

30 September 2021

## Commissioned research: Cibus – Enters the Norwegian daily goods-anchored real estate market

*Marketing material commissioned by Cibus*

Currently owning daily good-anchored properties in Finland and Sweden, Cibus has today signed an acquisition of eight properties in south-eastern Norway for EUR 27.6m with closing estimated at 15 October. The properties are fully let to Kiwi, Spar and Rema1000 with an average lease period of over nine years and a total leasable area of 8,700 sqm. The price per sqm of EUR ~3,200 is clearly higher than in acquisitions made in Finland and Sweden, but according to the CEO, the rents are also considerably higher in Norway. Based on our discussions with the CEO, the net yield is similar to the level of acquisitions in Finland and Sweden, which we estimate to be 6% or somewhat below. Positive that Cibus now also enters Norway, and we expect further acquisitions now in the country as easing pandemic restrictions enable a more active transaction market. The eight properties acquired correspond to ~2% of the total portfolio, so the impact is minor on group level but we expect the expansion in Norway to continue, preferably also with larger portfolio transactions. Trading at a ~68% premium to EPRA NRV implies that Cibus's assets are valued at a 27% premium to the reported asset value. Hence the implied yield is ~4.2% versus the valuation yield which we estimate to be ~5.7%. Acquiring assets with a net yield at 6% is clearly value enhancing for Cibus's shareholders, and we continue to argue that Cibus is one of the more safe and attractive real estate compounders in the Nordic real estate market.

### SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021E	2022E	2023E
Total revenue	29	60	74	92	96	97
NOI margin	81.0%	80.8%	82.5%	82.3%	84.1%	84.2%
EPS (adj, EUR)	0.40	0.88	0.92	1.08	1.15	1.16
EPS (adj) growth	n.a.	120.2%	5.0%	17.8%	6.6%	0.3%
P/E (adj)	25.4	15.9	18.1	18.7	17.5	17.5
DPS, EUR	0.84	0.89	0.94	0.99	1.04	1.10
NAV per share	11	11	11	14	16	17
NAV growth	n.a.	1.9%	2.6%	26.6%	10.6%	9.6%
NOI/EV (adj)	3.0%	5.1%	4.2%	4.5%	4.9%	4.9%
P/NAV	94.8%	128.0%	149.3%	143.3%	129.6%	118.2%
P/EPRA NAV	92.9%	124.7%	145.9%	140.5%	127.0%	118.1%
Dividend yield	8.3%	6.4%	5.7%	4.9%	5.2%	5.4%
Loan-to-value (net debt)	56.4%	58.7%	61.3%	58.6%	57.4%	56.4%
Net debt/EBITDA(adj)	21.9	11.9	14.3	12.0	10.8	10.7

*Source: Company data and Nordea estimates*

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