

Q2

21

# Interim Report

1 January 2021 – 30 June 2021

# Speakers



Sverker Källgård  
Chief Executive Officer



Pia-Lena Olofsson  
Chief Financial Officer

# Summary of the period

1 April 2021 – 30 June 2021

## Q2 2021

(compared with  
Q2 2020)

**Rental income** amounted to EUR 19,797 thousand (16,366).

**Net operating income** totalled EUR 18,472 thousand (15,100).

**Profit from property management** was EUR 10,834 thousand (7,801).

**Profit for the period** amounted to EUR 11,672 thousand (8,883), corresponding to EUR 0.29 (0.24) per share. Unrealised changes in property values totalling EUR 2,357 thousand (3,002) 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 during the period

**Acquisitions** during the quarter amounted to **130 MEUR**. The acquisition of the portfolio from **Sagax will be partly paid by 2 000 000 Cibus shares**. The transaction is targeted to close and the shares to be issued during the fourth quarter of 2021.

Cibus had been approved for **listing on Nasdaq Stockholm**. The first day of trading on Nasdaq Stockholm's main list was Tuesday, 1 June 2021.

Cibus signed a **collaboration agreement with Järntorget** to jointly develop that part of Cibus' Swedish property portfolio that is not used for daily goods retail. Cibus will have **no costs in the projects** but receive parts of the profits when finalized.



# Significant events after the end of the period

Q2 2021

On 1 July, Cibus signed an agreement to acquire, and took possession of three properties in Sweden for EUR 4.1 million. Coop Sverige Fastigheter is the anchor tenant in all of these properties.



# This is Cibus Nordic

- Real estate company **focused on daily goods properties.**
- **Strong tenants** provide dependable income to our shareholders.
- Listed since March 2018. Listed on **Nasdaq Stockholm MidCap** since June 2021.
- 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

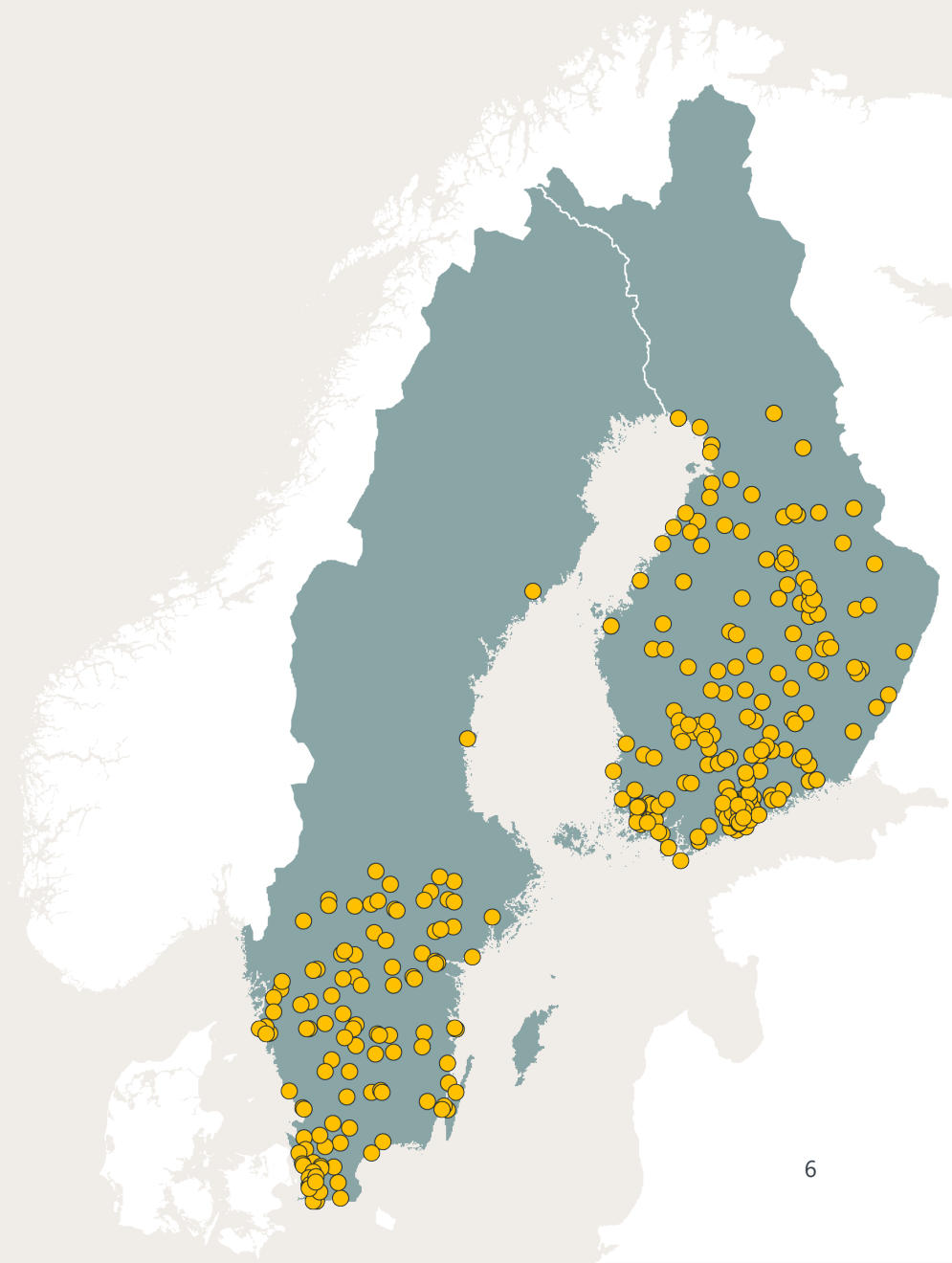
- High risk concentration
- Weak negotiation position with tenants
- Low bankability
- High risk / high return

### Large Portfolio

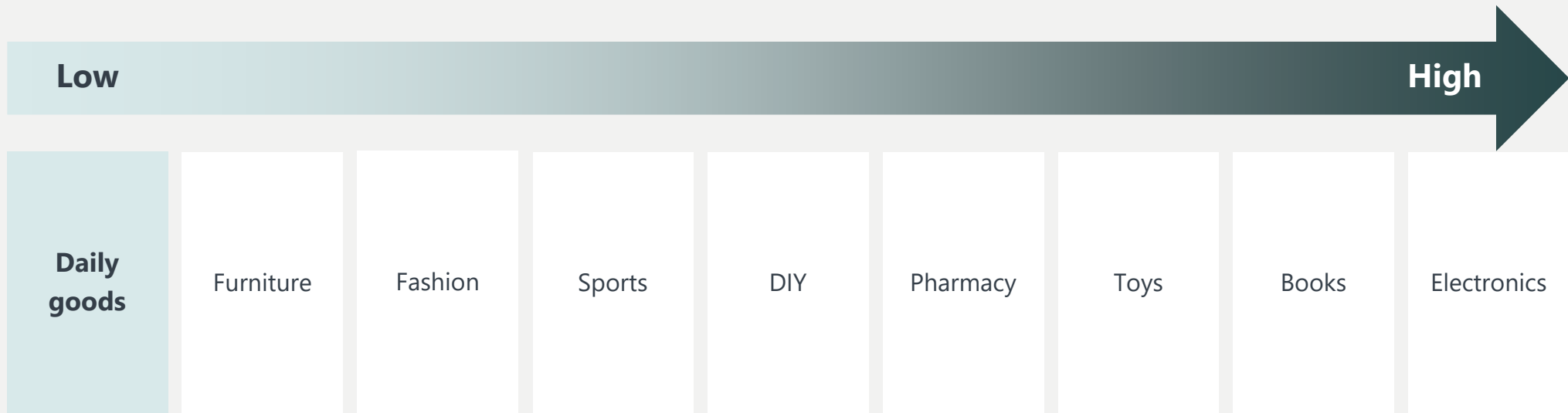
**Cibus**

- 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?

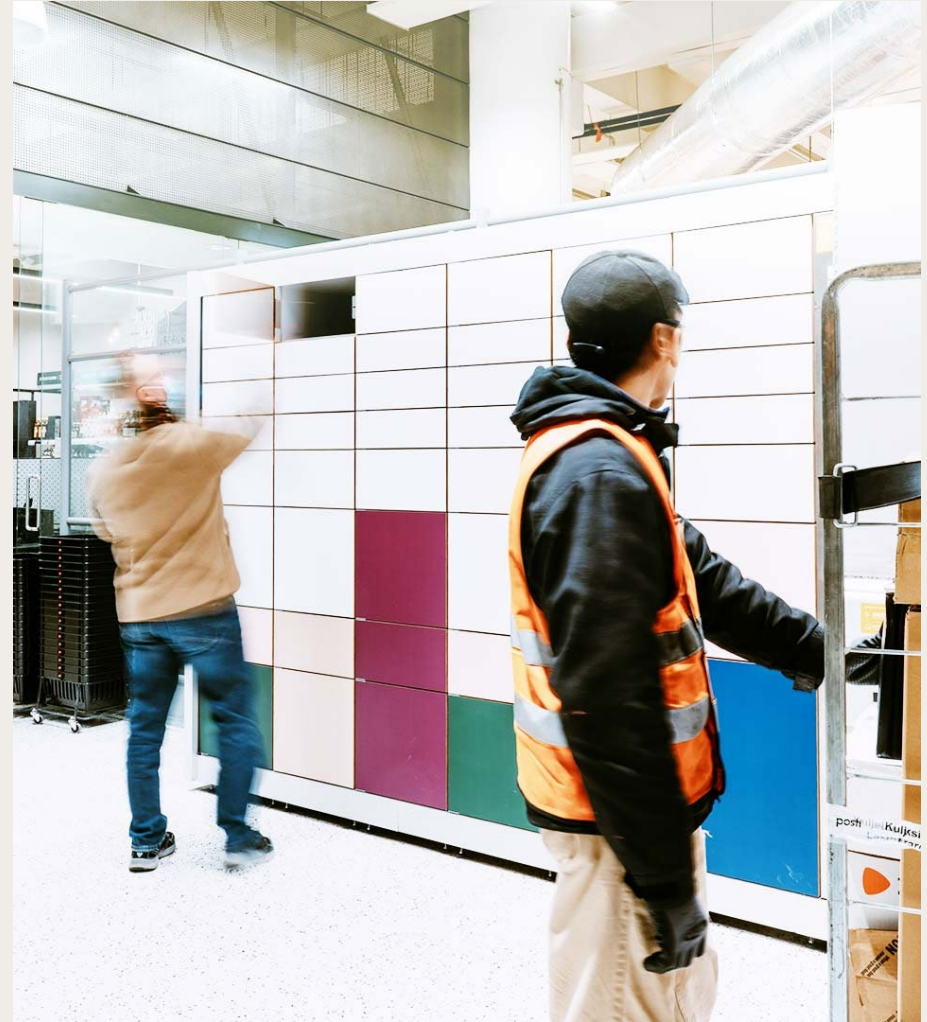
Resilience towards e-commerce

## 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
- 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 32 of our properties** have solar panels. The annual CO2 reduction they generate is about 461 tCO2. This corresponds to the electricity consumption for about 1 635 apartments. In the second quarter of 2021,

Cibus signed a **collaboration agreement with Järntorget** to jointly develop that part of Cibus' Swedish property portfolio that is not used for daily goods retail. Järntorget and Cibus have ambitious sustainability goals for the upcoming projects. **All of the homes will carry the Nordic Swan ecolabel.**





# 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
- >98% of our invoiced rents for Q2 2021 and about 99% of our invoiced rents the first half year 2021 have been paid.
- >99% of our invoiced rents for 2020 have been paid.

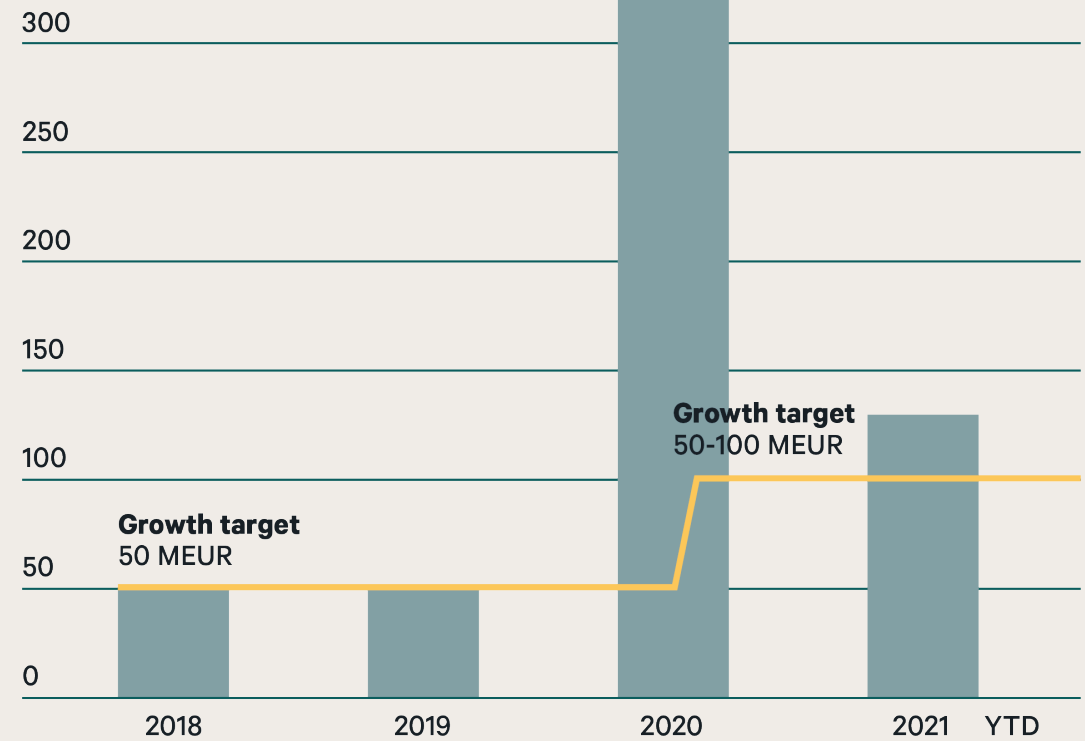




# Growth

- 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/hybrid bond to secure LTV within company financial target

Acquisitions MEUR



# Shareholders as of 30<sup>th</sup> of June 2021

Cibus Nordic Real Estate

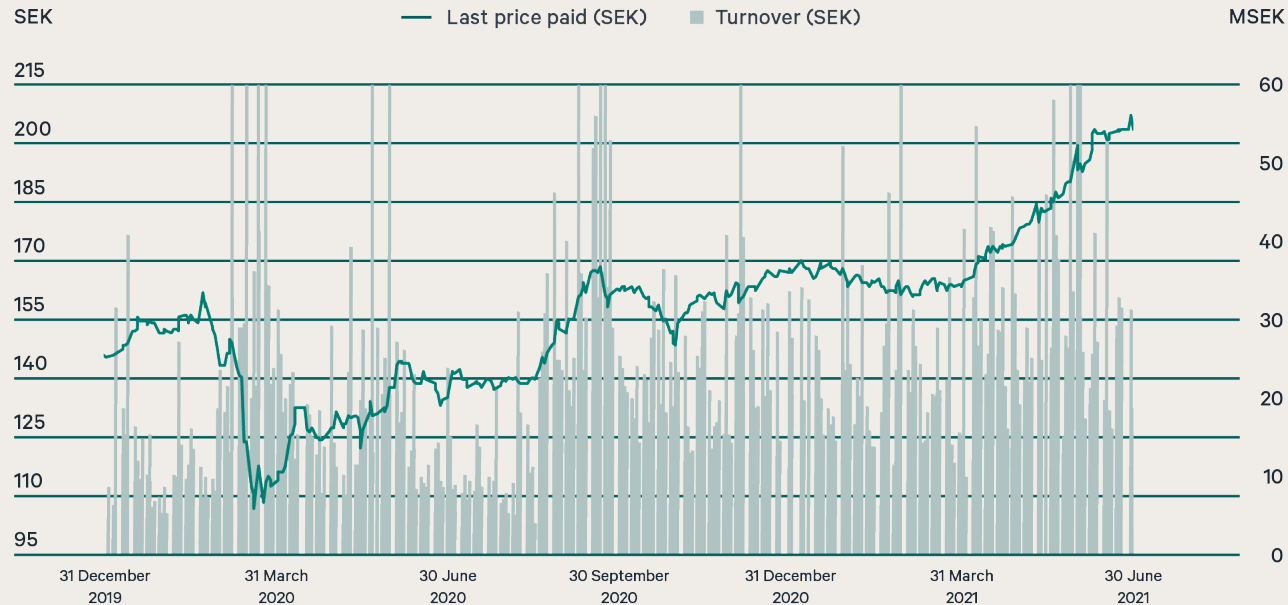
Name	No. of shares	Percentage
Fjärde AP-fonden	3,478,253	8.7
BMO Global Asset Management	2,419,157	6.0
Marjan Dragicevic	1,814,000	4.5
Dragfast AB	1,700,000	4.2
Avanza Pension	1,558,251	3.9
Sensor Fonder	946,000	2.4
Länsförsäkringar Fonder	888,773	2.2
Nordnet Pensionsförsäkring	779,982	1.9
Blackwell Partners LLC	550,455	1.5
Nuveen Asset Management	534,325	1.3
Göran Gustafssons Stiftelser	522,000	1.3
Patrick Gylling	500,000	1.2
Svenska Handelsbanken	380,500	1.0
Futur Pension	332,089	0.8
Ulf Greger Jönsson	311,337	0.8
<b>Total, 15 largest shareholders</b>	<b>16,715,122</b>	<b>41.9</b>
Other	23,284,878	58.1
<b>Total</b>	<b>40,000,000</b>	<b>100</b>

**June 30<sup>th</sup> 2021:**

Cibus has 38,000  
shareholders

# Cibus share price performance

Average daily volume SEK 32 million with more than 2 500 transactions per day



## June 30th:

- Share price SEK 204,40
- Total share return since 1 jan 2020 +50% (SEK)





# Financial Overview

# Q2 2021 in brief

EUR THOUSAND	Q2 2021	Q2 2020	Jan-June 2021	Jan-June 2020	2020 Full-year
Rental income	19,797	16,366	39,228	30,406	65,033
Net operating income	18,472	15,100	36,683	28,103	61,395
Profit from property management	10,834	7,801	22,404	14,642	33,488
Earnings after tax	11,672	8,883	22,843	15,980	34,597
Earnings per share EUR	0.29	0.24	0.57	0.45	0.95

# P&L Highlights Q2 2021

- Costs for administration include items affecting comparability of EUR -400 thousand mainly due to cost for list change.
- Net financial items is affected by a negative exchange loss of EUR -430 thousand.
- Unrealized changes in value of investment properties was EUR 2,357 thousand Q2 2021 compared to 3,002 Q2 2020.
- Low current tax due to use of loss carried forward and taxable depreciation on building inventory.

EUR, Thousands	Q2 2021	Q2 2020
<b>Net Operating income</b>	<b>18,472</b>	<b>15,100</b>
Administration costs	-1,764	-1,532
Net financial items	-5,873	-5,767
<b>Profit from property management</b>	<b>10,834</b>	<b>7,801</b>
Unrealized change in value of investment properties	2,357	3,002
Unrealized changes in value of Interest-rate derivatives	78	-29
Realized change in value of investment properties	-	-204
<b>EBT</b>	<b>13,269</b>	<b>10,570</b>
Current tax	-25	-501
Deferred tax	-1,572	-1,186
<b>Profit for the quarter</b>	<b>11,672</b>	<b>8,883</b>
<b>Earnings per share (before and after dilution)</b>	<b>0.29</b>	<b>0.24</b>



# Current earnings capacity

EUR thousand

Amounts in thousand euro (EUR thousands)	30 Jun 2020	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021*	Change (June '21/June '20)
Rental income	68,371	69,411	76,581	76,581	80,880	
Property expenses	-3,841	-3,771	-3,981	-3,981	-4,880	
<b>Net operating income</b>	<b>64,530</b>	<b>65,640</b>	<b>72,600</b>	<b>72,600</b>	<b>76,000</b>	
Central administration	-4,295	-4,310	-4,895	-4,895	-5,275	
Net financial expenses**	-19,920	-20,370	-21,811	-21,811	-23,600	
<b>Profit from property management</b>	<b>40,315</b>	<b>40,960</b>	<b>45,894</b>	<b>45,894</b>	<b>47,125</b>	
<b>Profit from property management, EUR/share***</b>	<b>1.08</b>	<b>1.10</b>	<b>1.15</b>	<b>1.15</b>	<b>1.18</b>	<b>9%</b>

\*Includes all transactions where Cibus has taken possession of the property prior to or during June 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 December 2020, a new share issue was implemented encompassing 2,680,000 shares. The number of shares subsequently totalled 40,000,000.

# Our properties Q2 2021

307

Properties

1,331

MEUR property value

76,0

MEUR NOI

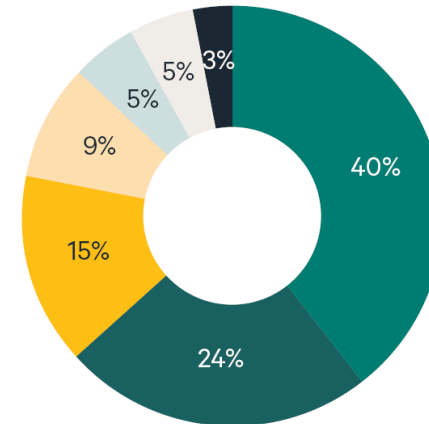
Current earnings capacity

784

Thousand SQM

## Tenants

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



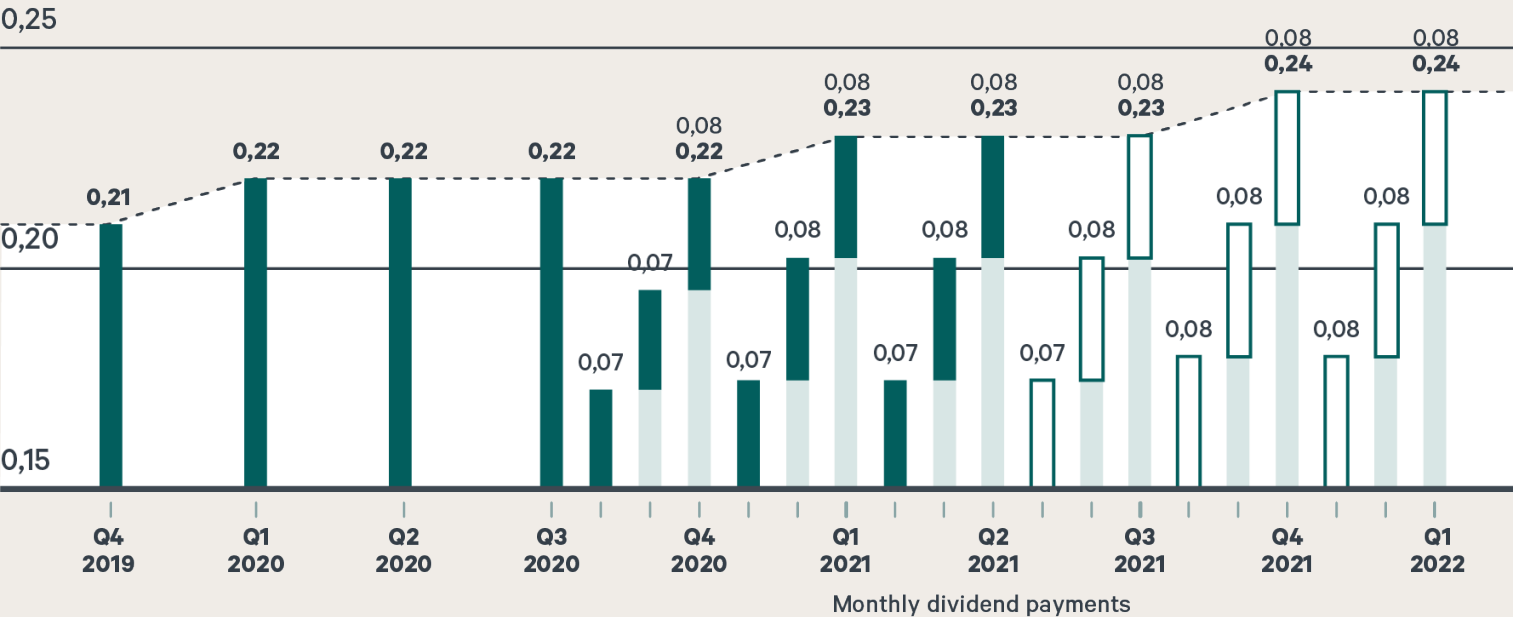
# Segments Jan - June 2021

Segment	Finland	Sweden	Total
Rental income	33,520	5,708	39,228
Service income	5,972	329	6,301
Operating expenses	-7,032	-22	-7,054
Property tax	-1,439	-353	-1,792
<b>Net operating income</b>	<b>31,020</b>	<b>5,663</b>	<b>36,683</b>
<b>Investment properties</b>	<b>1,116,830</b>	<b>214,356</b>	<b>1,331,186</b>



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

Decided dividends



4,7%

Dividend yield  
share price\*

+5%/year

Dividend policy

\* Based on 0.94 EUR per share and share price 204,40 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 (30 June 2021)	€'m (unless otherwise stated)	LTV, %
Property value	1,331	
Senior secured debt (-)	-645	48,5%
Senior unsecured bond (-)	-194	
Other net assets(+)/liabilities(-) <sup>(1)</sup>	29	
Hybrid bond	-30	
EPRA NRV	491	
EPRA NRV / Share (€)	12.3	

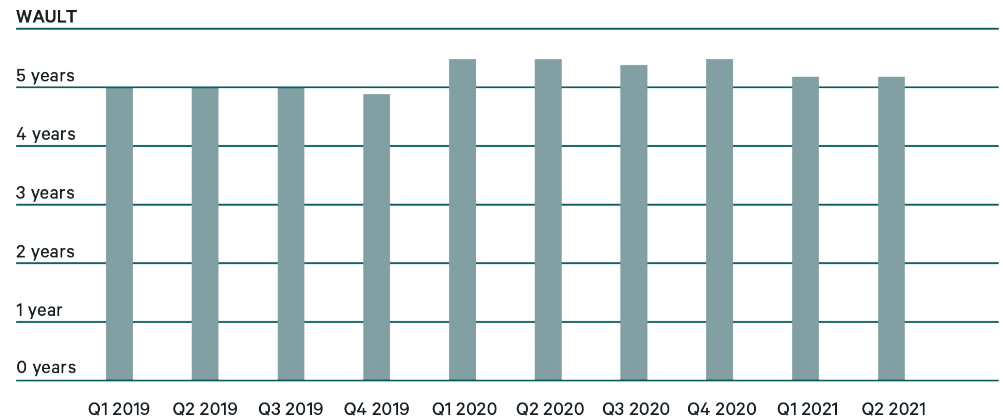
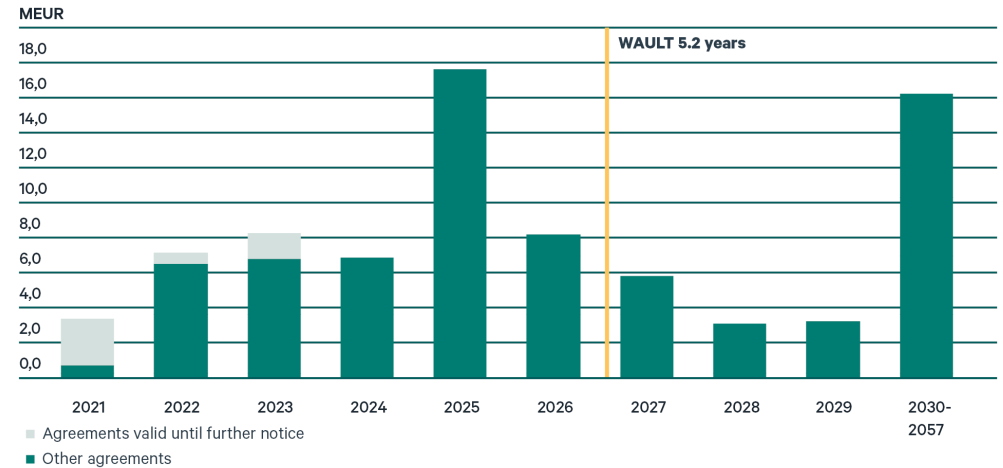
Net LTV 60.1%

<sup>1)</sup>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 645 MEUR.
- Average floating interest margin 3m EURIBOR/STIBOR + 1.7% with floor 0%.
- Weight average tenor 3.0 years
- 66% of bank loans are hedged with interest-rate derivatives.
- The first maturity of a loan take place in 2.0 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

## Hybrid Bond

### EUR bond

- 30 MEUR
- Floating coupon rate 3m EURIBOR + 4,75% without floor
- Listed on Corporate Bond list Nasdaq Stockholm
- Perpetual with first call date the 24 September 2026



# 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

**MTN program** in place for bonds

## 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's thresholds between 55-65% LTV.


**MTN program** in place for hybrid bonds





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





# Future



# Focus areas going forward

## Growth

New geographies  
in the Nordics

## Growth

Continued growth  
in Finland & in Sweden



# 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, 2020 and 2021.

## 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.

