

A minor earnings beat

Cibus' Q3 report served no big surprises, however net operating income ended up being EUR 0.6m higher than we had estimated as both property expenses and net financial costs were a bit lower than expected.

- Cibus' Q3 rental income came in at EUR 20.2m, compared to our EUR 20.2m estimate.
- Net rental income was EUR 19.3m vs our EUR 19.0m estimate. Property expenses were a bit lower than estimated.
- Operating income amounted to EUR 18.0m vs the EUR 17.8m/17.9m Evli/consensus estimates.
- Net operating income was EUR 12.5m, compared to our EUR 11.9m estimate. Net financial costs were EUR 0.4m lower than we estimated.
- Annual net rental income capacity now stands at EUR 76.25m and will be EUR 82.5m by the end of the year as certain previously announced transactions close.
- GAV amounted to EUR 1,336m and therefore EPRA NAV was EUR 12.4 (12.3) per share.
- Net LTV ratio amounted to 60.1% (60.1%).
- Occupancy rate was 94.2% (94.8%).
- WAULT was 5.0 years at the end of Q3.

Rating		HOLD	
Q3'21	Actual	Evli	Q2'21
Rental income	20.2	20.2	19.8
Net rental income	19.3	19.0	18.5
Operating income	18.0	17.8	16.7
Net operating income	12.5	11.9	10.8
Share price, SEK (Last trading day's closing price)			226.40
Target price, SEK			205.0
Latest change in recommendation			19-Aug-21
Latest report on company			19-Aug-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			909
Free float, %			98.5
Exchange rate EUR/SEK			10.0
Reuters code			CIBUS.ST
Bloomberg code			CIBUS SS
Average daily volume, EURm			4.6
Next interim report			11-Nov-21
Web site			www.cibusnordic.com
Analyst			Joonas Ilvonen
E-mail			joonas.ilvonen@evli.com
Telephone			+358 44 430 9071

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
2019	51.5	43.5	84.5%	-17.5	0.76	18.8	18.5	21.9	-3.9	0.89
2020	65.0	54.9	84.5%	-346.4	0.71	22.7	21.9	25.9	-53.6	0.94
2021E	79.7	68.8	86.4%	-20.3	1.00	22.8	21.9	25.3	-2.2	0.99
2022E	81.5	71.8	88.1%	39.5	0.99	22.8	21.4	24.3	4.4	1.04
2023E	82.5	73.0	88.5%	40.3	1.01	22.5	21.1	23.9	4.4	1.09
Market cap, EURm	909		BV per share 2021E, EUR		180.1		CAGR EPS 2020-23, %		12.3	
Net debt 2021E, EURm	834		Price/book 2021E		2.0		CAGR sales 2020-23, %		8.3	
Enterprise value, EURm	1,743		Dividend yield 2021E, %		4.3		ROE 2021E, %		8.6	
Total assets 2021E, EURm	1,395		Tax rate 2021E, %		13.8		ROCE 2021E, %		5.3	
Goodwill 2021E, EURm	0		Equity ratio 2021E, %		33.2		PEG, P/E 21/CAGR		8.6	

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

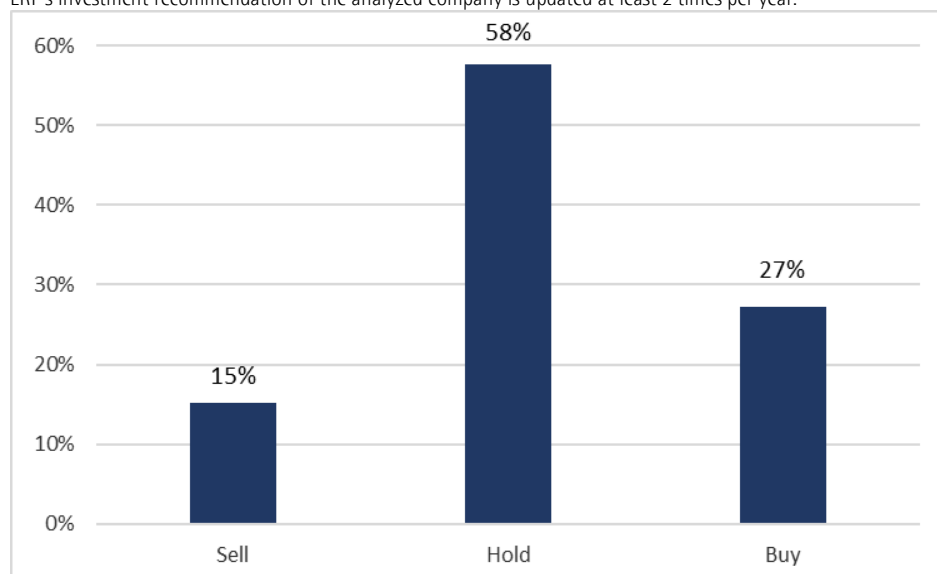
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Investment recommendations are defined as follows:

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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Contact information

SALES, TRADING AND RESEARCH

Equity, ETF and Derivatives Sales

Joachim Dannberg +358 9 4766 9123
Ari Laine +358 9 4766 9115
Kimmo Lilja +358 9 4766 9130

Trading

Lauri Vehkaluoto (Head) +358 9 4766 9120
Pasi Väisänen +358 9 4766 9120
Antti Kässi +358 9 4766 9120
Miika Ronkanen +358 9 4766 9120

Structured Investments

Heikki Savijoki +358 9 4766 9726
Aki Lakkisto +358 9 4766 9123

Equity Research

Jonas Forslund +358 9 4766 9314
Joonas Ilvonen +358 44 430 9071
Jerker Salokivi +358 9 4766 9149
Teemu Reiman +358 40 352 6175

Evli Investment Solutions

Johannes Asuja +358 9 4766 9205



EVLI BANK PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Fax +358 9 634 382
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI BANK PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000
Fax +46 (0)8 407 8001