

Rental performance as expected

Cibus' Q4 report was unsurprising, although administration and financial expenses were slightly higher than we estimated.

- Cibus Q4 rental income was EUR 17.6m, compared to our EUR 18.0m estimate.
- Net rental income amounted to EUR 16.7m vs our EUR 16.6m estimate.
- Operating income was EUR 14.8m while we expected EUR 15.1m. Administration expenses, at EUR 1.8m, were a bit higher than our EUR 1.5m estimate.
- Net operating income stood at EUR 9.3m vs our EUR 9.9m estimate. The EUR 5.5m financial expenses were higher than our EUR 5.2m estimate.
- Annual net rental income capacity is now EUR 72.6m.
- The portfolio was valued at EUR 1,273m and thus EPRA NAV was EUR 12.1 (11.8) per share.
- Net LTV ratio amounted to 61.3% (61.3%).
- Occupancy rate was 95.6% (95.7%).
- WAULT was 5.5 years at the end of Q4.
- Annual dividend is proposed at EUR 0.94 per share, compared to our EUR 0.93 estimate. The dividend is to be divided into twelve monthly installments.

Rating			🟡 HOLD
Q4'20	Actual	Evli	Q3'20
Rental income	17.6	18.0	17.0
Net rental income	16.7	16.6	16.6
Operating income	14.8	15.1	14.9
Net operating income	9.3	9.9	9.5
Share price, SEK (Last trading day's closing price)			163.80
Target price, SEK			165.0
Latest change in recommendation			13-Nov-20
Latest report on company			23-Feb-21
Research paid by issuer:			YES
No. of shares outstanding, '000's			40,000
No. of shares fully diluted, '000's			40,000
Market cap, EURm			649
Free float, %			98.4
Exchange rate EUR/SEK			10.1
Reuters code			CIBUS.ST
Bloomberg code			CIBUS SS
Average daily volume, EURm			2.6
Next interim report			25-Feb-21
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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	65.4	55.1	84.3%	-344.7	0.71	22.9	21.5	25.5	-53.1	0.93
2021E	78.0	67.9	87.0%	36.3	0.95	17.2	18.1	20.8	5.6	0.98
2022E	78.9	69.8	88.5%	38.1	0.96	17.0	17.9	20.2	5.9	1.03
Market cap, EURm	649		BV per share 2020E, EUR		163.4	CAGR EPS 2019-22, %				8.0
Net debt 2020E, EURm	758		Price/book 2020E		1.4	CAGR sales 2019-22, %				15.3
Enterprise value, EURm	1,407		Dividend yield 2020E, %		5.8	ROE 2020E, %				7.1
Total assets 2020E, EURm	1,297		Tax rate 2020E, %		16.8	ROCE 2020E, %				5.2
Goodwill 2020E, EURm	0		Equity ratio 2020E, %		35.7	PEG, P/E 20/CAGR				1.9

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

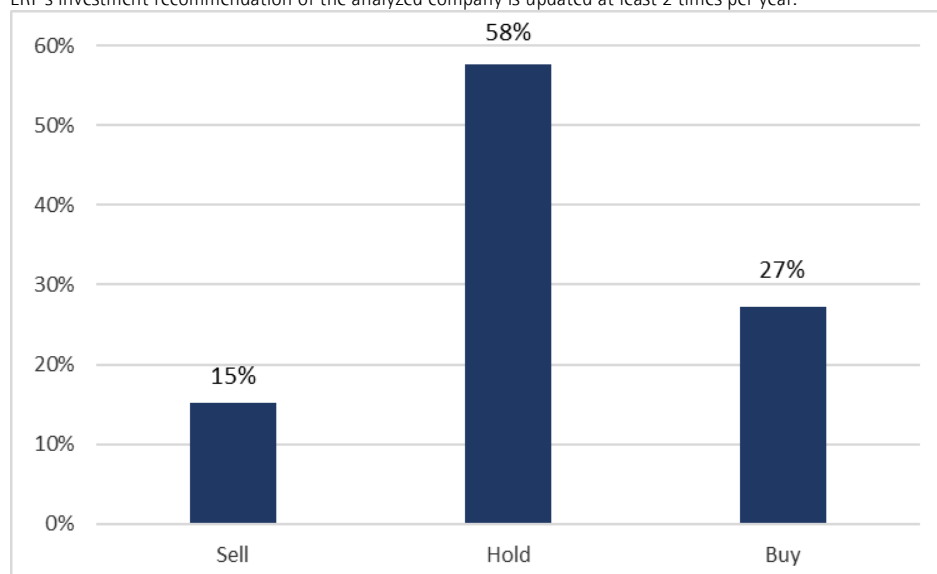
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Investment recommendations are defined as follows:

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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