

29 November 2021

Commissioned research: Cibus – M&A pace continues at a high level

Marketing material commissioned by Cibus

On 29 November, Cibus announced two separate acquisitions for EUR 40m in total, increasing asset base by ~3%. On 26 November Cibus signed the acquisition of a grocery store under construction in Sweden for EUR 11.5m and construction is to be completed in Q3 2022. Total leasable area is 3,200m² and Willys is the sole tenant with a lease maturity of 12 years. Cibus has also signed the acquisition of Charlottenberg trade park consisting of two separate assets in Sweden, close to the Norwegian border, for EUR 28.3m. The transaction is expected to close in mid-December. ICA Sverige is the sole tenant in one asset built in 2021 and Lidl the anchor tenant in the other asset. The latter transaction has close to six years of lease maturity and comprises 14,000m². In addition to these two announcements, Cibus announced on 18 November it has acquired a grocery store in Espoo, Finland, for EUR 6.8m, comprising 2,900m² and fully leased to S Group with a long-term lease agreement. With Q4 transaction activity already close to EUR 50m, Cibus continues its expansion and we argue it is one of the more attractive real estate compounders, now trading at a 100% EPRA NRV premium and an implied yield of ~4%, while M&A is likely made at 6+% yields.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021E	2022E	2023E
Total revenue	29	60	74	93	99	101
NOI margin	81.0%	80.8%	82.5%	81.4%	84.4%	84.6%
EPS (adj, EUR)	0.40	0.88	0.92	1.13	1.20	1.23
EPS (adj) growth	n.a.	120.2%	5.0%	23.1%	6.1%	2.7%
P/E (adj)	25.4	15.9	18.1	21.2	20.0	19.4
DPS, EUR	0.84	0.89	0.94	0.99	1.04	1.10
NAV per share	11	11	11	14	16	18
NAV growth	n.a.	1.9%	2.6%	25.7%	13.1%	11.1%
NOI/EV (adj)	3.0%	5.1%	4.2%	4.1%	4.5%	4.6%
P/NAV	94.8%	128.0%	149.3%	171.2%	151.3%	136.2%
P/EPRA NAV	92.9%	124.7%	145.9%	167.6%	147.9%	137.7%
Dividend yield	8.3%	6.4%	5.7%	4.1%	4.3%	4.6%
Loan-to-value (net debt)	56.4%	58.7%	61.3%	59.6%	57.7%	56.2%
Net debt/EBITDA(adj)	21.9	11.9	14.3	12.4	10.9	10.5

Source: Company data and Nordea estimates

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