

# 21

# Q1

## Interim Report

1 January 2021 – 31 March 2021

# Speakers



**Sverker Källgård**  
**Chief Executive Officer**



**Pia-Lena Olofsson**  
**Chief Financial Officer**

# Summary of the period

1 January 2021 – 31 March 2021

## Q1 2021

(compared with Q1 2020)

**Rental income** amounted to EUR 19,430 thousand (14,040).

**Net operating income** totalled EUR 18,211 thousand (13,002).

**Profit from property management** was EUR 11,570 thousand (6,840).

**Profit for the period** amounted to EUR 11,171 thousand (7,098), corresponding to EUR 0.28 (0.22) per share. Unrealised changes in property values totalling EUR 193 thousand (1 609) were included in profit.

### Dividend

For the 12-month period commencing following the 2021 Annual General Meeting, it was decided to distribute a total of EUR 0.94 per share, divided between 12 monthly dividends. The full wording of the resolution, with monthly amounts and reconciliation dates can be found at <https://www.cibusnordic.com/investors/the-share/dividend-calendar/>

# Significant events after the end of the period

Q1 2021

**On 14 April**, it was announced that Cibus had acquired three properties in Sweden for SEK 34.5 million. ICA Sverige is the anchor tenant for all of the properties concerned.

**At the Annual General Meeting on 15 April 2021**, Victoria Skoglund was elected as a new Board member. Patrick Gylling was reelected Chairman of the Board and Elisabeth Norman, Jonas Ahlblad and Stefan Gattberg were re-elected as Board members.

**On 29 April**, it was announced that Cibus had acquired a property in Rauma, Finland for EUR 5.3 million. Tokmanni is the anchor tenant for that property.





# This is Cibus Nordic

- Real estate company **focused on daily goods properties**
- **Strong tenants** provide dependable income to our shareholders
- Listed on **Nasdaq First North Premier Growth Markets** since march 2018
- Clear **Nordic** focus
- **Monthly dividends** to our shareholders — 0,94 EUR for coming 12 months

# This is Cibus Nordic

## Portfolio diversification

### Single asset / Portfolio of 2-5 assets

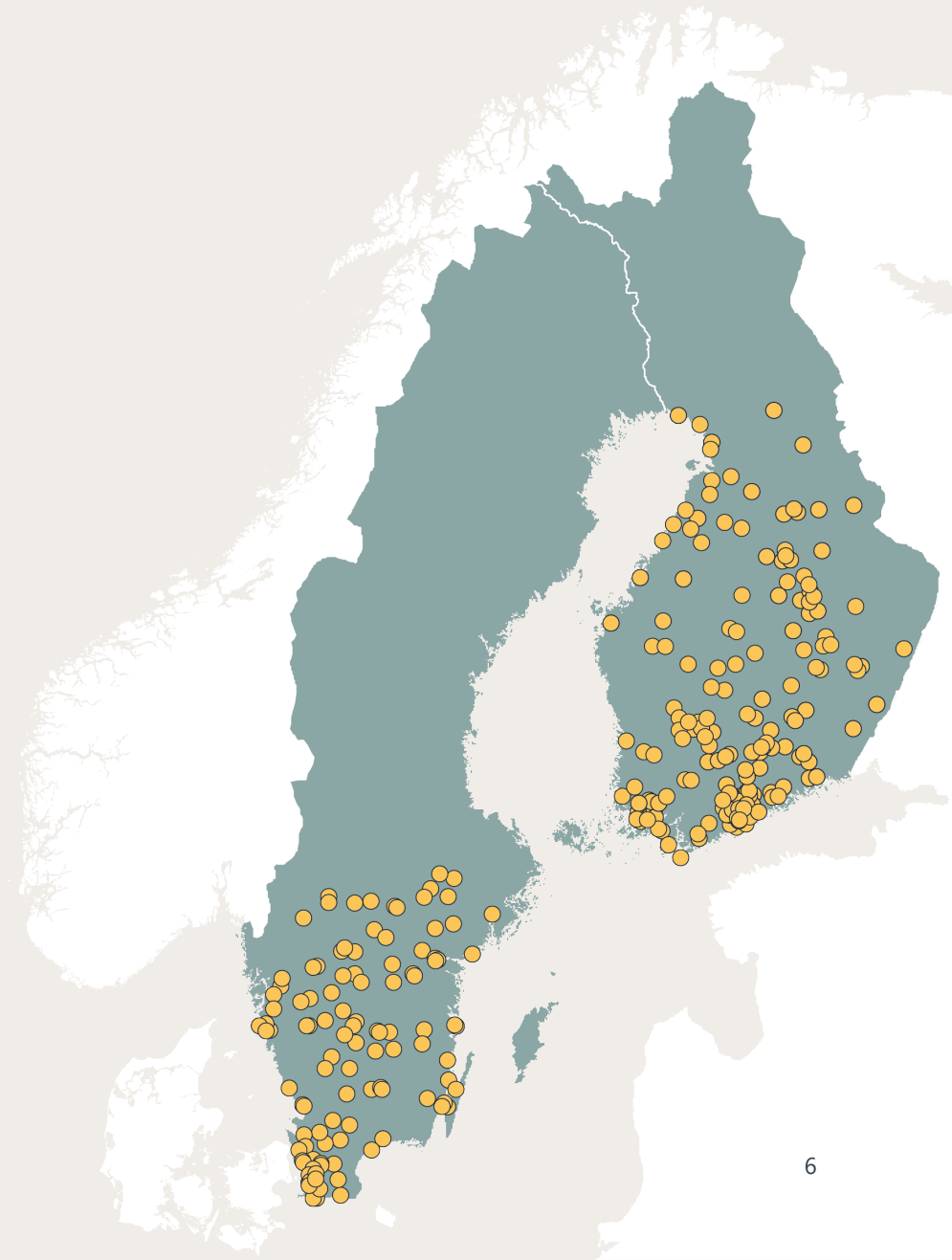
- High risk concentration
- Weak negotiation position with tenants
- Low bankability
- High risk / high return

### Large Portfolio

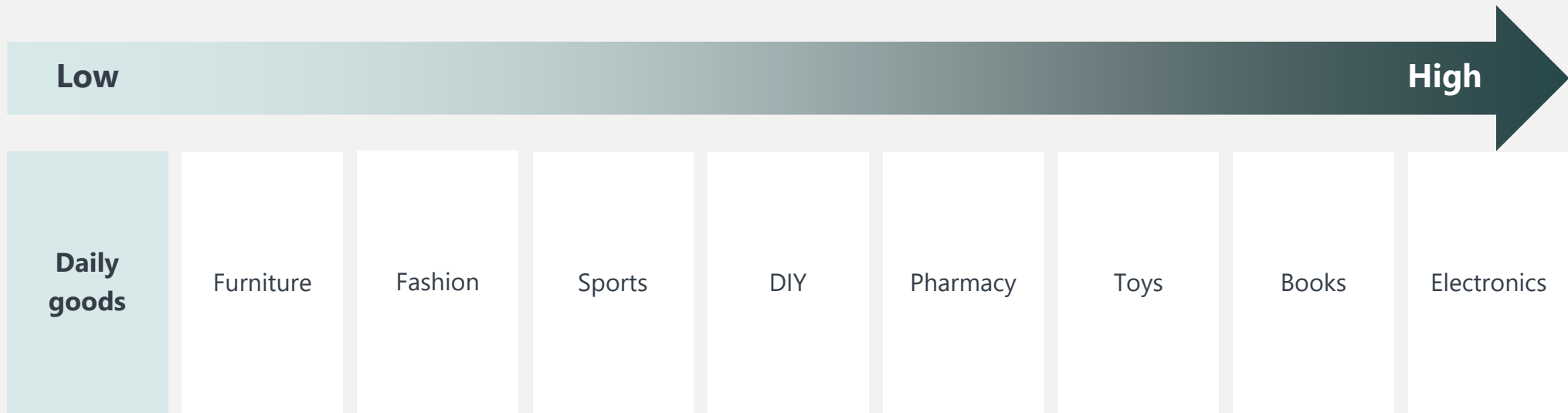
**Cibus**

- Diversified risk, with low concentration
- Active co-operation with tenants
- High bankability
- Low risk / same return as for single assets

Due to risk factor we can buy assets 50-100 bps higher than existing portfolio is trading at, and produce value creative growth for our shareholders



# Amazon's effect on different types of retail



Source: Handelsrådet Sverige,  
HUI Research

# What sets Cibus apart?

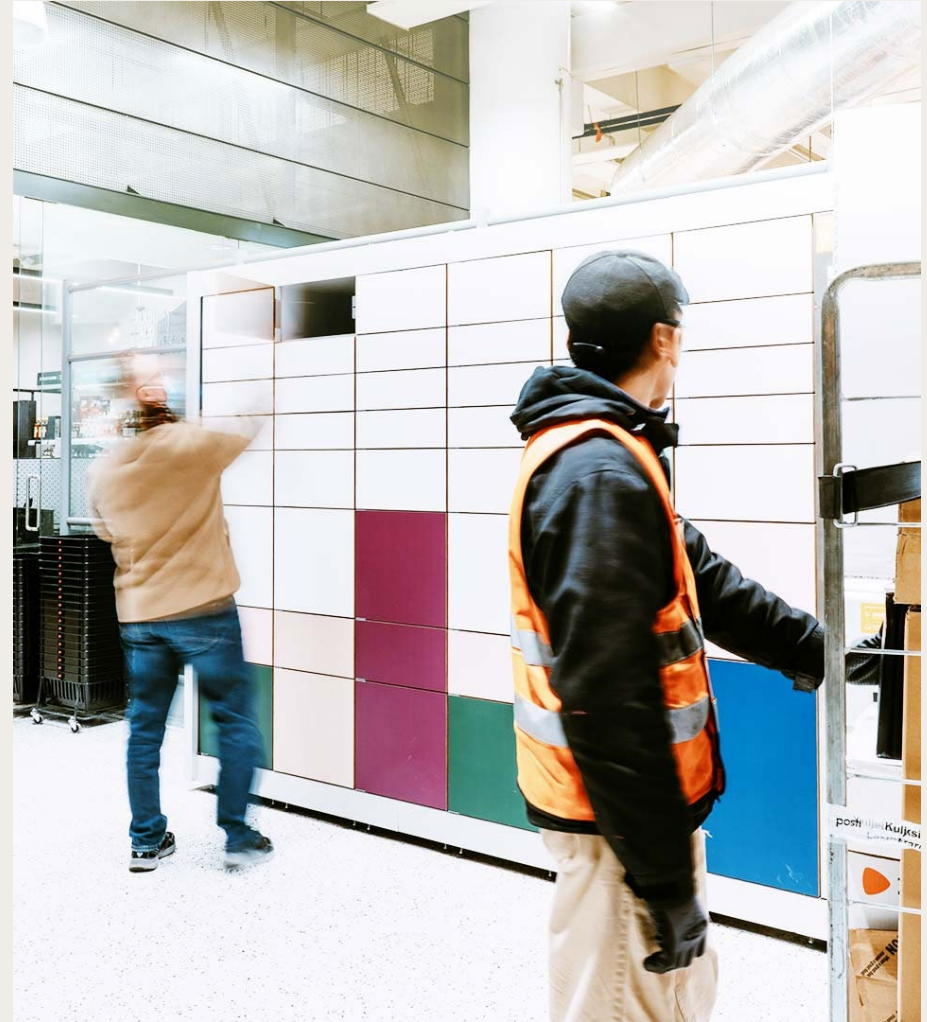
Resilience towards e-commerce

## Negligible negative effect

- Share of on-line trade during pandemic: ~4%
- Large share of volume is clic and collect from stores
- Very few operators worldwide make profit on online food sales

## Notable positive effect

- Existing stores work as a natural distribution network
- Non-daily goods purchased online can be delivered to supermarkets
- Strong trend
- E.g. Post offices, pharmacies, courier pick-up sites, banking services





# Cibus — An active property manager

What sets Cibus apart is that we have our own organization that actively works with our portfolio and new acquisitions.



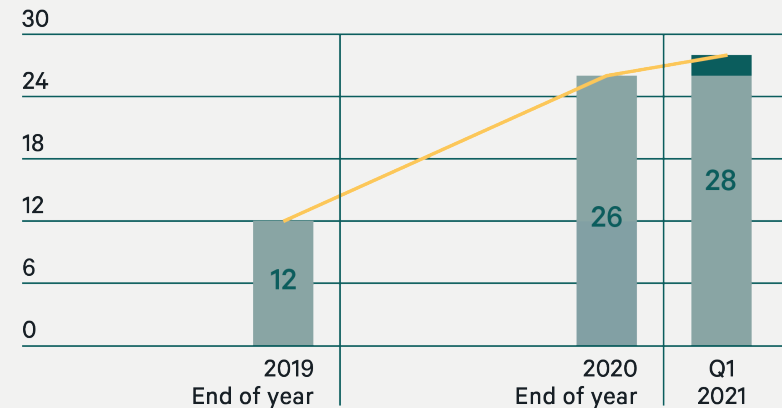
# Sustainability at Cibus

**Cibus is driven** by the conviction that we in our decisions about our real estate portfolio can contribute to a responsible social development

**In our acquisitions** and management of our properties we have the ambition to promote sustainable development for both tenants as a living community and that this contributes to a good long-term profit development for our shareholders.

**Today 28 of our properties** have solar panels. The annual CO2 reduction they generate is about 421 tCO2. This corresponds to the electricity consumption for about 1 494 apartments.

Buildings with solar panels





# Corona effect on Cibus business

Cibus business model is non-cyclical

## Limited negative effect

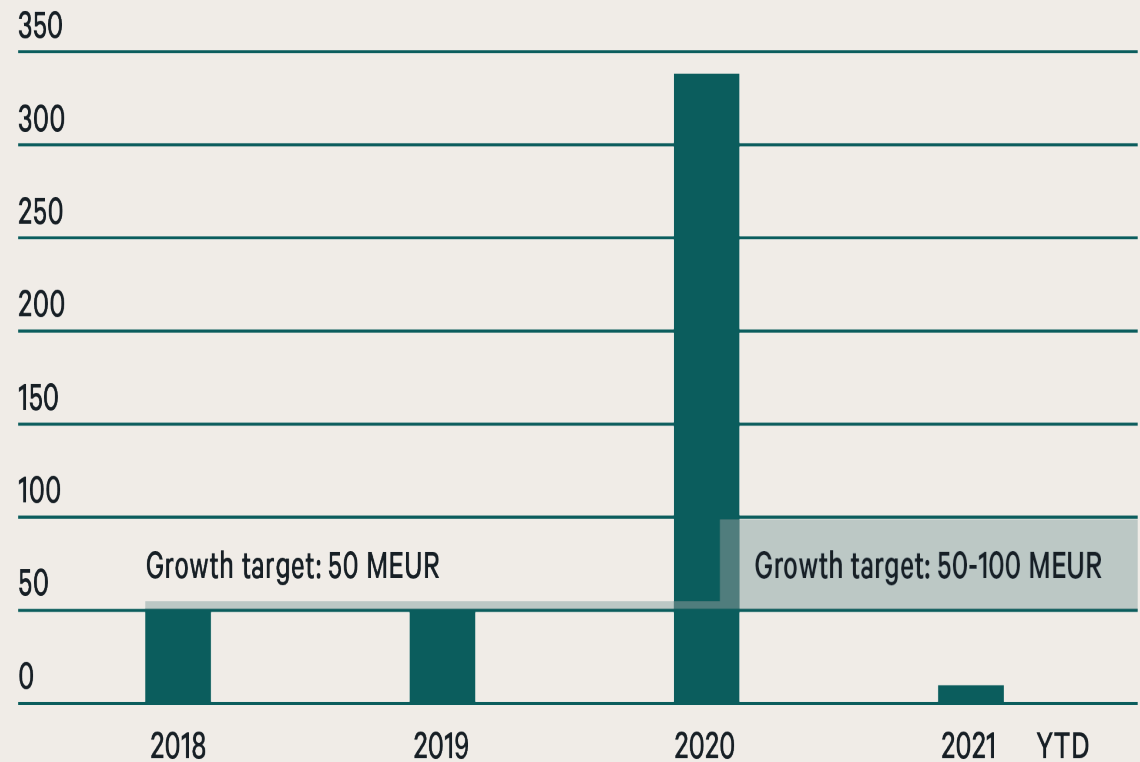
- Grocery sales on record levels
- Tenants have handled increased demand professionally
- Approximately 90% of income from leading food chains
- >99% of our invoiced rents for 2020 have been paid.
- Approximately 99% of our invoiced rents for Q1 2021 have been paid.



# Growth

- Market continues to be strong, unaffected by Corona pandemic
- Finland and Sweden still main markets, other Nordic markets are monitored
- Cibus has a strong cash position
- Pipeline is strong regarding possible acquisitions
- Normal growth financed through cash and bank/bond financing
- More rapid growth may lead to an equity raise to secure LTV within company financial target

Acquisitions MEUR



# Shareholders as of 31<sup>st</sup> of March 2021

Cibus Nordic Real Estate

Name	No. of shares	Percentage
Fjärde AP-fonden	3,568,253	8.9
BMO Global Asset Management	2,315,269	5.8
Marjan Dragicevic	1,820,000	4.5
Dragfast AB	1,700,000	4.2
Avanza Pension	1,445,875	3.6
Svenska Handelsbanken	1,290,976	3.2
Sensor Fonder	946,000	2.4
Länsförsäkringar Fonder	926,452	2.3
Nordnet Pensionsförsäkring	902,057	2.3
Patrick Gylling	600,000	1.5
Blackwell Partners LLC	550,455	1.5
Nuveen Asset Management	541,946	1.4
Goran Gustafssons stiftelser	522,000	1.3
Futur Pension	410,383	1.0
Ulf Greger Jönsson	272,000	0.7
<b>Total, 15 largest shareholders</b>	<b>17,811,666</b>	<b>44.6</b>
Other	22,188,334	55.4
<b>Total</b>	<b>40,000,000</b>	<b>100</b>

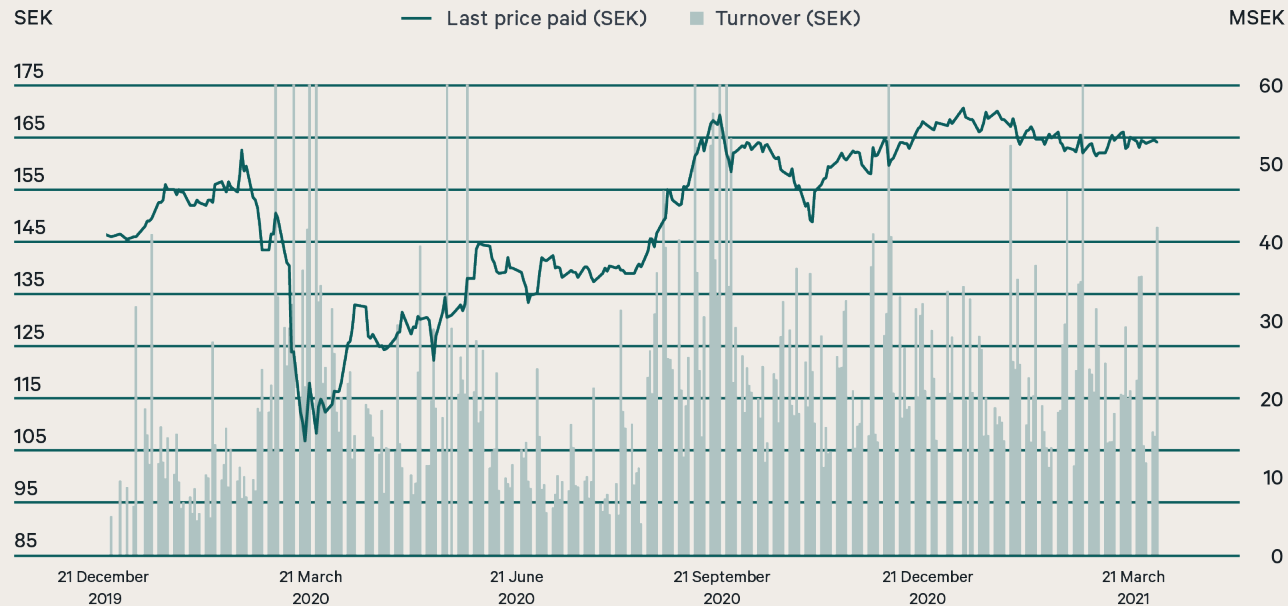
**March 31<sup>st</sup> 2021:**

Cibus has 32,000  
shareholders



# Cibus share price performance

Average daily volume SEK 24 million with more than 2 000 transactions per day



## March 31st:

- Share price SEK 164
- Total share return since 1 jan 2020 +20% (SEK)
- Cibus is planning to move to Nasdaq main list (MidCap) during the first half year 2021



# Financial Overview

# Q1 2021 in brief

EUR THOUSAND	Q1 2021	Q1 2020	2020 Full-year
Rental income	19,430	14,040	65,033
Net operating income	18,211	13,002	61,395
Profit from property management	11,570	6,840	33,488
Earnings after tax	11,171	7,098	34,597
Earnings per share EUR	0.28	0.22	0.95

# P&L Highlights Q1 2021

- Costs for administration slightly higher due to cost for list change.
- Net financial items is affected a positive exchange gain of EUR 497 thousand.
- Unrealized changes in value of investment properties was 193 TEUR Q1 2021 compared to 1,609 Q1 2020.
- No current tax due to use of loss carried forward and taxable depreciation on building inventory.

**Regarding cash and cash flow :** During the period, VAT of EUR 4.8 million was paid by companies in the Group for intra-Group transactions, although this was not received back from the Finnish Tax Agency during the first quarter. The amount was repaid in the second quarter of 2021.

EUR, Thousands	Q1 2021	Q1 2020
<b>Net Operating income</b>	<b>18,211</b>	<b>13,002</b>
Administration costs	-1,697	-1,489
Net financial items	-4,944	-4,673
<b>Profit from property management</b>	<b>11,570</b>	<b>6,840</b>
Unrealized change in value of investment properties	193	1,609
Unrealized changes in value of Interest-rate derivatives	255	-
Realized change in value of investment properties	-	59
<b>EBT</b>	<b>12,018</b>	<b>8,508</b>
Current tax	-	-255
Deferred tax	-847	-1,155
<b>Profit for the quarter</b>	<b>11,171</b>	<b>7,098</b>
<b>Earnings per share (before and after dilution)</b>	<b>0.28</b>	<b>0.22</b>

# Current earnings capacity

EUR thousand

	31 Mar 2020	30 Jun 2020	30 Sep 2020	31 Dec 2020	31 Mar 2021*	Change (March '21/March '20)
Rental income	64,600	68,371	69,411	76,581	76,581	
Property expenses	-3,580	-3,841	-3,771	-3,981	-3,981	
<b>Net operating income</b>	<b>61,020</b>	<b>64,530</b>	<b>65,640</b>	<b>72,600</b>	<b>72,600</b>	
Central administration	-4,270	-4,295	-4,310	-4,895	-4,895	
Net financial expenses**	-17,150	-19,920	-20,370	-21,811	-21,811	
<b>Profit from property management</b>	<b>39,600</b>	<b>40,315</b>	<b>40,960</b>	<b>45,894</b>	<b>45,894</b>	
<b>Profit from property management, EUR/share***</b>	<b>1.06</b>	<b>1.08</b>	<b>1.10</b>	<b>1.15</b>	<b>1.15</b>	<b>8%</b>

\*Includes all transactions where Cibus has taken possession of the property prior to or during March 2021.

\*\*In accordance with IFRS16, site leasehold fees are included among financial expenses. Financial expenses also include prepaid arrangement fees not affecting future cash flow.

\*\*\*In March 2020, a new share issue was implemented encompassing 6,220,000 shares and, in December 2020, another was implemented encompassing 2,680,000 shares. The number of shares subsequently totalled 40,000,000.



# Our properties Q1 2021

290

Properties

1,270

MEUR property value

72,6

MEUR NOI

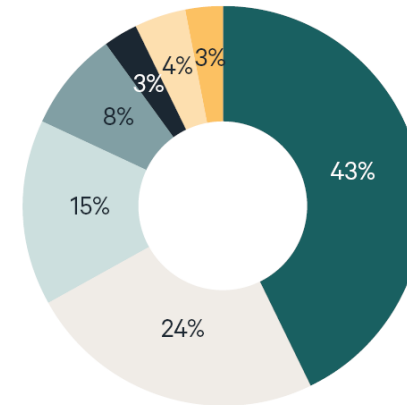
Current earnings capacity

744

Thousand SQM

## Tenants

- Kesko
- Tokmanni
- Coop
- S-Group
- Lidl
- Other daily goods
- Other retail

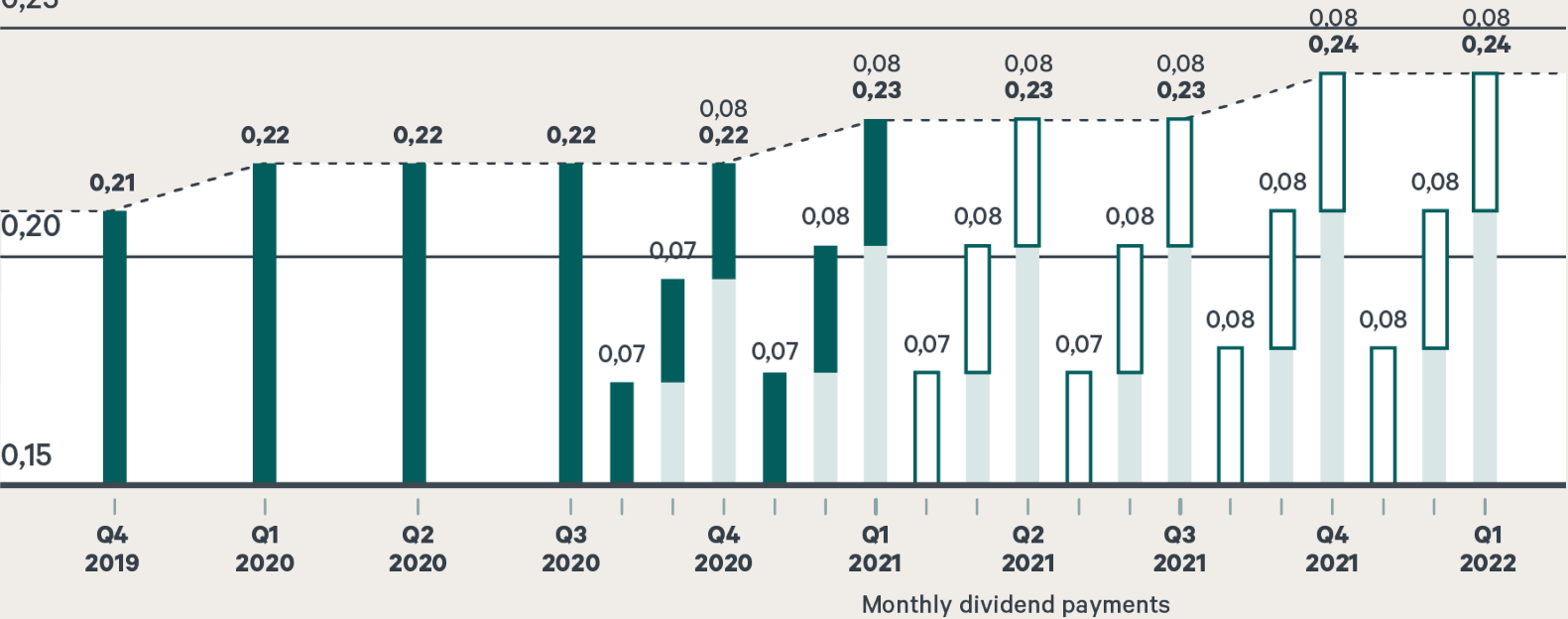


# Segments Q1 2021

Segment	Finland	Sweden	Total
Rental income	16,604	2,827	19,430
Service income	3,490	159	3,650
Operating expenses	-3,957	-6	-3,963
Property tax	-730	-176	-906
<b>Net operating income</b>	<b>15,407</b>	<b>2,804</b>	<b>18,211</b>
<b>Investment properties</b>	<b>1,070,360</b>	<b>199,298</b>	<b>1,269,658</b>

# Cibus strategy is to give its Shareholders stable and reliable dividend that increases over time

Decided dividends  
0,25



5,9%

Dividend yield  
share price\*

+5%/year

Dividend policy

\* Based on 0.94 EUR per  
share and share price 164 SEK



The For the 12-month period commencing following the 2021 Annual General Meeting, it was decided to distribute a total of **EUR 0.94 per share, divided between 12 monthly dividends.**

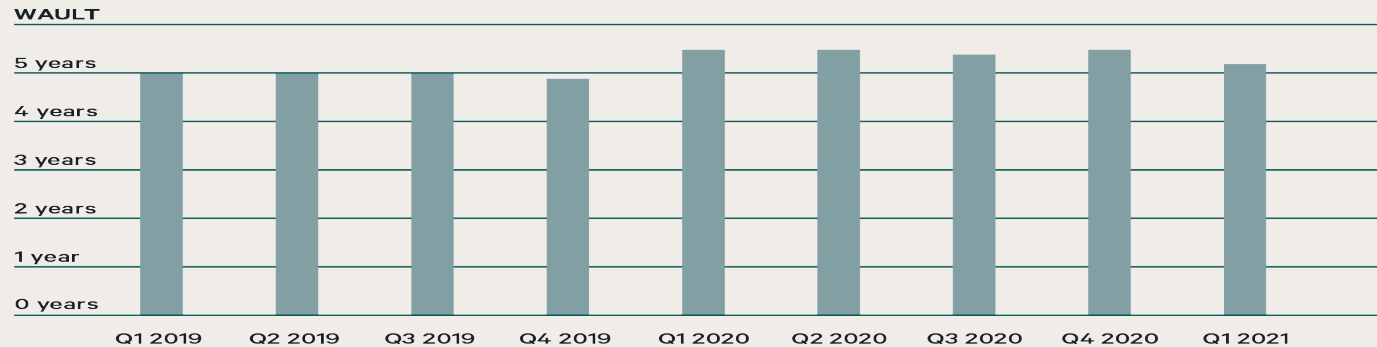
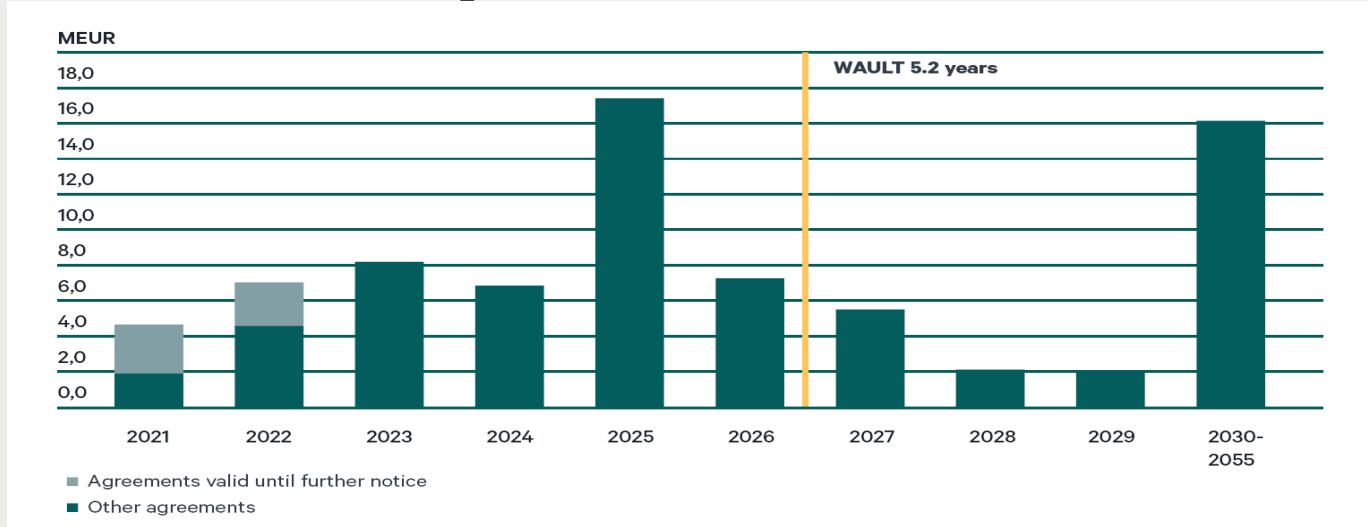
# Balance sheet (NRV & LTV)

Balance sheet (31 March 2021)	€'m (unless otherwise stated)	LTV, %	
Property value	1,270		} Net LTV 61.6%
Senior secured debt (-)	-620	48,9%	
Senior unsecured bond (-)	-194		
Other net assets(+)/liabilities(-) <sup>(1)</sup>	31		
EPRA NRV	487		
EPRA NRV / Share (€)	12.2		

1)Excluding deferred tax

Company finance policy allow 55-65% LTV

# WAULT likely to be sustained around 5 years



- An even number of leases up for renewal each year
- Typically leases renew at same terms for 5 years
- WAULT likely to remain at around 5 years over time



# Funding

## Bank loans

- 5 different loans from large Nordic banks and institutions in total 620 MEUR.
- Average floating interest margin 3m EURIBOR/STIBOR + 1.7% with floor 0%.
- Weight average tenor 2.7 years
- 68% of bank loans are hedged with interest-rate derivatives.
- The first maturity of a loan take place in 1.9 years.

## Senior unsecured bonds

### Green SEK bond

- 600 MSEK
- Floating coupon rate 3m STIBOR + 4.75% without floor
- Listed on Corporate Bond list Nasdaq Stockholm
- Matures 12 June 2023

### EUR bond

- 135 MEUR
- Floating coupon rate 3m EURIBOR + 4.5% without floor
- Listed on Corporate Bond list Nasdaq Stockholm
- Matures 18 September 2023



# Funding strategy medium term

## Bank loans

**Cibus has ambition** to have good relations with several Nordic banks and that more than 50% of the external funding will be bank financing.

**Normal growth** will be financed with generated cash and bank loans

## Senior unsecured bond

**Cibus intention** is to continue to be active on the bond market.

**Possibility of new bond** in connection with investment in larger portfolios

**Have a MTN program** in place


## Equity

**For larger acquisitions,** a part of that financing might involve an equity raise or a hybrid bond to keep LTV within the finance policy thresholds between 55-65% LTV.



Long term  
funding  
strategy is to  
reach  
investment  
grade in  
Credit rating.





# Future

# Focus areas going forward

- Work with Cibus change to Nasdaq Stockholm main list
- New geographies in the Nordics
- Continued growth in Finland & in Sweden to become the largest daily goods Real Estate company
- MTN program



# Primary reasons to invest in the Cibus share

## 1 High and stable yield

Cibus strives to earn a high and stable yield for shareholders. From the outset, Cibus has never lowered its dividend in EUR per share from one quarter to the next.

## 2 Potential for favourable value growth

Cibus's investment strategy of acquiring individual properties or property portfolios with a higher yield requirement than the existing portfolio, combined with planned annual investments of between EUR 50 million and EUR 100 million, generates potential for favourable long-term growth in share value. The investment target of at least EUR 50 million was achieved in 2018, 2019 and 2020.

## 3 Gradually rising monthly dividends

Since October 2020, Cibus pays dividends monthly and aims to gradually increase them by 5% annually.

## 4 A segment with long-term resilience and stability

The grocery and daily-goods sector has experienced stable, non-cyclical growth over time. Historically, the grocery sector has grown by approximately 3% annually, even during periods of recession. It also shows strong resilience to the growing e-commerce trend that has made the stores into a distribution network for goods purchased online.

