



# I Executive summary

## I DESCRIPTION OF THE COMPANY

Implenia AG is a **provider of construction and real estate services, operating primarily in Switzerland and Germany**. The company specialises in developing, building, and managing specialised buildings and infrastructure projects. Additionally, it delivers tunnelling and related infrastructure services in selected international markets.

**A simple sum-of-the-parts valuation gives a value that is around 53% higher than what is reflected in the current market capitalization.**

### Key growth levers:

The company's business units are benefiting from favourable market conditions, while current share prices continue to reflect a significant discount to the estimated intrinsic value. This **valuation gap** is largely **attributed to the market's limited recognition of the anticipated medium-term growth potential**. Projections indicate a gradual acceleration across core segments (Building & Civil Engineering) in line with the growth of the order book, while revenues are expected to lag due to extended conversion cycles associated with increasingly complex projects that generate income over longer periods.

Implenia is pursuing an **asset-light growth strategy aimed at enhancing financial flexibility and improving return on equity**. By divesting capital-intensive units, such as its Equipment & Technology Services business in Austria, and acquiring service-oriented companies like Wincasa, Implenia is **shifting toward scalable, high-margin activities**. This strategic focus supports sustainable growth with reduced capital expenditure and increased operational efficiency. **Growth is driven further by the development of high-margin business areas through a combination of organic initiatives, targeted acquisitions, sector-focused specialisation and deeper integration along the value chain.**

There is a significant gap in the Swiss and German development markets due to a combination of rising **housing demand and constrained supply**. Population growth, **increased immigration, and a shift toward smaller households have significantly boosted housing demand**. At the same time, the **supply side faces challenges such as high building costs and declining construction activity**<sup>1</sup> (since 2023, building permits have hit an 11-year low—down 8% year-on-year and 31% below the long-term average—, and although they began recovering by mid-2025, delays mean housing supply will remain weak, especially as planning applications dropped sharply again in 2025). A **key structural issue** is the **limited availability of building land**, driven by restrictive spatial planning policies – particularly the revised Spatial Planning Act of 2014 – which has curtailed the expansion of residential zones and reduced opportunities for new development. This imbalance has led to rising rents and record-low vacancy rates<sup>2</sup> (1.00% housing stock available in June 2025, 6.8% lower y-o-y the fifth consecutive decline in the vacancy rate) across the country.

Germany's increasing public investment in infrastructure and housing presents an opportunity for Implenia. Germany announced a comprehensive **€500 billion investment plan** to be deployed over the next decade to modernise particularly relevant<sup>3</sup> infrastructure. As a provider of integrated construction and real estate services, Implenia is well-positioned to benefit from this expanded public spending initiative, which is expected to drive demand across its core competencies in complex infrastructure projects, civil engineering and sustainable urban development.

## II MAIN BUSINESS AREAS

Currently, Implenia has three divisions:

- 1. Buildings** (50.0% of total EBIT in 2025<sup>4</sup>)
- 2. Civil Engineering** (36.4%)
- 3. Specialties** (13.6%)

**1. BUILDINGS.** A one-stop-shop integrated contractor offering consultancy, planning, engineering and project management services. Implenia is a specialist with extensive experience

(1) Source: Bauinfo, UBS AM, Real Estate & Private Markets (REPM), Letzter Datenpunkt 4Q23 and Federal Statistical Office, Bauinfo; UBS Asset Management (GRA); November 2025; last data point: 3Q25 (completions: 2024).

(2) Source: Bundesamt für Sozialversicherungen BSV, press release 19 September 2025 and Federal Statistical Office, Empty Dwellings Census 2025

(3) Railway infrastructure, roads, public transport, digital infrastructure and education. Source: Die Bundesregierung

(4) Excluding Corporate EBIT (-7.6%)



in the design and execution of complex new buildings and modernisation projects, covering the entire value chain from initial analysis to turnkey delivery. It operates in two business units:

#### a) Real Estate Development

Real Estate Development purchases plots of land, develops them and resells them after development, typically for a substantially higher price either together with a construction contract or after construction of the new building, but always before tenants move in. This ensures that the real estate portfolio is accounted for at procurement value on Implenia's balance sheet and not at market value. As of December 2025, the difference was CHF >80 million, implying the same amount of 'hidden reserve'. Furthermore, the Real Estate Development business unit also holds a 14.3% stake in a leading Swiss Property Developer called "Cham Swiss Properties", which is also listed on the Swiss Stock Exchange.

#### b) Building Construction

The Buildings division operates in Switzerland and Germany, with a roughly 75% vs 25% revenue split between the two countries. As Implenia pursues a differentiated sector-oriented approach, their Buildings construction business unit focuses on sectors such as healthcare (hospitals and laboratories [accounting for >20% of the division's order book]), data- and logistics centres [accounting for ~5% of the division's order book], large and complex mixed-use sites [accounting for >15% of the division's order book], leisure facilities [accounting for >5% of the division's order book]. Additionally, Buildings Construction is also present in residential [~30% of the division's order book] and commercial building construction [>10% of the division's order book]. Implenia explicitly engages in large and complex projects and hence does not focus on low-margin single- and multi-family home construction. The division's customer base is a balanced mix of government-owned entities and large corporations.

The company aims to be as asset-light and specialised as possible, hiring external experts and subcontractors to handle construction, thus positioning itself as a project manager rather than a traditional construction company, where margins are typically lower.

**2. CIVIL ENGINEERING.** A provider of a) tunnelling services throughout Europe, as well as b) civil and special foundations services in Switzerland and Germany. The company is recognised as a European leader in complex and challenging tunnel projects. These projects offer significantly higher margins compared to other generic civil engineering work. As a consequence, Implenia plans to increase the proportion of high-margin

tunnelling projects to improve the overall profitability of the company. Furthermore, Implenia has extensive experience in building state-of-the-art bridges as well as energy infrastructures.

The division's customers are predominantly government or government-linked entities, implying close to zero customer default risk. Generally, contract length tends to be longer (3+ years) for the division, given its tunnelling business unit. As Implenia is increasing its proportion of tunnelling projects, the order book has been going up and is expected to continue to increase going forward.

**3. SERVICE SOLUTIONS.** As a provider of services for the construction sector, Implenia integrates specialised expertise across engineering, project planning and asset management. This includes the services provided by Wincasa, Switzerland's leading provider of real estate management services, including centre and mixed-use site management, as well as construction management. All units within this division operate under highly asset-light, market-driven business models.

Implenia acquired Wincasa for CHF 171.6 million in 2023, and it contributes significantly to the company's EBIT. By expanding Wincasa's business, Implenia expects to increase its own revenue streams and operational efficiency. Wincasa's EBIT pre-PPA amortisation amounted to CHF 20.3 million in 2024 (>10% EBIT margin), implying that Implenia was already able to generate CHF ~5 million in synergies within 1.5 years after the acquisition. Such synergies were mainly cost savings, such as IT, HR, marketing, finance function costs, as well as rental savings. Implenia is expecting an additional CHF 5 million in revenue synergies at the latest by 2027. Such revenue synergies are expected to be a) Implenia providing clients with a unique end-to-end offering, incl. real estate management services, a first of its kind offering in Switzerland; and b) Wincasa, which manages AuM of up to CHF 84.5 bn (+4.2% increase vs FY2024) in properties across Switzerland, has a view on which of the buildings require modernisation or new build construction services in the near-term. As a consequence, Implenia will have an early involvement advantage.

### III VALUE PROPOSAL

**Implenia's strategy is centred around managing large, complex projects with a focus on sector-oriented specialisation, diversification and serving a broad range of customers, minimising risks, while maximising opportunities through strict application of Value**



### Assurance, Implenia's risk management process.

Implenia has significantly improved its equity ratio, more than doubling it from 10.3% at the end of 2020 to 23.5% at the end of 2025, without any capital increase.

The company is on track to achieve its medium-term financial goals, including an EBIT margin of greater than 4.5% and an equity ratio of 25%. These targets are expected to be reached by 2028.

Implenia aims to further boost profitability by focusing on several key areas:

- optimising existing business via a) consistent implementation and further optimisation of the value assurance process; and b) by operational excellence and further improvement in productivity and efficiency by applying more AI tools, BIM (building information modelling, enabling better visualisation, design and coordination of the construction of the project, hence reducing delays and cost overruns), and lean construction on Implenia's projects.
- growing existing business via increased focus on their highly complex sector-oriented specialisation (healthcare and research, data and logistics centres, tunnelling & mobility, energy infrastructure), whereby margins are substantially higher.
- developing new high-margin businesses along the full value chain with forward and backwards integration. This may include selective acquisitions, similar to the Wincasa acquisition from 2023, primarily focusing on the Swiss and German markets.

The company further expects to increase its free cash flow via a combination of:

- improved trade receivables and claims management,
- more balanced real estate investments, e.g. in 2024, Implenia has conducted significantly above-average net land purchases,
- continued strict asset-light strategy, which requires fewer investments in property, plant and equipment,
- increased pre-payments as a result of a) lower interest rates across Europe. Switzerland maintains the 0% interest rate, and b) an expected rising Buildings Division order book, based on the pipeline and generally brighter outlook across markets in this segment. The pre-payment percentages for Buildings projects tend to be higher than for Civil Engineering projects.

### IV MANAGEMENT TEAM FOCUSED ON VALUE CREATION

In 2018, Implenia appointed a new CEO, formerly with Novartis, where he held senior positions. Upon joining Implenia, one of his first actions was to implement a comprehensive risk management framework by introducing the Value Assurance Process, which became a central pillar of the company's approach to managing risks and opportunities within projects.

The CEO and his team thoroughly reviewed past projects over the 2019 and 2020 period, identifying numerous issues from old legacy projects that were not acquired via the new Value Assurance Process, where things had not gone as planned. The strict implementation of Value Assurance for all new projects and the transformation led to substantial improvements in the company's operational quality.

As part of the new strategy, Implenia refocused its portfolio with a clear emphasis on high-margin business (mid-term EBIT margin guidance of >4.5%) and an asset-light model across the value chain. The strategy also emphasised a sector-oriented specialisation and a concentration on urban areas (except for tunnelling and related infrastructure construction). Previously, the company had a broader geographic focus, competing with local players who could offer lower prices locally and in construction types that were less complex and hence attracted more competitors. By narrowing its focus, Implenia aims to deliver more profitable growth without compromising on quality and with a conservative risk approach. On many occasions, the company has chosen not to bid on projects deemed too risky (mostly from a contractual perspective) or too competitive, as it focuses on maintaining quality and profitability, rather than competing on price alone.

Since April 2025, Jens Vollmar, formerly Head of the Buildings Division and with Implenia since 2013, has been appointed as the new CEO. He continues to pursue the previously implemented strategy.

### V SUM OF PARTS

- Real estate development business (market value): CHF 277.0M
- 14.3% stake in Cham Swiss Properties (market value): CHF 178.8M
- Buildings division valued at a 10x (EBITDA – CAPEX) multiple: CHF 51.19M x 10 = CHF 511.9M
- Civil engineering division, valued at 10 x (EBITDA – CAPEX): CHF 106.48M x 10 = CHF 1,064.8M



- "Other businesses not yet accounted in the above" (which were included in the Specialties Division in 2025). These are amongst others: Timber Construction, Facade Technology, BBV, SISAG, Encira, BCL and Planovita. We have assumed an annual growth rate of 10% until 2030, a 10% EBIT margin by then, applying a multiple of 14xEBIT in 2030 and discounting that figure back to the present = 
$$\frac{((237.69 \cdot (1.1)^5 \cdot 0.1) \cdot 14)}{(1.1)^5} = \text{CHF } 332.8\text{M}$$
- (Net debt) / cash = - CHF 224.1M
- We apply a discount of 10 x EBIT (corporate and other division) = 10 x CHF 10.73M = - CHF 107.3M

**Total Equity Value = CHF 2,033.9M**

**Legal Disclaimer:** This document has been prepared by Tenvalue Platform, S.L. (hereinafter "Tenvalue").

In preparing this document, Tenvalue has relied on and assumed, without independent verification, the accuracy and completeness of all information available from public sources. Furthermore, nothing contained in this document is intended to be a valuation of the assets, shares, or businesses of the company or any other entity.

Tenvalue makes no representations regarding the actual value that may be received in connection with a transaction, nor the legal, tax, or accounting effects of consummating a transaction. Unless explicitly stated herein, the information contained in this document does not consider the effects of a potential transaction involving a change of actual or potential control, which may have significant valuation and other effects.

This document is intended solely to provide general information about the company and is not intended to form the basis of any investment decision to acquire part or all of the interests, shares, or stakes in the company. This document should not be construed as an offer or invitation to make an offer to acquire interests or shares of the company under any jurisdiction. Recipients of this document must ensure compliance with all relevant securities legislation and regulations that may apply to them. No representation or warranty (express or implied) is made, and the information contained in this document should not be relied upon, and no liability is accepted for any errors, omissions, or misstatements contained in this document. Accordingly, neither the company, its owners, Tenvalue, nor any of its directors or employees accept any liability arising from the use of this document.

By accepting this document, you agree to be bound by the above conditions and limitations.