

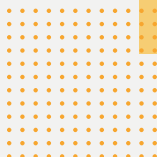


Implenia



Letter to the Shareholders
on the financial year 2021

ANNUAL GENERAL MEETING OF IMPLENIA LTD.



DEAR SHAREHOLDERS

2021 was a good year for Implenla. After a challenging transformation phase, the Group has achieved some important milestones on the path to sustainable profitability. All Divisions and relevant markets contributed positively to the result, underlying performance at EBIT level was significantly improved, there was a healthy increase in equity, and the convertible bond maturing in 2022 was successfully refinanced. These results show that Implenla is well on track with the execution of its strategy.

With a clear focus on profitable, complex projects, and by strictly applying Value Assurance – Implenla's risk management system – the Group was able to acquire several strategically relevant assignments with significantly improved risk and margin profiles in 2021. This clearly shows that clients trust Implenla and that the company is well positioned with its expertise and experience along with its services and competencies.

Measures to intensify and accelerate strategy execution were adopted in October 2020 and are set to run until 2023. These have largely been completed. Implenla continues to focus on integrated construction and real estate services in Switzerland and Germany and offers tunnelling and related infrastructure projects in other markets. In order to further improve profitability, the Group is constantly reviewing further portfolio adjustments and opportunities to outsource asset-heavy activities.

Implenla's position as an industry leader in sustainability was confirmed in 2021 by significant environmental, social and governance (ESG) rating agencies. Implenla is also noted for its increasingly digitalized, industrialised and partnership-based development, planning and construction services – and it now uses Lean Construction methods and BIM on all major projects.

As a result of the portfolio adjustments, a more focused geographical presence and application of the Value Assurance process, all Divisions are well positioned to further increase profitability. As communicated in autumn 2021, we want to strengthen our equity by at least CHF 80 million in the current year. Consequently, the Board of Directors will propose to the Annual General Meeting of 29 March 2022 to refrain from paying a dividend.

Our long-standing member of the Board of Directors, Ines Pöschel, will step down at the upcoming Annual General Meeting. She has been a member of the Board and Chair of the Nomination and Compensation Committee since 2016. With her professional and personal skills, the lawyer and proven corporate governance expert has had a decisive influence on Implenla's development. Her contribution has been of great value to Implenla. On behalf of our shareholders, the Board of Directors and all Implenla employees, I would like to thank Ines Pöschel for her great dedication and commitment to the company.

Judith Bischof (1974, Swiss) will be proposed to the Annual General Meeting as a new member of the Board of Directors. She has been General Counsel and a member of the Executive Committee as well as Secretary to the Board of Directors of RUAG International Holding Ltd since 2018. Prior to that, she was General Counsel and member of the Executive Committee of Ascom Holding AG and worked as an attorney for the law firm Lenz & Staehelin in Zurich. She has extensive expertise and leadership skills in the areas of law and compliance as well as business transformation. She holds a doctorate in law and is admitted to the bar and also holds an Executive MBA from the University of St. Gallen (HSG) and a Master of International Business and Law from

the University of Sydney. I am very much looking forward to working with Judith Bischof on the Board of Directors. On behalf of the Board of Directors, I would like to thank all our employees for their hard work during the year, and to thank you for your trust. I look forward to your continued support as a shareholder.



A stylized, handwritten signature in black ink, consisting of a large, sweeping 'H' followed by a smaller, more complex set of strokes.

Hans Ulrich Meister
Chairman of the Board of Directors

Order book
in CHF m



6,881

(2020: 6,386)

Consolidated revenue
in CHF m



3,765

(2020: 3,989)

EBIT
in CHF m



114.8

(2020: -146.8)

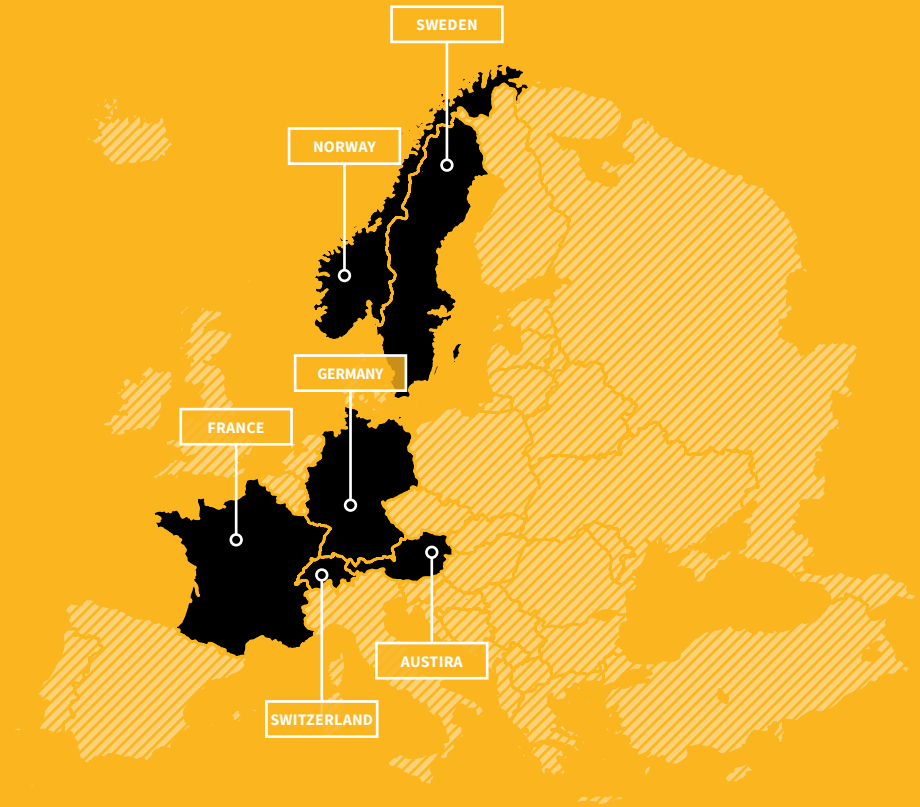
Employees (FTE)
as at 31.12.2021



7,653

(2020: 8,701)

Geographical presence
Implenia's relevant markets



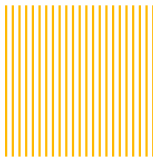
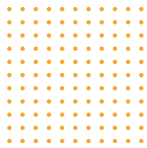
Key figures Group

in CHF t	1.1.– 31.12.2021	1.1.– 31.12.2020	Δ	like for like ¹
Group revenue	3,764,670	3,988,946	(5.6%)	(6.6%)
EBIT	114,826	(146,757)		
in % of revenue	3.1%	– 3.7%		
Net result	63,956	(132,052)		
in % of revenue	1.7%	– 3.3%		
Free cash flow excl. IFRS 16	(70,084)	(233,419)		
Free cash flow	(17,494)	(193,342)		
Equity (as at 31.12.)	345,918	303,027	14.2%	16.4%
Equity ratio in %	11.6%	10.3%		
Order book (as at 31.12.)	6,880,921	6,386,284	7.7%	10.5%
Production output	4,174,113	4,060,298	2.8%	1.9%
Employees (FTE; as at 31.12.)	7,653	8,701	(12.0%)	

1 Foreign currency adjusted



Further information on the Annual Report as well as the Annual Financial Statements and the Consolidated Financial Statements can be found online via the following QR-Code:



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