

Markets remain unchanged

Cibus Nordic's property portfolio continued to perform well in Q3 as net rental income exceeded our estimate, however administration and financial costs were higher than we expected.

- Cibus' Q3 rental income amounted to EUR 17.0m vs our EUR 17.5m estimate.
- Net rental income was EUR 16.6m, compared to our EUR 16.2m expectation.
- Operating income was EUR 14.9m vs our EUR 15.3m estimate since administration expenses were clearly higher than we expected.
- Net operating income stood at EUR 9.5m, while we estimated EUR 10.3m. Financial expenses were some EUR 0.4m higher than we expected.
- Annual net rental income capacity is now EUR 65.6m (previously EUR 65.1m).
- The portfolio was valued at EUR 1,143m, translating to an EPRA NAV of EUR 11.8 (11.8) per share.
- Net LTV ratio stood at 61.3% (60.5%).
- Occupancy rate was 95.7% (95.2%).
- WAULT remained at 5.4 years at the end of Q3.

Rating			+ BUY
Q3'20	Actual	Evli	Q2'20
Rental income	17.0	17.5	16.4
Net rental income	16.6	16.2	15.1
Operating income	14.9	15.3	13.6
Net operating income	9.5	10.3	7.8
Share price, SEK (Last trading day's closing price)			162.00
Target price, SEK			160.0
Latest change in recommendation			12-May-20
Latest report on company			21-Aug-20
Research paid by issuer:			YES
No. of shares outstanding, '000's			37,320
No. of shares fully diluted, '000's			37,320
Market cap, EURm			594
Free float, %			98.4
Exchange rate EUR/SEK			10.3
Reuters code			CIBUS.ST
Bloomberg code			CIBUS SS
Average daily volume, EURm			1.5
Next interim report			12-Nov-20
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+ BUY + HOLD - SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2018	39.8	33.7	84.7%	17.8	0.54	19.6	19.8	23.4	5.5	0.84
2019	51.5	43.5	84.5%	-17.5	0.76	18.8	18.5	21.9	-3.9	0.89
2020E	65.5	55.7	85.0%	-218.9	0.76	21.0	19.3	22.7	-36.8	0.93
2021E	71.1	62.0	87.2%	32.9	0.90	17.7	17.8	20.5	5.5	0.98
2022E	71.9	63.7	88.5%	34.5	0.93	17.2	17.7	20.0	5.8	1.03
Market cap, EURm	594		BV per share 2020E, EUR		159.4	CAGR EPS 2019-22, %				6.9
Net debt 2020E, EURm	673		Price/book 2020E		1.4	CAGR sales 2019-22, %				11.8
Enterprise value, EURm	1,267		Dividend yield 2020E, %		5.9	ROE 2020E, %				7.5
Total assets 2020E, EURm	1,171		Tax rate 2020E, %		20.1	ROCE 2020E, %				5.6
Goodwill 2020E, EURm	0		Equity ratio 2020E, %		36.0	PEG, P/E 20/CAGR				1.9

All the important disclosures can be found on the last pages of this report.

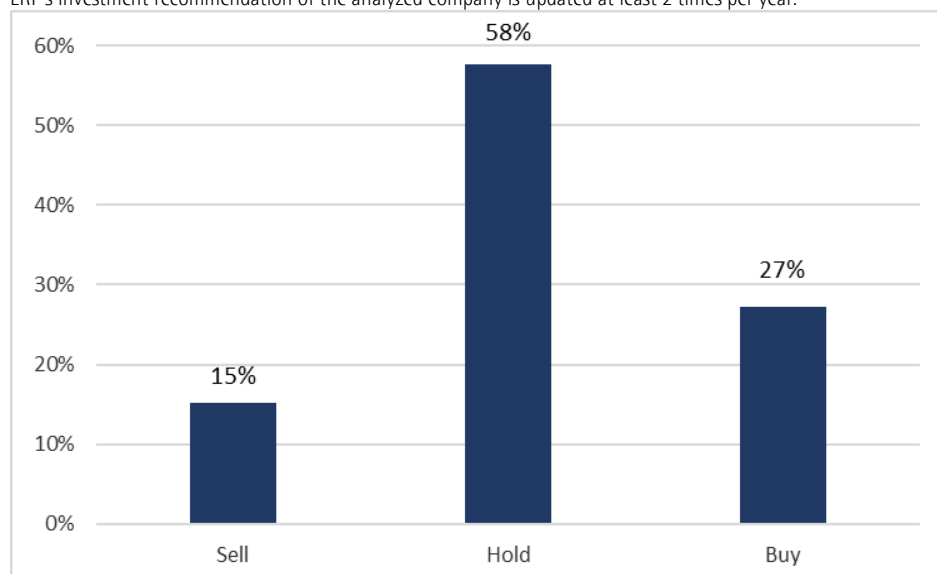
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Ilvonen

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November 12, 2020

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