24 September 2024

# Commissioned research: Cibus - Announces acquisition of five grocery stores in Denmark for EUR ~14.5m

*Marketing material commissioned by Cibus*

*Nordea acted as Joint Global Coordinator to Cibus Nordic Real Estate in the Directed Issue as announced on 10 September 2024.*

Cibus, which raised EUR ~82m new equity two weeks ago to fund growth, announced after market close on 23 September that it has acquired five grocery stores in Denmark for an underlying property value of DKK 107.7m (EUR ~14.5m). The properties are acquired from grocery chain Dagrofa ApS in a sale-and-leaseback transaction with closing set for 1 October. Dagrofa is Cibus' largest tenant in Denmark and accounts for ~5% of group net rental income after the thransaction. The lettable area of the stores is 6,400 square metres and four of the stores are SPAR-branded and one is Meny-branded. The average remaining lease term is ~9.5 years and the acquisition is financed with an LTV of ~50% through a bank loan. According to the company, the acquisition is EPS accretive. The acquisition increases the property value by 0.8%. The net yield accretion is not disclosed. With its strengthened balance sheet from the share issue and an EPRA NRV premium of ~30%, Cibus is in a favourable position to continue value-accretive acquisitions and we expect further similar transactions going forward.

**SUMMARY TABLE - KEY FIGURES**

| EURm | 2021 | 2022 | 2023 | 2024E | 2025E | 2026E |
|---|---|---|---|---|---|---|
| Total revenue | 94 | 124 | 140 | 144 | 146 | 149 |
| NOI margin | 81.4% | 80.3% | 81.9% | 81.2% | 80.8% | 81.1% |
| EPS (adj, EUR) | 1.18 | 1.12 | 0.89 | 0.91 | 0.97 | 0.95 |
| EPS (adj) growth | 28.8% | -5.5% | -20.3% | 1.8% | 6.9% | -2.4% |
| P/E (adj) | 24.0 | 11.5 | 13.5 | 17.0 | 15.9 | 16.3 |
| DPS, EUR | 0.99 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 |
| NAV per share | 12 | 12 | 12 | 12 | 13 | 15 |
| NAV growth | 10.7% | 2.4% | -1.4% | 3.7% | 9.4% | 8.4% |
| NOI/EV (adj) | 3.6% | 5.8% | 6.6% | 6.0% | 6.1% | 6.3% |
| P/NAV | 241.4% | 107.1% | 101.6% | 125.3% | 114.5% | 105.6% |
| P/EPRA NAV | 213.3% | 87.9% | 99.3% | 122.1% | 111.7% | 103.1% |
| Dividend yield | 3.5% | 7.0% | 7.5% | 5.8% | 5.8% | 5.8% |
| Loan-to-value (net debt) | 58.0% | 59.1% | 57.7% | 58.9% | 58.2% | 57.7% |
| Net debt/EBITDA(adj) | 12.5 | 12.1 | 10.0 | 9.9 | 9.6 | 9.3 |

*Source: Company data and Nordea estimates*

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