023, savings target based on October 2020 status ('Way Forward')

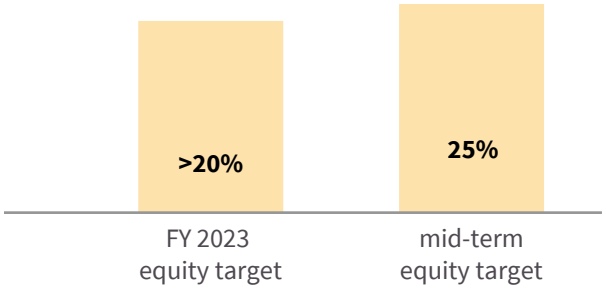
SUBSTANTIALLY STRENGTHENED EQUITY IN HY1.2022 – FURTHER FUTURE INCREASE DUE TO IMPROVED NET PROFIT

Change in equity in HY1.2022 (shortened)

CHF mn, equity ratio in %



Planned future equity development



- **Increased equity ratio** to **16.0%** due to significantly improved equity and progress in reducing total assets
- **Fair value valuation under IFRS** with positive effect, due to the revaluation of the asset class yards ("Werkhöfe")
- **Upside potential** from the difference of current market and book value of the **Real Estate portfolio** would lead to an **equity ratio >20%**[2)]

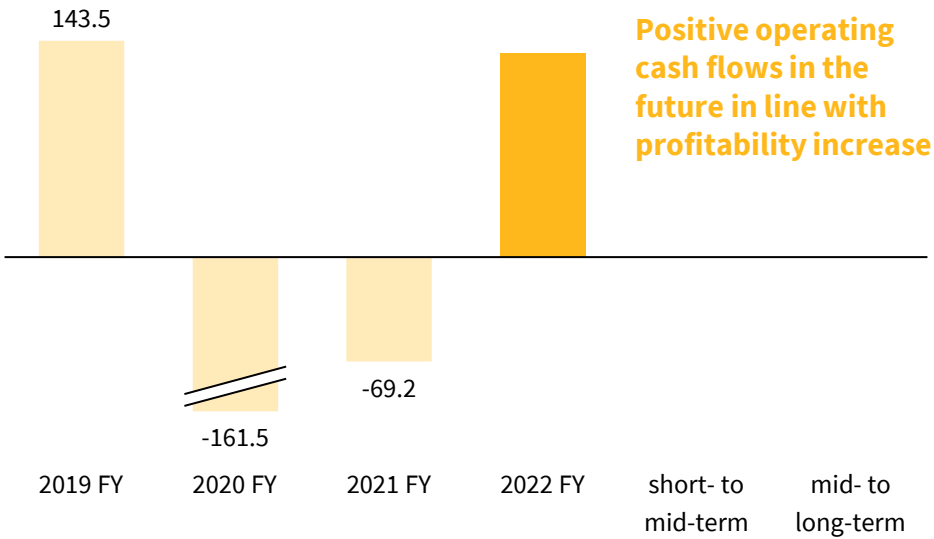
- **Mid-term ambition** for an equity ratio **>20%** expected to be achieved by 2023, as a result of **strong underlying business** and expected **earnings from Ina Invest**
- New **mid-term target** to enhance equity ratio to **25%**

1) Equity ratio excluding temporary impact of CHF 175 million bond proceeds from issuance in November 2021: 12.3%; reported equity ratio 11.6%
2) Estimated equity effect from difference between market value and book value of the Real Estate portfolio as of HY1.2022

SIGNIFICANT POSITIVE DEVELOPMENT OF OPERATING CASH FLOW, FURTHER FUTURE IMPROVEMENTS EXPECTED

Operating cash flow

CHF mn



- **Significant increase** in **operating cash flow** in HY1.2022 – in line with **stronger profitability, improved cash conversion cycle** and **optimisation** of **net working capital management**
- **Sustained positive operating cash flow** foreseen for the future
- Implenia will **continue to invest** in its **own attractive Real Estate portfolio**
- **Capex** estimate of **CHF 35-45 million p.a.** in **coming years**
- **Target** to **achieve positive operating cash flows** and **positive Free Cash Flow** in the **future**

DIVISIONAL SHORT- TO MID-TERM EXPECTATIONS

	Civil Engineering	Specialties	Buildings	Real Estate
REVENUE	**Moderate** organic revenue growth	**Promising** organic growth potential	**Moderate** organic revenue growth	**Revenue growth from service business**; contribution from Real Estate development depending on realisation of projects
EBIT	**Substantial** EBIT and EBIT margin improvements	**Elevated** EBIT and EBIT margins	**Substantial** EBIT and EBIT margin improvements	CHF >40 million p.a.; share of recurring income >50%

GROUP FINANCIAL TARGETS

	SHORT- TO MID-TERM TARGET	MID- TO LONG-TERM TARGET
REVENUE	Stabilising to increasing revenue (mainly organic growth)	Further increasing revenue (organic/inorganic growth)
EBIT MARGIN	~3.5%	>4.5%
EQUITY RATIO	>20% (expected by 2023)	25% (mid-term)
DIVIDEND PAYOUT	Implenia intends to propose to the AGM to cautiously resume dividend distributions as of Spring 2023	
FCF & NET CASH	Positive Free Cash Flow generation and return to net cash position	

Key takeaways

Implenia ‘Fit for Growth’

- **Strong position after comprehensive transformation, key processes ensure better risk profile**
- **Megatrends and high demand for integrated real estate and construction services offer attractive opportunities**
- **Market-leading, focused competencies for our customers in all four Divisions**
- **Increased earnings potential with higher margin businesses along the value chain**
- **Implenia culture and leadership attracting the right people in the right roles**

IMPLENIA IS EXCELLENTLY POSITIONED AND HAS GREAT POTENTIAL FOR SUSTAINABLE AND PROFITABLE GROWTH

QUESTIONS AND ANSWERS

DATES AND CONTACTS

Dates

2022 Full-year Report	1 March 2023
2023 AGM	28 March 2023

Contacts

Investors	Franziska Stein, Head Investor Relations	ir@implenia.com	+41 58 474 35 04
Media	Silvan Merki, CCO	communication@implenia.com	+41 58 474 74 77

Implenia

THANK YOU!

Baader Suisse Equities Conference

Implenia

APPENDIX

SIGNIFICANTLY INCREASED NET RESULT IN FIRST HALF-YEAR

Income statement (shortened)

CHF mn

	HY1.2022	HY1.2021
Revenue	**1,767.3**	**1,883.6**
EBIT	**95.1**	**40.0**
EBIT margin	*5.4%*	*2.1%*
Financial result	-15.6	-12.0
EBT	**79.5**	**28.0**
Taxes	-15.4	-5.6
Net result	**64.0**	**22.4**

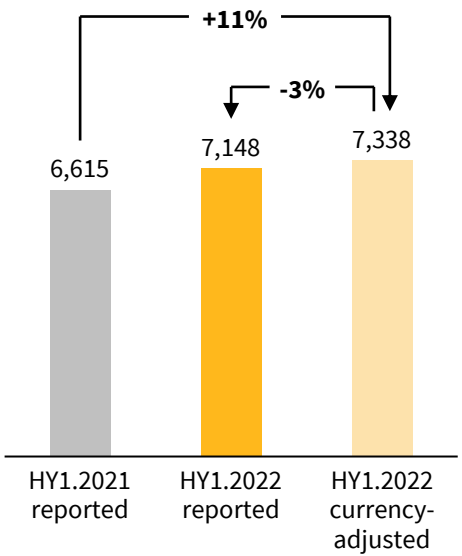
Differences due to rounding

- Reported EBIT in HY1.2022 **significantly above prior year** due to improved performance of all Divisions and above-average contribution of Real Estate
- Impact of Real Estate contribution results in **Group EBIT margin** of **5.4%** in HY1.2022
- **Financial result** higher due to negative currency effects (EUR/CHF)
- Significantly **improved net profit** of **CHF 64 million**

FOREIGN CURRENCY EFFECTS WITH NEGATIVE IMPACT ON ORDER BOOK AND REVENUE

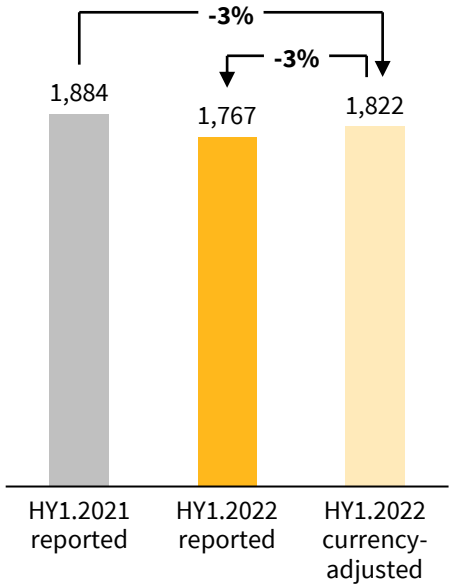
Order book

CHF mn



Revenue

CHF mn



- Foreign currencies with negative translation effect, mainly from EUR/CHF
- Currency-adjusted order book in HY1.2022 was 3% above reported figure; **like-for-like order book up 11% compared with prior-year period**
- Currency-adjusted revenue in HY1.2022 was 3% above reported figure; **like-for-like revenue -3% compared to prior-year period**
- Only minor transaction effects due to natural hedging in local entities

REDUCTION IN TOTAL ASSETS DESPITE SIGNIFICANT INCREASE IN CASH AND CASH EQUIVALENTS AND REVALUATION OF YARDS

Assets (shortened)

CHF mn

	30.06.2022	31.12.2021	30.06.2021
Cash & cash equivalents	496.9	621.9	358.2
Real estate transactions	129.9	149.3	134.6
Other current assets	1,271.9	1,311.5	1,461.3
Total current assets	**1,898.7**	**2,082.7**	**1,954.1**
Goodwill	232.8	238.6	258.4
Rights of use from leases	150.4	148.9	154.4
PP&E with revaluation model[1)]	76.4	23.8	25.9
Other non-current assets	469.6	493.8	521.1
Total non-current assets	**929.2**	**905.1**	**959.8**
Total assets	**2,827.9**	**2,987.8**	**2,913.9**

1) Valuation as per 30 June 2022 by the external, independent expert Fahrländer Partner Ltd.

Differences due to rounding

- Significant improvement in **cash and cash equivalents**
- **Real estate transactions** (Real Estate portfolio) slightly below previous year
- **Net working capital** (WIP to bill and bill to cash) reduced by CHF ~200 million compared to prior year
- Goodwill in HY1.2022 impacted by currency effects
- **Revaluation of yards[1)]** according to IFRS (PP&E with revaluation model increased by CHF 56.3 million)
- Asset light strategy consistently pursued

STRONG INCREASE OF EQUITY RATIO TO 16.0% DUE TO IMPROVED PROFITABILITY AND REDUCED TOTAL ASSETS

Equity and Liabilities (shortened)

CHF mn

	30.06.2022	31.12.2021	30.06.2021
Trade payables	681.2	679.4	758.3
Other current liabilities	1,019.5	1,209.7	1,278.8
Total current liabilities	**1,700.7**	**1,889.1**	**2,037.1**
Long-term financial liabilities	576.5	651.9	425.2
Other non-current liabilities	99.2	100.9	127.2
Total non-current liabilities	**675.7**	**752.8**	**552.4**
Total equity	**451.5**	**345.9**	**324.3**
Total equity and liabilities	**2,827.9**	**2,987.8**	**2,913.9**
Equity ratio	**16.0%**	**12.3%[1)]**	**11.1%**

1) Equity ratio excluding temporary impact of CHF 175 million bond proceeds raised in November 2021: 12.3%; reported equity ratio 11.6%

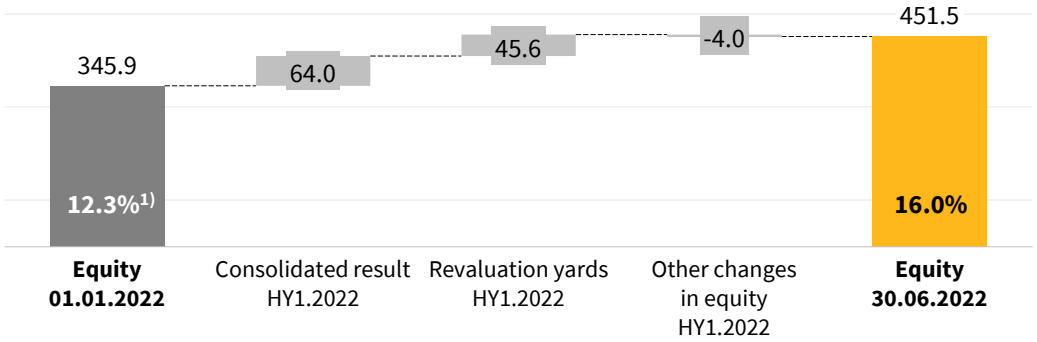
Differences due to rounding

- **Trade payables** stable in HY1.2022
- Lower current liabilities due to repayment of convertible bond as of 30 June 2022
- Increase in **non-current financial** liabilities compared to prior-year period due to issuance of CHF 175 million bond in HY2.2021
- **Equity increased** to **CHF 451.5 million** – improvement of 31% in HY1.2022
- **Equity ratio** increased to **16.0%**

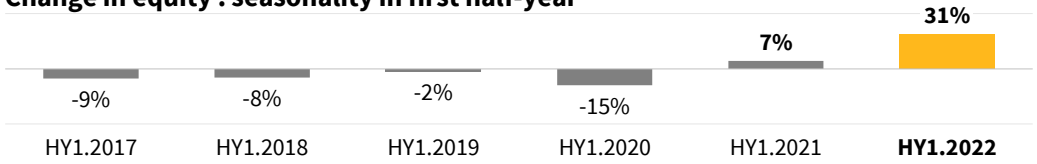
SUBSTANTIALLY STRENGTHENED EQUITY OF CHF 451.5 MILLION DUE TO IMPROVED NET PROFIT AND REVALUATION EFFECTS

Change in equity (shortened)

CHF mn



Change in equity : seasonality in first half-year



- **Equity strengthened** by **CHF 106 million**; 2022 target of at least CHF 80 million already exceeded
- **Fair value valuation under IFRS** with positive effect, due to the revaluation of the asset class yards ("Werkhöfe")
- **Increased equity ratio** of **16.0%** due to significantly improved equity and progress in reducing total assets
- **Upside potential** from the difference of current market and book value **of the Real Estate portfolio** would lead to an equity ratio **>20%**[3)]
- Improvements in operating business become evident in balance sheet structure; important step towards **sustainable equity ratio >20%**

1) Equity ratio excluding temporary impact of CHF 175 million bond proceeds from issuance in November 2021: 12.3%; reported equity ratio 11.6%
2) Gross increase in property, plant & equipment with revaluation model of CHF 56.3 million, effect in equity after deferred tax liabilities of CHF 10.7 million
3) as of 30.06.2022, incl. estimated equity effect from difference between market value and book value of the Real Estate portfolio

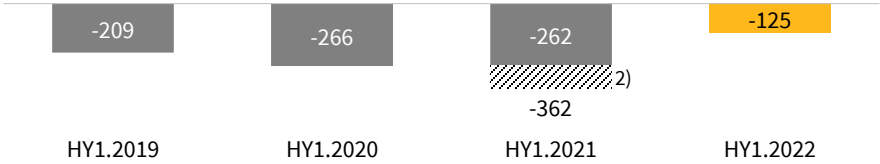
POSITIVE DEVELOPMENT OF CASH FLOW IN THE FIRST HALF OF THE YEAR COMPARED TO HISTORICAL SEASONALITY

Consolidated Cash Flow Statement

CHF mn

	HY1.2022	HY1.2021
Free Cash Flow	**-31.2**[1)]	**-325.4**
Cash & cash equivalents at the beginning of the period	**621.9**	**720.0**
Cash flow from operating activities	-19.7	-366.6
Cash flow from investing activities	163.5	41.2
Cash flow from financing activities	-258.2	-38.8
FX differences in cash & cash equivalents	-10.6	2.4
Cash & cash equivalents at the end of the period	**496.9**	**358.2**

Change in cash & cash equivalents: Seasonality in first half-year
CHF mn



- **Improved Free Cash Flow of CHF -31.2 million**; significant reduction of cash outflow in the first half of the year in line with historical seasonality
- **Significantly improved operating cash flow** compared to prior year period
- **Cash flow from investing and financing activities** impacted by repayment of convertible bond as per 30 June 2022
- **Cash outflow relating to costs of transformation completed**
- **Further positive development of Free Cash Flow** expected

Differences due to rounding

1) excl. impact of fixed short-term deposit prior to repayment of convertible bond
2) Additional outflow from restructuring and legacy projects, provisioned in 2020 (negative CHF ~100 million)

BUILDING ON CURRENT FINANCIAL PERFORMANCE, SUSTAINABLE IMPROVEMENTS EXPECTED DURING ‘FIT FOR GROWTH’ PHASE

ORDER BOOK

- **Record-high order book** of CHF 7.1 billion[1] with significantly **improved risk and margin profile**
- **Increased pre-calculated margin** by ~1.5 pp[1]
- **Order book well diversified** by Divisions and customers

REVENUE

- Strategic decision of **selective tendering**, leading to an **expected slight revenue decline** in FY 2022
- **Revenue growth:** stabilising to increasing revenue, mainly by organic growth (short- to mid-term) and further increasing revenue by organic and inorganic growth (mid- to long-term)

EBIT

- **Improved EBIT margin** following successful transformation
- **EBIT guidance** FY 2022 of CHF >130 million **confirmed**
- **EBIT margin target:** ~3.5% (short- to mid-term) and >4.5% (mid- to long-term)

EQUITY

- **Strengthened equity ratio** of 16%[1] – further increase in the future due to improved net profit and asset light
- **Upside potential** from Real Estate portfolio would lead to equity ratio >20%[2]
- **Equity ratio target**: >20% (expected by 2023) and 25% (mid-term)

FINANCING

- **Continued positive cash flow** generation driven by profitable operating business
- **NWC management improvements** to ensure future positive cash flows
- **Well balanced maturity profile** of financing instruments

1) As of HY1.2022
2) Estimated equity effect from difference between market value and book value of the Real Estate portfolio as of HY1.2022

IMPACT OF UNCERTAINTIES AND INFLATION IN CHALLENGING MARKET ENVIRONMENT CURRENTLY MITIGATED AND MONITORED CLOSELY

Challenging macro environment including uncertainties and inflation need close mitigation

For the **construction industry overall CAGR** of **1.8%**[1)] until 2024, dampened by **Ukraine conflict**, **inflation**, **rising interest rates** and **recession worries**

Future development is **monitored closely**

Implenia

- Strategically positioned **project portfolio in urban areas** and **public infrastructure, more robust** in volatile economic environment
- **Active management** of central procurement, together with operating units, back-to-back contract clauses to **mitigate major impacts**
- **Currently manageable impact** of increased material costs and joint efforts to continue to mitigate the impact going forward

1) Total Construction Output, CAGR 2022-2024 in EC-15 countries , Source: Euroconstruct June 2022, Average Forecast Investments 2022-2024

FOUR DIVISIONS WITH MARKET-LEADING COMPETENCIES FOR OUR CLIENTS

REAL ESTATE

Value-oriented Real Estate partner for customised projects, unique investment opportunities, comprehensive services and scalable products

- Development
- Investment
- Management
- Products

BUILDINGS

End-to-end construction services provider for all types of new buildings and refurbishments in Switzerland and Germany

- Consulting & Planning
- New Buildings
- Modernisation
- Master Builder

CIVIL ENGINEERING

Expert for complex Civil Engineering projects in Switzerland and Germany as well as Tunnelling and related infrastructure in further markets

- Tunnelling
- Civil[1)]
- Special Foundations

SPECIALTIES

Special competencies with expertise in sustainable planning, construction and maintenance of buildings and infrastructure

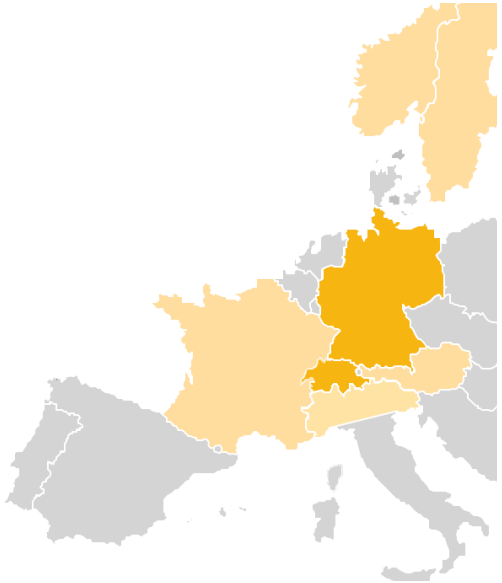
- Building Construction Logistics
- Building Technology Planning
- Timber Construction
- Post-Tensioning and Geotechnology
- Facade Technology
- Others

1) Road, railway and civil construction

STRATEGY UPDATE

INTEGRATED OFFERING IN SWITZERLAND & GERMANY, TUNNELLING AND RELATED INFRASTRUCTURE IN FURTHER MARKETS

Group	Real Estate	Buildings	Civil Engineering			Specialties	Rev. Split by country	Top competitors
			Tunnelling	Civil	Special Foundations			
SWITZERLAND	■	■	■	■	■	■	◔	Marti, HRS, Frutiger, Anliker, Walo
GERMANY	■	■	■	■	■	■	◔	Hochtief, Strabag, Züblin, Goldbeck, Zech
AUSTRIA			▯			▯ 1)		
SWEDEN			▯			▯ 1)	◔	**European Tunnelling** Vinci, Bouygues, Eiffage, Skanska, Strabag
NORWAY			▯			▯ 1)		
FRANCE			▯			▯ 1)		
OTHER			▯			▯		



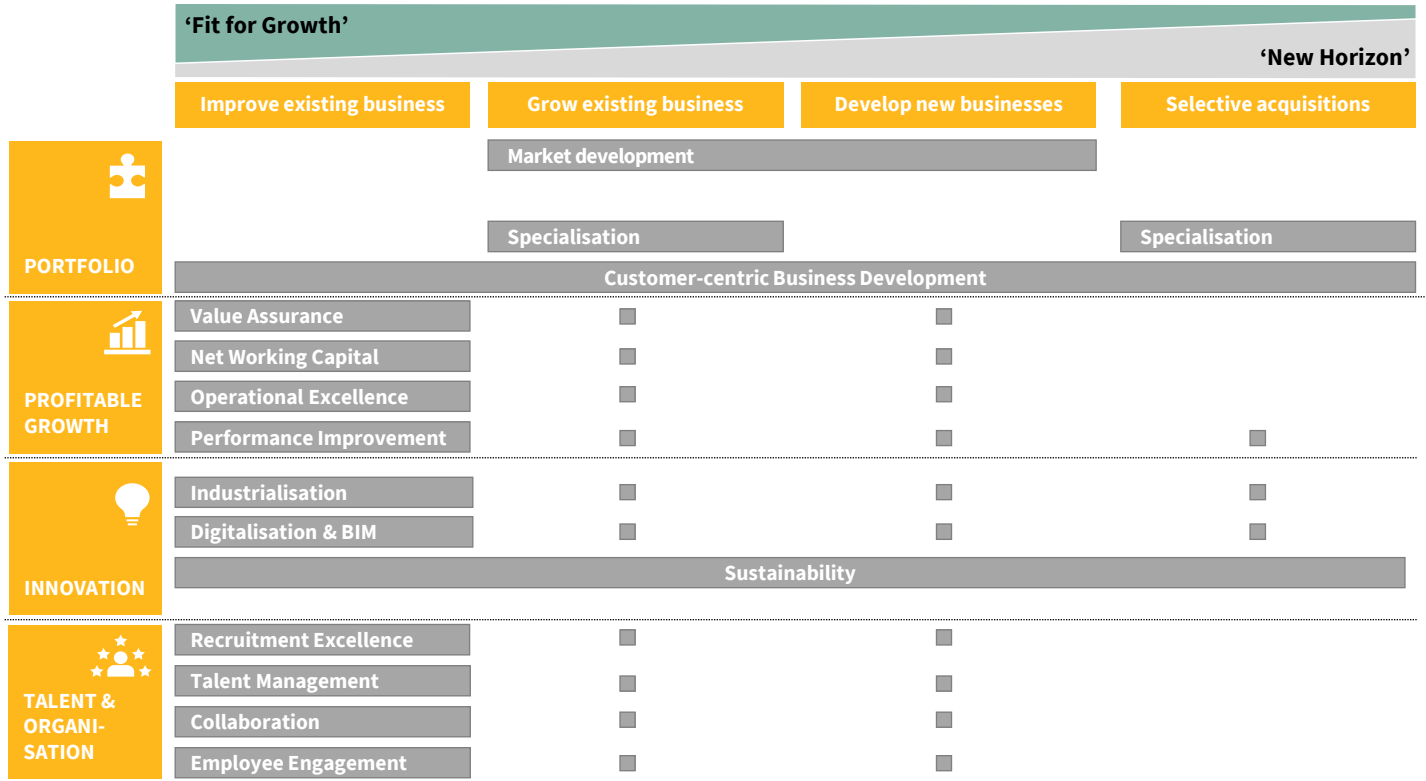
Integrated offering of all Divisions in **Switzerland & Germany**

Tunnelling and related infrastructure in **further markets**

1) Sale of goods & services, no local presence

STRATEGY UPDATE

IMPLENIA'S 4 STRATEGIC PRIORITIES ENABLE MID- TO LONG-TERM GROWTH



Integrated leading multinational construction and real estate service provider with an EBIT-margin >4.5%

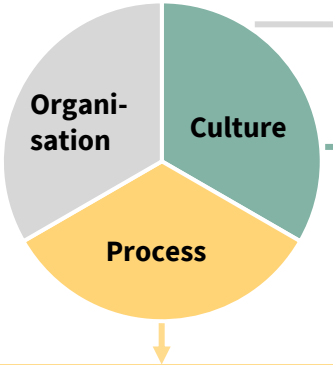
WE TARGET SUCCESSFUL SMALL ACQUISITIONS IN THE SHORT TO MID TERM, INCREMENTALLY LARGER DEAL SIZE AT A LATER STAGE POSSIBLE

Acquisition criteria

- **Complementary footprint** in Switzerland & Germany, focus on large and complex projects in urban areas
- **Profitable growth in higher-margin business models,** vertical integration and in specialised competencies
- **Flexible and asset-light businesses** orchestrating networks of efficient partners and sub-contractors
- **Expanded technological/planning competencies** in managing large-scale and complex projects
- **Future-proof portfolio of innovative business models** with new technologies and attractive niche businesses
- **Incrementally larger deal size** from small acquisitions during 'Fit for Growth' to mid-size deals in the mid to long term

Selected acquisitions accelerating value chain integration and profitable growth in existing businesses

VALUE ASSURANCE – ONGOING RISK AND PERFORMANCE MANAGEMENT LEADS TO RELIABLE AND IMPROVED PROJECT MARGINS



Organisation in four Divisions and Global Functions with combined expertise, clear responsibilities and interdisciplinary cooperation

Implenia values: Collaboration, Excellence, Agility, Integrity and Sustainability

Improved risk profile and increased margins

Value Assurance Process

Continuous improvement, digitalisation and data-driven approach

Project selection

Assessment check of potential orders and project classification

Only strategically relevant projects, minimum criteria

Tender

Evaluation and approval of commercial, technical and contractual conditions

Improved margin of order book (+1.5 pp)[1)]

Realisation

Early warning KPIs and sensitivity analyses, e.g. gross margin and review of large claims

Early identification and mitigation of risks

Completion

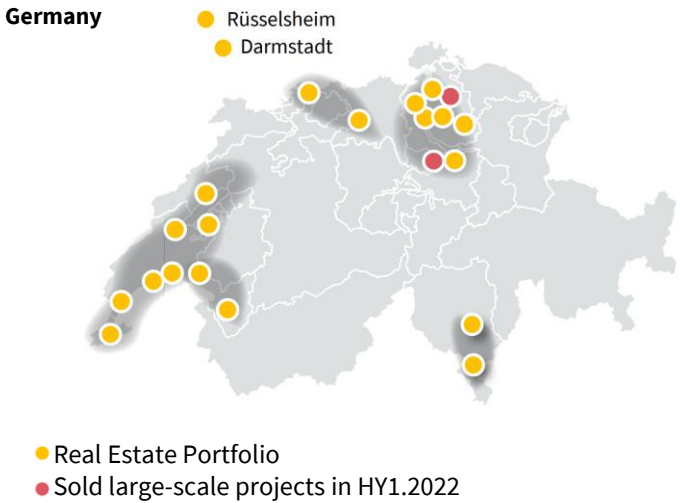
Insights and learnings for future projects through data-driven evaluations

Validated learnings for future projects

1) Pre-calculated gross margin has improved by 1.5 percentage points since the introduction of Value Assurance

PORTFOLIO: IMPLENIA REAL ESTATE DEVELOPMENT PORTFOLIO

Good urban locations at diversified use



Portfolio Parameters

CHF ~410 million

Market value per 31.12.2021[1)/2)]

CHF ~2.3 billion

Market value at completion, per 31.12.2021[1)/2)]

~265,000 m²

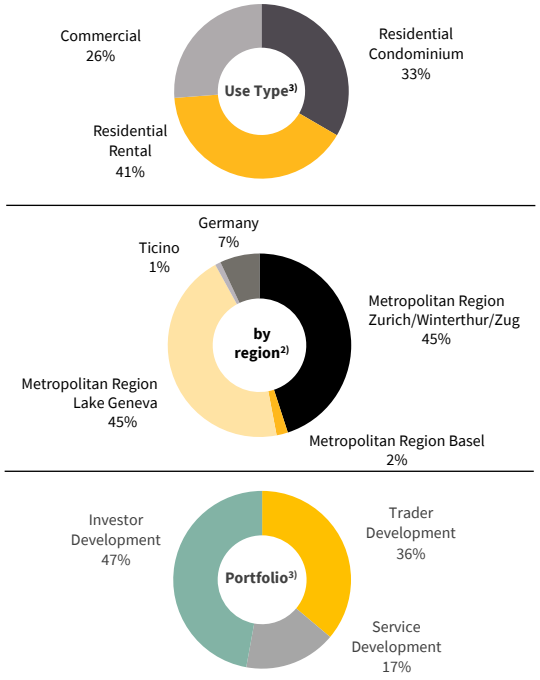
Floor space at completion

105 apartments

Number of sold units in Switzerland 2021

77 for Implenia / 28 for Ina Invest

Portfolio Mix



1) Excl. Ina Invest Portfolio

2) Over 90% based on third-party valuation

3) Based on market value at completion