



Interim report
1 July 2018 – 30 September 2018

Cibus
Converting food into yield

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CIBUS NORDIC REAL ESTATE

Cibus is a real estate company with the business idea to acquire, develop and manage high-quality properties in the Nordics with reputable grocery and daily-goods store chains as their anchor tenants.

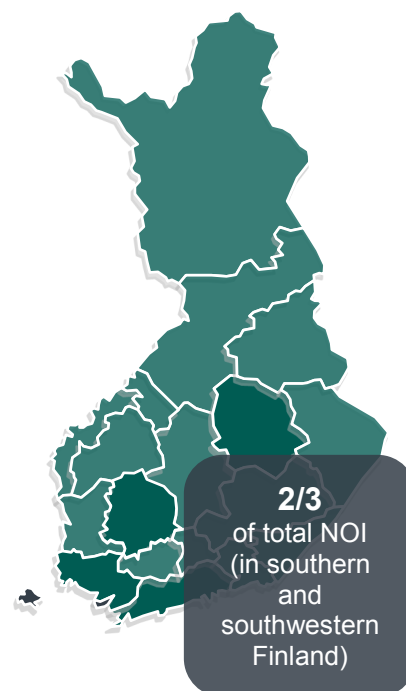
As of 30 September 2018, the company owns a portfolio of 126 properties in Finland, with 453,758 square metres of lettable area. The main tenants are Kesko (anchored in 58% of the properties), Tokmanni (anchored in 25%) and S-Group (anchored in 8%). An additional 6% of the properties are leased to other daily-goods operators, including Lidl.

The property portfolio is spread out in strategic locations, mainly in the Helsinki metropolitan area and southern Finland, and the portfolio is to a large extent located in regions with healthy population growth.

The company specialises in grocery and daily-goods anchored properties, which in general have two main characteristics that distinguish them from most if not all other types of retail properties. These characteristics are the non-cyclical nature of the business and the resilience towards e-commerce. The portfolio forms a strategic distribution network ideal for post and other services, which provides an advantage with respect to e-commerce. These characteristics provide a higher level of stability and lower risk in comparison to other retail properties.

The company aims to deliver a high and non-cyclical dividend level to its shareholders, achieved through stable profitability in the underlying property portfolio. Grocery and daily-goods anchored properties are generally owned by institutions, grocery or daily-goods chains or a joint venture of both. Cibus provides the opportunity for any investor to achieve a high yield from the stable cash flow from this segment.

Cibus is listed on Nasdaq First North under the ticker CIBUS.



784

MEUR property value

453,758

square metres of lettable area

126

properties

96%

occupancy rate

SUMMARY OF THE PERIOD

TEUR

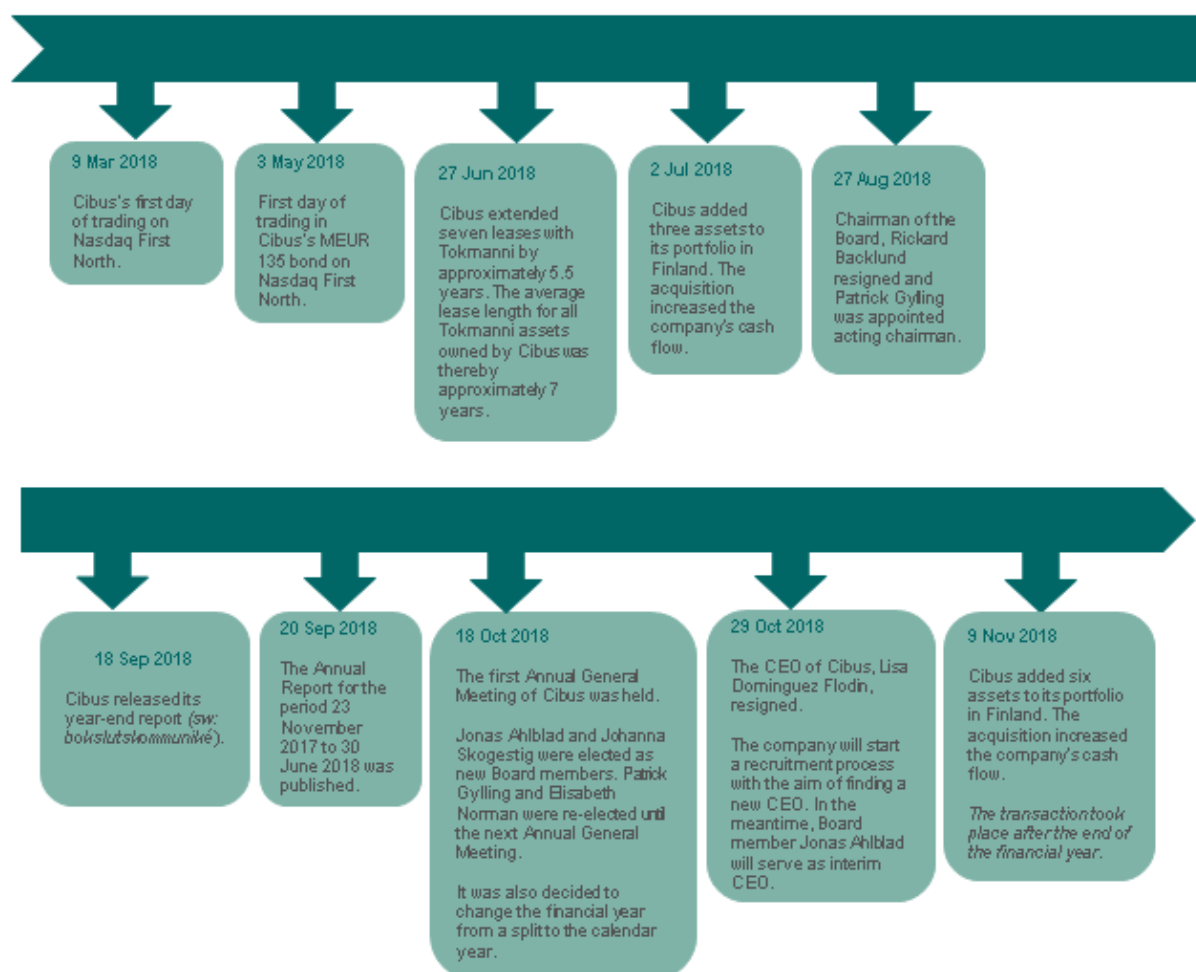
Jul-Sep 2018

Rental income (incl. supplements)*	14 614
Property expenses	-2 562
Net rental income	12 052
Central administration	-975
Net financial costs	-3 874
Operating income	7 203
Changes in value properties	-34
Changes in value derivatives	126
Profit before tax	7 295
Tax	-718
Profit for the period	6 577

Market value properties, MEUR	784
NOI, current earnings capacity, MEUR**	47.8
Equity/assets ratio, %	42%
LTV, senior debt, %	41%
LTV, total debt, %	58%
Interest coverage ratio, multiple	2.8
EPRA NAV per share, EUR	11.2
Dividend per share and quarter, EUR	0.2

* including TEUR 426 of one-off items

**as per 9 Nov, please see page 8



47.8

MEUR NOI 30 November
(earnings capacity)

8%

dividend yield on IPO
share price

11.2

NAV EUR per share

CHAIRMAN'S COMMENT

DELIVERING ON PROMISES

Since the listing of Cibus, we have been working with a clear vision of growing the business through further acquisitions. In July, Cibus made its first add-ons by acquiring three properties in Finland. This acquisition increased the cash flow of the company and supports our goal of providing our investors with a long-term, stable and high return. Cibus's first dividend payment was made after the end of the reporting period in October. Going forward, dividends will be paid quarterly.

The first additions to the portfolio that were made in early July are well aligned with the business plan set out for Cibus at the time of the listing. We also see interesting opportunities going forward, especially in Finland, and will continue sourcing attractive investments. After the reporting period, we acquired six assets more to the portfolio. At the end of September, the portfolio had a market value of MEUR 784, which makes Cibus a significant market player both as a lessor towards our tenants as well as an investor. We are extremely pleased with the assets in the portfolio and feel confident that daily goods, as a resilient asset class, will be able to provide the investors with an attractive risk-return profile.

The first Annual General Meeting was held on 18 October in Stockholm. We are happy to welcome Jonas Ahlblad (Sirius Capital Partners) and Johanna Skogestig (Vasakronan) as new members of the Board. In addition, from now on, Cibus's financial year will follow the calendar year instead of a split year. This means that the next Year-end report will be published in February 2019 for the period July to December 2018.

On the organisational side, there have been some changes since the last quarter in that the CEO, in agreement with the board, resigned. Board member Jonas Ahlblad serves as interim CEO until a new CEO has been appointed. The fact that Jonas Ahlblad is very familiar with the portfolio gives the board the time it needs to find the best possible long-term organisational set-up for the company.

Cibus has been able to live up to the promised dividend level and through active management will continue improving the portfolio and cash flow. We are in an interesting phase of developing the company and look forward to entering the next level.



November 2018

Patrick Gylling

Chairman of the Board

INVESTMENT CASE

INVESTING IN CIBUS

Cibus Nordic Real Estate is a real estate company focusing on supermarket-sized grocery and daily-goods properties in the Nordics with the long-term objective to provide a stable and high return.

The targeted segment of grocery and daily-goods anchored properties is generally stable and high yielding. For this very reason, portfolios in this segment have been targeted over the past few years by institutional owners. Examples in the Nordics include Trophi Fastighets AB (owned by AP3), Mercada Oy (co-owned by AMF, Ilmarinen and Kesko), Ancore Fastigheter AB (co-owned by Alecta and ICA) and Secore Fastigheter AB (co-owned by AP1 and ICA).

As the only major listed company niched in the segment of grocery and daily-good anchored properties, Cibus provides an opportunity for any investor, from institutions to small private investors, to obtain part of the long-term stable and high return that this segment provides.

The investment highlights in terms of the general conditions of the segment as well as the specific characteristics of Cibus's property portfolio can be summarised as follows:

- **Strong macro fundamentals in the Nordic region**
- **The grocery and daily-goods industry is stable and predictable**
- **The grocery and daily-goods industry is resilient to e-commerce**
- **The network of stores forms a strategic distribution network ideal for post and other services, which provides an advantage with respect to e-commerce**
- **Dividend of 8% per year on IPO price, with moderate loan-to-value (LTV) ratio of 58%**
- **Weighted average unexpired lease term (WAULT) of 5.1 years with market-leading and high-performing tenants, such as Kesko, S-Group and Tokmanni, anchoring more than 90% of the portfolio**
- **The expiration of the leases is evenly spread**
- **A large number of same-sized properties provide limited single-asset risk**
- **Two-thirds of the portfolio is located in the Helsinki region and southern Finland**
- **Triple-net agreements**
- **Value-add potential through active and experienced management and add-on acquisitions**



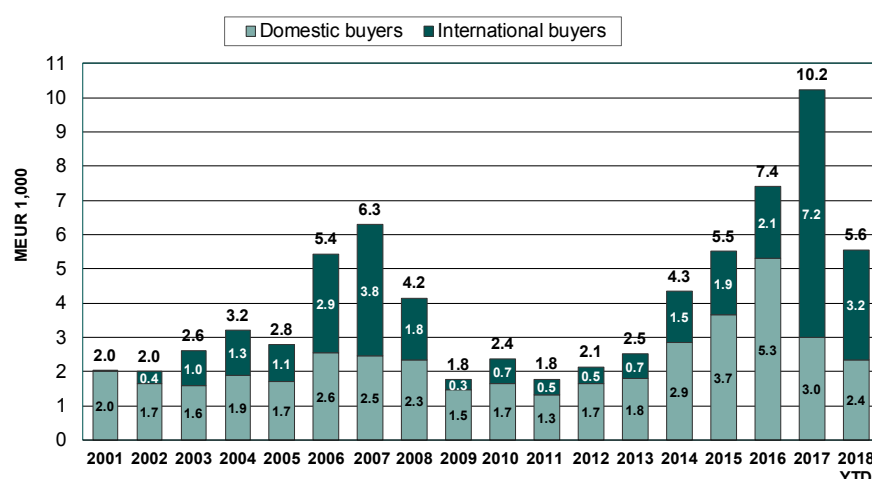
MARKET

MARKET OVERVIEW

The Nordic countries have been able to maintain their attractiveness and remain resilient towards increasing global uncertainty. Especially in Finland, growth figures continue positive, although a slight revision downwards has been made in the forecast for 2019.

Looking at the Nordic property market, the transaction volume up until the end of the third quarter of 2018 reached approximately EUR 28 billion. Since the full-year transaction volume for 2017 was just above EUR 40 billion, the company still expects to reach the same level in 2018. In Finland, many interesting deals have been carried out and the transaction market remains highly active. As of the third quarter of 2018, the transaction volume amounted to EUR 5.6 billion. Foreign buyers are showing increasing interest, accounting for approximately 60% of the total volume. In comparison to other markets, Finland still seems to offer attractive yield levels. Together with other economic factors, such as potential for increasing rent levels, this has made Finland an interesting market for both existing investors and newcomers.

Transaction volume in the Finnish market



Source: KTI

GDP growth in the Nordic countries is expected to remain at a slightly higher level than the euro zone average. While forecast GDP growth for the coming years has been revised downwards slightly in Finland, the Nordic market as a whole continues to show stable figures. In 2018, GDP in Finland is still forecast to increase 3%, showing resilience in an otherwise globally hesitant environment.

Source: Pangea Research, KTI, National Statistics Offices

Nordics, GDP growth Year-on-year percentage change	2017	2018	2019E	2020E
Finland	2.8	3.0	1.7	1.6
Sweden	2.3	2.9	2.4	2.3
Norway	2.0	1.4	2.4	2.4
Denmark	2.3	1.5	2.5	2.0

Source: National Statistics Offices, SEB

OPERATIONS

EARNINGS CAPACITY

The current earnings capacity for the property portfolio owned by Cibus as of 30 September 2018 and the following 12 months is presented below.

Current earnings capacity is not a forecast but rather should be considered a theoretical snapshot for the purpose of presenting income and expenses on an annual basis given the property holding, financing costs, capital structure and organisation at a given point in time. Earnings capacity does not include estimations of a forthcoming period regarding development of rent, occupancy rate, property-related expenses, interest rates, changes in value or other items affecting earnings.

CURRENT EARNINGS CAPACITY, TEUR

	9 Nov 2018*	30 Sep 2018	30 Jun 2018	7 Mar 2018	Change (9 Nov/7 Mar)
Rental income	51 100	49 150	49 050	47 900	
Property expenses	-3 300	-3 250	-3 250	-3 200	
Net rental income	47 800	45 900	45 800	44 700	7 %
Central administration	-3 620	-3 545	-3 541	-3 500	
Net financial costs	-13 550	-13 500	-13 500	-13 113	
Operating income	30 630	28 855	28 759	28 087	9 %
Operating income, EUR/share	1,0	0,9	0,9	0,9	9 %

* Including add-on acquisitions announced on 9 November 2018, after the end of the reporting period.

The following information forms the basis for the estimated earnings capacity:

- ✓ Rental income based on signed lease contracts on an annual basis (including service charges and potential rental discounts) as well as other property-related income as of 30 September 2018 according to current lease agreements.
- ✓ Property expenses based on a normal and annual operating year and maintenance. Property expenses include property-related administration. Property tax is calculated based on the current tax values of the properties. Property tax is included in the item "Property expenses".
- ✓ Central administration costs are calculated based on the current organisation and the current size of the property portfolio.

Comments regarding the current earnings capacity

The earnings capacity for the coming 12 months (including the latest add-ons made in early November) has improved 9% compared with the 12-month forecast on the date of the IPO. As a result of add-on acquisitions as well as rent increases due to indexation, the rental income has improved. Increases in financial costs are due to increased financing regarding the acquisitions.

OPERATIONS

BUSINESS CONCEPT AND GOALS

Cibus was listed on Nasdaq First North in March 2018. The company's business concept is to acquire, develop and manage high-quality properties in the Nordics with reputable grocery and daily-goods store chains as their anchor tenants.

Our MEUR 784 portfolio is managed under a pure-play Nordic grocery-anchored real estate strategy comprising 126 units in strategic locations. We leverage our expertise and status as a trusted partner to leading grocers wherever we identify opportunities across the sector.

We currently control and operate one of Finland's largest and most strategic distribution networks for grocery trade services together with market-leading grocery players, such as Kesko and S-Group. Supermarkets account for a majority of grocery sales in Finland, and represent the store type that dominates the portfolio.

The company aims to deliver a high and non-cyclical dividend level to its shareholders, achieved through stable profitability in the underlying property portfolio. Cibus targets a dividend distribution corresponding to 8% of the IPO price of EUR 10 per share.

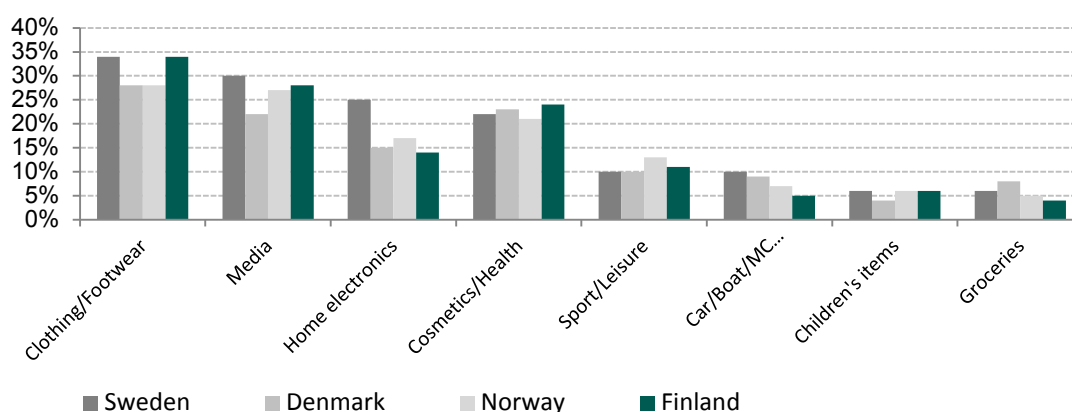
Daily-goods properties generally have two main characteristics that distinguish them from most if not all other types of retail properties. These characteristics are:

- ✓ Non-cyclical nature of the business
- ✓ Resilience towards e-commerce (actually benefitting from e-commerce)

The daily-goods market is resilient towards e-commerce and even benefits from e-commerce thanks to the distribution network of stores.

Of all items sold online, the least frequent purchase is groceries with a share of only 4% in Finland. The most frequent purchases in Finland are clothing and footwear (34%), followed by media products (28%).

Share of e-commerce sales



Source: PostNord

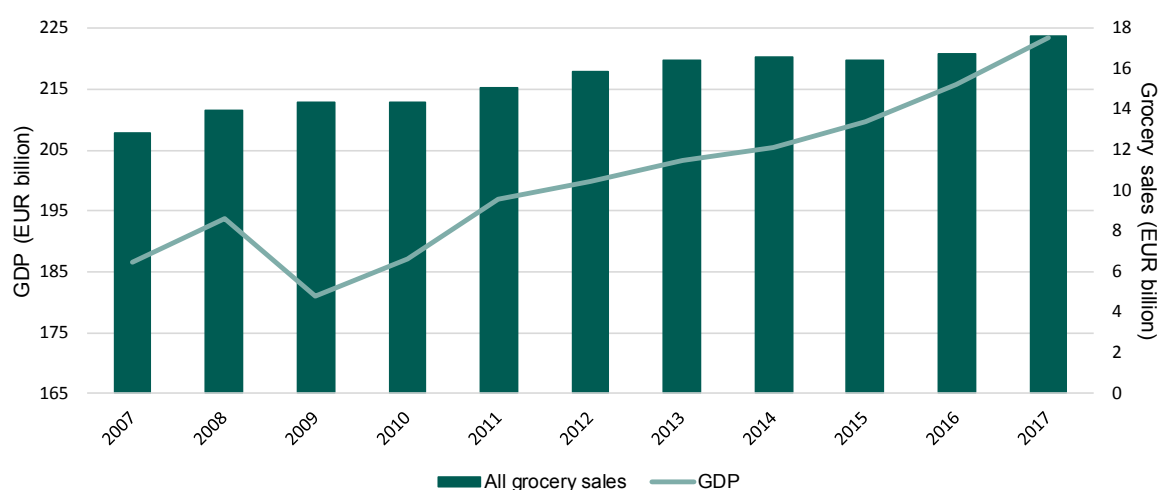
The table above shows the share of different items as a percentage of all items sold online. Groceries sold online in Finland account for less than 0.5% of all groceries sold in Finland. This means that there are more than 200 times more goods sold in physical stores than online. At the same time, few operators worldwide have found a profitable way to sell groceries online. This makes daily goods one of the areas within retail that are most resilient towards the effect of e-commerce on physical stores.

OPERATIONS

FINLAND

The Finnish grocery sales industry is predictable, resilient and dominated by a low number of high-quality tenants.

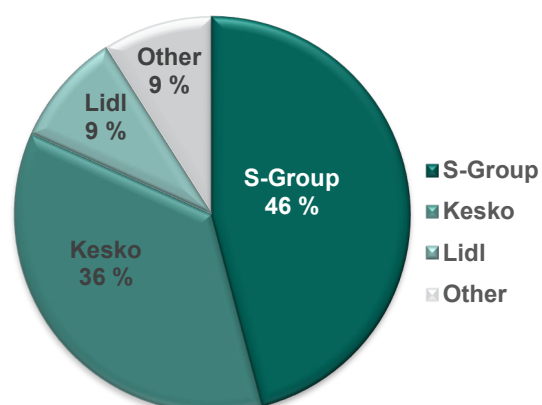
Regardless of domestic economic changes and macro-economic worries, people will continue to demand certain household items on a recurring basis. Food, toothpaste, soap, laundry detergent, toilet paper and paper towels are examples of items which are often in demand and considered consumer staples. These consumer staples must be purchased somewhere, and many of those purchases occur at grocery stores or large retail chains. The general grocery market has proven to be resilient to economic downturns and is therefore a predictable industry. Although the Finnish economy has experienced downturns, especially during the latest global financial crisis in 2008/2009, Finnish grocery sales have continued to grow, which is demonstrated in the graph below.



Sources: Statistics Finland (GDP), Finnish Grocery Trade Association (grocery sales)

Share of grocery sales in Finland 2017

Average annual retail sales growth in Finland amounted to 3.5% from 1996 until 2017. The Finnish grocery market is dominated by two grocery chains, S-Group and Kesko, which jointly account for about 82% of the Finnish grocery retail market, measured in sales of grocery goods. To the right is a summary of Finnish grocery sales by operator in 2017.

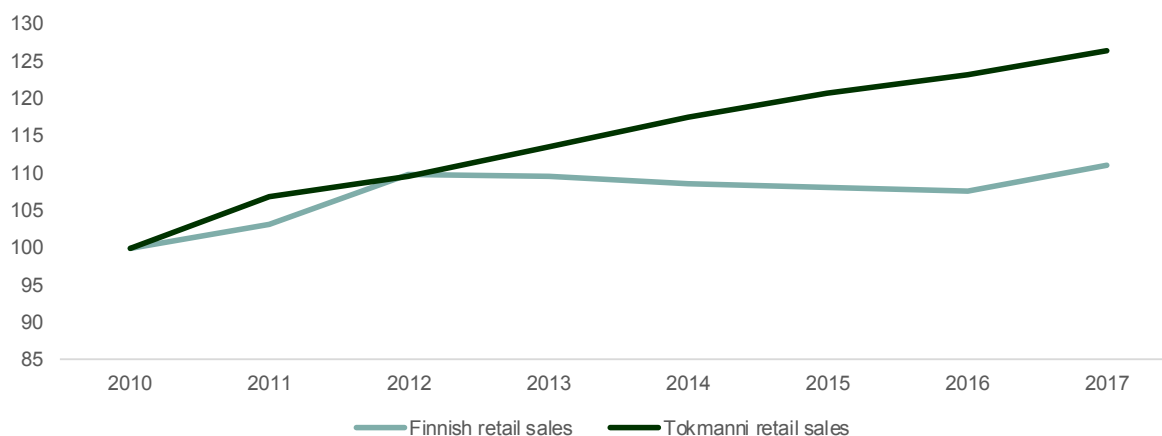


Sources: Statistics Finland (GDP), Finnish Grocery Trade Association (grocery sales)

Finnish retail sales and Tokmanni sales (indexed 2010=100)

The discount market is healthy and discount retailers are generally growing faster than the overall retail market, which is also the case for Cibus's second largest tenant, Tokmanni (see graph below).

Sales index



Sources: Nordea Research, Tokmanni

At the same time, the network of daily-goods stores has been designed to form an efficient distribution network to reach as many people as possible. Customers also tend to visit the stores several times a week. Therefore, supermarket-sized daily-goods stores easily become natural distribution sites for other goods ordered online. Instead of ordering books, clothes or other items to be delivered to their homes and having to wait there for an unspecified amount of time to receive the goods, customers can choose to have the goods delivered to their nearest daily-goods store, which they already visit on a regular basis—the same way as many similar services, such as post offices and pharmacies, have been relocated to daily-goods stores. In this way, the daily-goods stores actually benefit from the overall trend of increasing e-commerce.

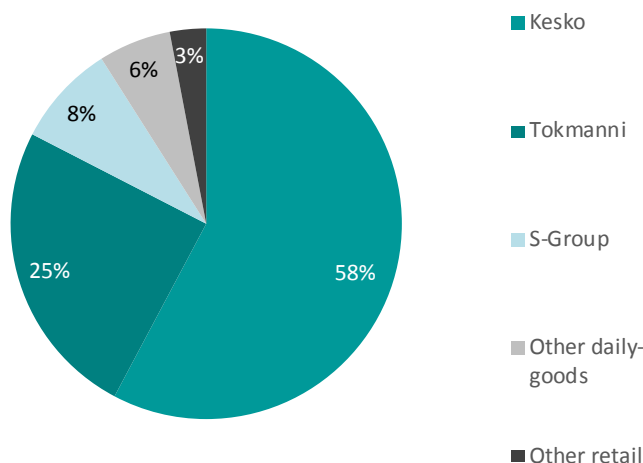


OPERATIONS

TENANTS AND LEASE STRUCTURE

Tenants

More than 90% of the rental income from Cibus's properties is anchored by Kesko, Tokmanni and S-Group. Other daily-goods tenants include Lidl and independent grocers. Rental income derived from properties anchored by type of tenant is shown in the graph below.



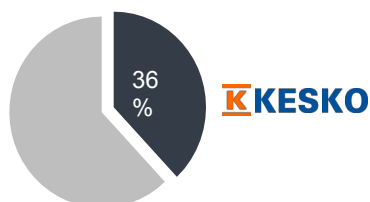
Tenant introduction

Core business	Grocery
No. of FTEs	42,000
Sales/EBITDA (2017)	MEUR 10,675 / 478 (4.5%)
Core market	Finland (FI)
Market share (FI)	36% (of grocery)
No. of stores	~1,800
Owners	NASDAQ OMX Helsinki Exchange
Market cap	EUR 4.6 billion



Kesko assets' share of total rental income is 58%.

Kesko's market share is approx. 36% of grocery sales.



- ✓ Kesko operates within three segments: grocery trade (58%), building and technical trade (32%) and car trade (10%)
- ✓ ~80% of total net sales derive from Finland
- ✓ In the Finnish market, independent K-retailers run retail stores in Kesko's chains
- ✓ All lease agreements with Cibus are signed with Kesko's parent company and Ruokakesko Oy

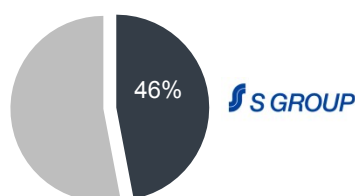
Sources: Kesko's Annual Report 2017, Finnish Grocery Trade Association

Core business	Grocery
No. of FTEs	37,000
Sales/EBITDA (2017)	MEUR 11,273 / 500 (4.5%)*
Core market	Finland (FI)
Market share (FI)	46% (of grocery)
No. of stores	~1,600
Owners	20 independent regional cooperatives
Market cap	N/A; privately owned company



S-Group assets' share of total rental income is 8%.

S-Group's market share is approx. 46% of grocery sales.



- ✓ S-Group is a Finnish network of companies operating in the retail and service sectors, consisting of 20 independent regional cooperatives owned by their co-op members
- ✓ S-Group's key business areas are supermarket trade, department stores and specialist stores
- ✓ S-Group paid MEUR 334 in bonus payments to its co-op members in 2017

**S-Group does not present its EBITDA figure. MEUR 500 is Cibus's estimate. S-Group's EBIT amounts to MEUR 296, equivalent to an EBIT margin of 2.6% in 2017.*

Sources: S-Group's Annual Report 2017, Finnish Grocery Trade Association.

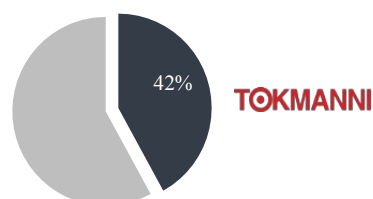
Core business	Discount retail
No. of FTEs	3,200
Sales/EBITDA (2017)	MEUR 797 / 55 (6.91%)
Core market	Finland (FI)
Market share (FI)	42% (of discount retail in 2015)
No. of stores	~175
Owners	NASDAQ OMX Helsinki exchange
Market cap	MEUR 435



Tokmanni assets' share of total rental income is 25%.

Tokmanni's market share is approx. 42% of discount retail.

Tokmanni's market share is approx. 2% of grocery sales.



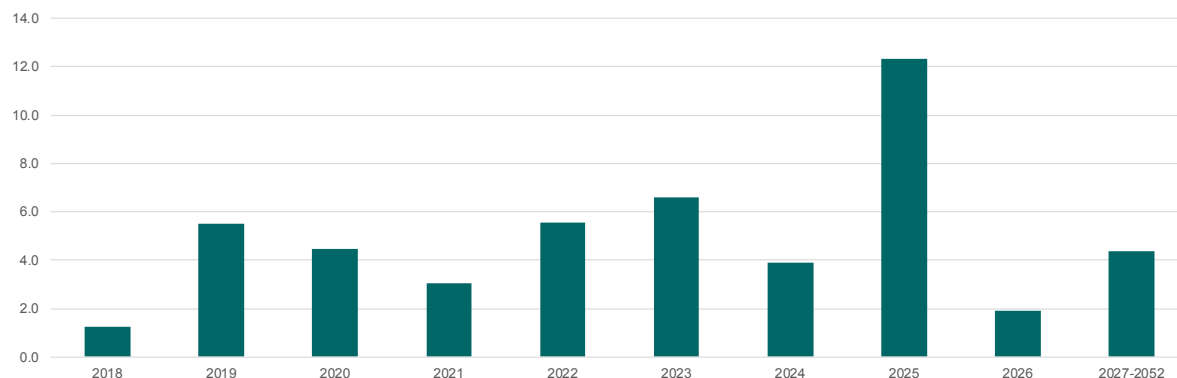
- ✓ Tokmanni is the largest general discount retailer in Finland measured by number of stores and revenue
- ✓ Tokmanni is also the largest discount retailer in the Nordics in terms of net sales, followed by the Swedish retailer Jula and the Norwegian retailer Europris
- ✓ Discount retailers are generally growing faster than the overall retail market, which is also the case for Tokmanni
- ✓ Business concept to offer quality products at affordable prices

Sources: Tokmanni's Annual Report 2017, Finnish Grocery Trade Association.

Summary of lease agreements

The lease expiry schedule, as presented below, is perceived to be balanced and well distributed over the coming years. The typical lease agreement contains a renewal option clause, where the tenant can renew the lease, typically for three or five years, on the same terms. The table below presents the expiry schedule if no options are ever used. As the options are typically used and there is more or less an equal number of leases up for renewal each year, the average lease length is likely to remain quite stable over time.

MEUR



Approximately 54% of the lease agreements are defined as net leases, approximately 35% as triple-net leases and approximately 11% as gross leases. This means that the risk associated with operational costs is very low for the owner.

Triple-net lease:

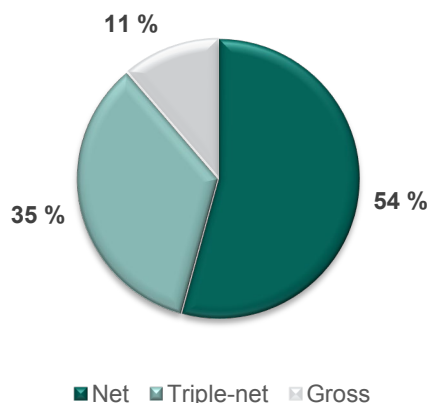
The tenant is responsible for all property-related costs including capex.

Net lease:

The tenant is responsible for all costs excluding costs such as property tax, property insurance and capex.

Gross lease:

The property owner is responsible for all property-related costs.



OPERATIONS

THE PROPERTY PORTFOLIO

General overview

As of 30 September 2018, Cibus's property portfolio comprised 126 relatively modern retail assets, located in growing regions across Finland. Almost two-thirds of the portfolio is located in the Helsinki region and southern Finland.

More than 90% of the total rental income is derived from properties anchored by three market-leading tenants, Kesko, Tokmanni and S-Group. The properties are perceived to be well suited and of key importance to each of the anchor tenants.

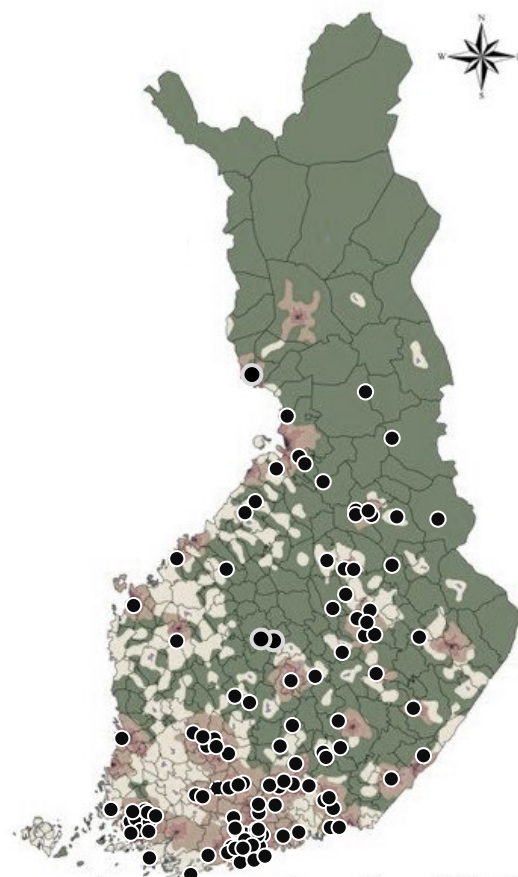


Location

The properties are located in more than 70 different cities across Finland, of which approximately two-thirds are located in the southern part of the country, with the largest share located in the Helsinki region. The portfolio includes properties located in all of Finland's ten largest cities, creating a healthy platform. As is the case for many other developed countries, Finland is experiencing a national urbanisation, with its rural areas becoming depopulated in favour of the larger cities. The map below shows the locations of the properties. As shown on the map, almost all of the properties are located in regions with historic positive population growth as well as regions with a positive population growth forecast. The average annual estimated population growth between 2018 and 2025 is 0.3%, which is almost 50% more than the estimated growth for the European Union.

Regions	Population ('000) Jan. 2017	CAGR (%) 2015-2025
Finland total	5 511	0,3
EU	511 805	0,2
HMA	1 119	1,0
Tampere	228	0,7
Oulu	201	1,0
Turku	188	0,5
Jyväskylä	139	0,6
Lahti	119	0,6
Kuopio	118	0,4
Pori	85	0,1
Joensuu	76	0,4
Lappeenranta	73	0,2
Hämeenlinna	68	0,3
Vaasa	68	0,7
Rovaniemi	62	0,4
Seinäjäki	62	0,9

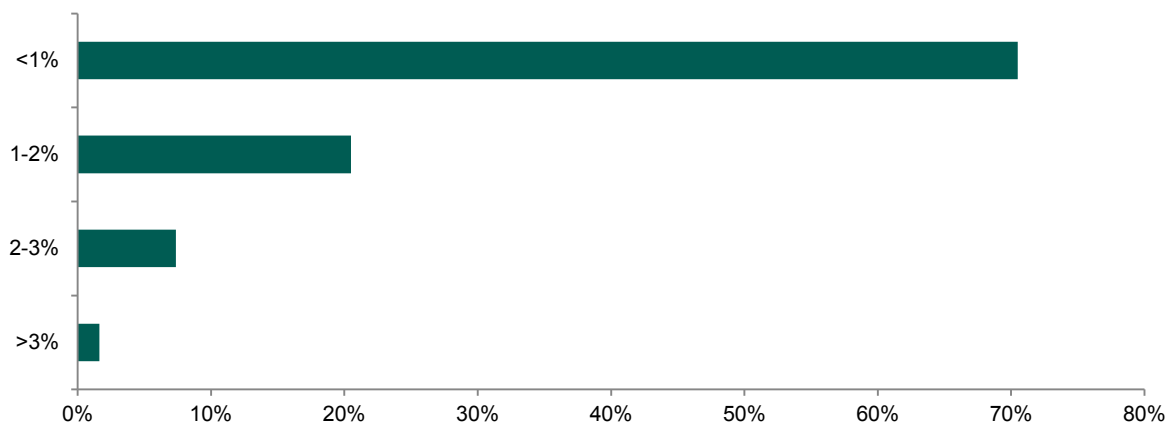
Region types	Historic growth 1990-2015
City centre	+21.0%
Rest of inner city	+22.9%
Adjacent suburbs	+27.5%
Suburbs	+6.9%
Countryside	-14.7%
Rural areas	-29.6%



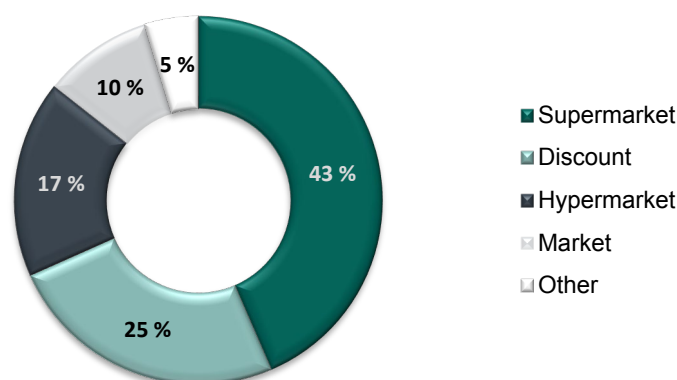
2/3
of total NOI
(southern and southwestern Finland)

Portfolio diversification

No single property in the portfolio accounts for a larger share than 3.3% of the portfolio's total rental income, which eliminates property dependency. Only 11 of the properties account for more than 2.0% of the portfolio's total rental income. The graph below shows that more than 70% of the portfolio's total rental income, representing 86 properties, derives from properties with a rental value accounting for less than 1% of the portfolio's total rental income. In contrast, only two properties, or approximately 2% of the portfolio, account for a share of the portfolio's total rental income which is larger than 3%.



Supermarkets account for a majority of grocery sales in Finland and represent the store type that dominates the portfolio.



Key figures

Taking into account the acquisition of six additional properties announced in November, the total yearly net rental income is estimated at approximately MEUR 47.9 based on the portfolio owned on 9 November 2018.

Number of properties*	132
Total lettable area, sq. m.	476,917
Lettable area/property, sq. m.	3,613
NOI, MEUR	47.9
NOI, EUR/sq. m.**	100
WAULT, years	5.1

* See property list. **Excluding supplements and based on occupied premises only.

OPERATIONS

FINANCING

Cibus is financed through common equity from shareholders, secured debt from three reputable major Nordic banks and a senior unsecured bond loan.

As of 30 September 2018, the Group held secured bank loans of approximately MEUR 324 with a weighted average floating interest margin of 2.1% + 3m EURIBOR. These loans are free of amortisation payments.

Cibus has issued an unsecured bond amounting to MEUR 135. The bond matures on 26 May 2021 and carries a floating coupon rate of 4.5% + 3m EURIBOR.

The bond is listed on the Nasdaq First North Bond Market, and the first trading day was 3 May 2018.

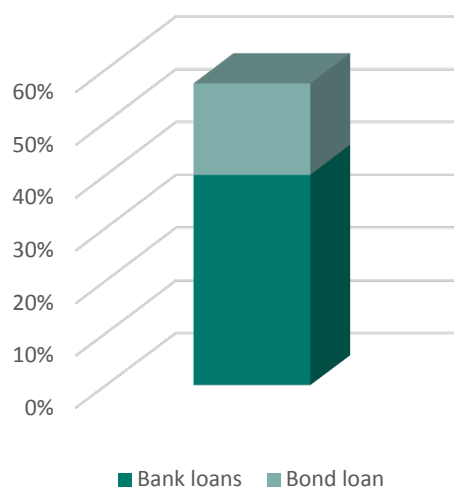
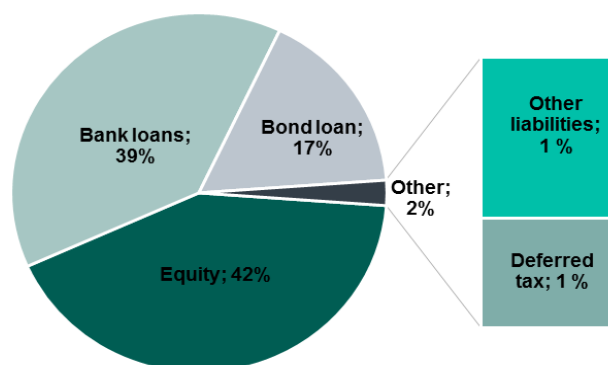
The call period for the bond coincides with the maturity of the senior secured bank debt in order to allow the company to restructure its overall debt portfolio in two to three and a half years' time.

The senior secured bank debt carries an initial all-in interest cost of 2.1% based on the current 3m EURIBOR interest rates, including costs for hedging using interest-rate caps.

Approximately 65.4% of the Group's bank loans are hedged using interest-rate derivatives in the form of interest-rate caps. The average fixed-interest tenor is 2.0 years.

The LTV ratio including the bond loan is 58.3%. The secured bank debt has an LTV ratio of 41.3%.

In conjunction with the acquisitions made subsequent to the end of the reporting period, one of the three existing bank loans was renegotiated. The net effect of the decreased margin is that the total interest cost increased only moderately.



OPERATIONS

THE SHARE AND SHAREHOLDERS

Cibus has been listed on Nasdaq First North since 9 March 2018.

SHARE FACTS, 30 SEPTEMBER 2018

Capitalisation: SEK 3.4 billion (MEUR 332, currency rate SEK 10.309)

Marketplace: Nasdaq First North Stockholm

Number of shareholders: 969

Number of ordinary shares: 31,100,000

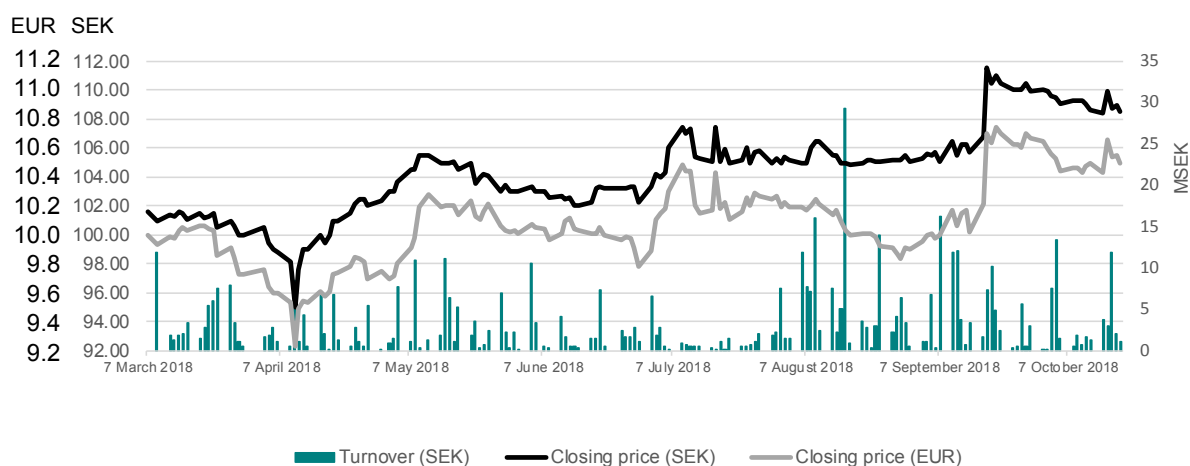
Closing rate: SEK 109.96

ISIN: SE0010832204

The company had 969 registered shareholders as of 30 September 2018. The 15 largest shareholders hold 65.7% of the votes. One of these shareholders has a holding that amounted to 10% or more of the votes in Cibus at 30 September 2018. At the same date, the number of shares outstanding amounted to 31,100,000.

Share price performance

The share value has been stable since the IPO on 9 March 2018, although the turnover of shares has been quite high, with a weighted average of MSEK 3.5 per day until 19 October 2018.



Shareholders as of 30 September 2018

	Percentage	No. of shares
SFC Holding S.à r.l.	41.3	12,844,443
Amiral Gestion	5.8	1,798,781
Carnegie Fonder	4.1	1,288,993
PGIM Investments	2.1	662,426
Marjan Dragicevic	1.7	520,000
Oy Sirius Capital Partners Ab	1.6	500,000
Göran Gustafssons Stiftelser	1.5	460,000
Nordnet Pensionsförsäkring	1.3	393,798
Håkan Roos	1.1	350,000
ICA-handlarnas Förbund	1.1	344,449
Fjärde AP-fonden	1.0	300,000
GADD & Cie S.A.	1.0	300,000
Avanza Pension	0.8	253,333
Cliens Fonder	0.7	215,117
Erik Lindholm	0.6	201,000
Subtotal	65.7	20,432,340
Other	34.3	10,667,660
Total	100.0	31,100,000

ADMINISTRATION REPORT

JULY 2018 – SEPTEMBER 2018

- Consolidated rental income for the period was TEUR 12,568
- Net operating income for the period totalled TEUR 12,052
- Net profit after tax amounted to TEUR 6,577

SIGNIFICANT EVENTS DURING THE PERIOD

On 2 July, Cibus completed two separate acquisitions of a total of three properties at a total acquisition cost of TEUR 16,500. The properties have been let to Tokmanni in Kemi (3,500 sq. m.), and to Lidl (2,200 sq. m.) and Halpa-Halli (5,300 sq. m.), the latter two being located in Saarijärvi outside Jyväskylä. The transactions were exclusively financed through one of the existing lending banks.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

After the end of the period, Cibus completed an acquisition of six properties at a total acquisition cost of approximately TEUR 30,000. The properties have been let to Tokmanni and Kesko. One of Cibus's three loans was renegotiated in connection with the acquisitions. This renegotiation meant that all acquisitions could be financed with bank loans at the same time as a reduction in the margin for the entire loan led to only a minor increase in interest expenses of about TEUR 50, while net operating income is expected to increase by approximately TEUR 2,000.

The Annual General Meeting (AGM) resolved to approve an amendment to the Articles of Association to change the company's financial year from a split year to the calendar year. This means that the company will apply a shortened financial year for the period 1 July 2018 to 31 December 2018.

The AGM held on 18 October 2018 re-elected Board members Patrick Gylling and Elisabeth Norman and elected Johanna Skogestig and Jonas Ahlblad as new Board members. Patrick Gylling was elected Chairman of the Board.

The AGM also resolved that the company pay a dividend of EUR 0.2 per share to the shareholders each quarter. This entails a dividend of EUR 0.8 per share distributed over a full calendar year. However, the AGM resolved to approve an amendment to the Articles of Association to change the company's financial year from a split year to the calendar year. Accordingly, the next AGM will be held in spring 2019. Since the AGM cannot resolve on a dividend record date that will take place on a date after the next AGM, the AGM resolved to pay three quarterly payments of EUR 0.2 EUR per share each, corresponding to a total of EUR 0.6 per share.

The company's CEO, Lisa Dominguez Flodin, resigned on 29 October 2018. The Board has started the process of recruiting a new CEO. In the meantime, Board member Jonas Ahlblad will serve as interim CEO.

CIBUS AT A GLANCE

Cibus, corporate registration number 559135-0599, is a Swedish property company that manages, develops and acquires properties in the Nordic region with anchor tenants from the grocery and daily-goods sector. The company was founded on 23 November 2017 and lay dormant until 7 March 2018 when the company completed its first acquisition. The acquisition comprised a portfolio of 123 properties in Finland with tenants from the grocery and daily-goods sector. Nine additional acquisitions have been completed since then, bringing the portfolio to a total of 132 properties.

The company's administration and consolidated financial reporting is conducted from its head office in Stockholm, Sweden by Pareto Business Management. The company has one employee. Asset management is handled locally by Sirius Capital Partners and Colliers International handles the financial accounting and facility management. The Group's shares have been traded on Nasdaq First North since 9 March 2018. The company also has a bond listed on the Nasdaq First North Bond Market, for which the first day of trading was 3 May 2018.

FINANCIAL OVERVIEW AND SELECTED PERFORMANCE INDICATORS, GROUP

<i>Unless otherwise stated all amounts are in thousand euro (TEUR)</i>	Jul 2018-Sep 2018
Rental income	12,568
Net operating income	12,052*
Profit from property management	7,203
Net profit after tax	6,577
Earnings per share, EUR	0.2
Total assets	814,131
Cash and cash equivalents	25,208
Market value of properties	784,179
EPRA NAV	347,259
EPRA NAV per share, EUR	11.2
No. of shares outstanding	31,100,000
Return on equity, %	7.8
Loan-to-value (LTV) ratio, %	58.3
Interest coverage ratio, multiple	3.4
Equity/assets ratio, %	41.8
Debt/equity ratio, multiple	1.4
Debt service coverage ratio (DSCR), multiple	2.8
Surplus ratio, %	95.9
Economic occupancy rate, %	95.8

* including TEUR 426 of one-off items

EARNINGS

Profit for the period after tax amounted to TEUR 6,577, corresponding to EUR 0.2 per share.

Income

The consolidated rental income for the reporting period amounted to TEUR 12,568. Service income totalled TEUR 2,046 and consisted largely of re-invoiced costs. The economic occupancy rate was 95.8%. At 30 September 2018, the total annual rental value amounted to approximately TEUR 52,496.

Net operating income

The operating costs for the reporting period totalled TEUR 2,047 and net operating income amounted to TEUR 12,052, which resulted in a surplus ratio of 95.8%. As the majority of leases are triple-net leases, whereby the tenants cover the majority of the costs, net operating income is one of the most important comparative figures. Depending on the lease terms and conditions, the costs can be debited to tenants directly or via Cibus, which means that gross rents and service income can vary over time.

Profit from property management

For the reporting period, profit from property management amounted to TEUR 7,203, corresponding to EUR 0.2 per share. The outcome was in line with expectations.

Net financial items

Net financial items totalled an expense of TEUR 3,874 and mainly encompassed interest expenses for the period of TEUR 3,274. At the end of the period, the loan portfolio's average interest rate, including margins, was 2.8%.

Changes in property values

Property value changes amounted to TEUR 16,300 from the opening balance of TEUR 767,879 to the closing balance of TEUR 784,179, of which TEUR 34 was unrealised. The change in value was primarily attributable to the three add-on acquisitions that were completed during the period.

Tax

The nominal rate of corporation tax in Finland is 20%. Through fiscal depreciation and amortisation, and the use of loss carryforwards, a low tax expense arose for the reporting period. This has been taken in to consideration in the interim report. Since, for tax purposes, the Finnish companies' financial years follow the calendar year, the actual tax will be established when closing the books at 31 December 2018.

The nominal rate of corporation tax in Sweden is 22%. The loss carryforwards are estimated to amount to about TEUR 8,617.

Tax assets attributable to these loss carryforwards have been recognised in the consolidated balance sheet in an amount of TEUR 1,896 and in the Parent Company's balance sheet in an amount of TEUR 1,888. Cibus recognised total tax for the reporting period of negative TEUR 718, of which actual tax and deferred tax amounted to negative TEUR 586 and negative TEUR 132, respectively. A tax expense of TEUR 0 was charged to operating activities. Moreover, deferred tax on temporary differences attributable to value changes in properties amounted to TEUR 0.

CASH FLOW AND FINANCIAL POSITION

Consolidated cash flow from operating activities amounted to TEUR 7,335. The cash outflow from investing activities amounted to TEUR 16,334 during the reporting period and pertained to the acquisition of the entire property portfolio. The cash inflow from financing activities was TEUR 16,799. Closing cash and cash equivalents amounted to TEUR 25,208. At 30 September 2018, Cibus had net interest-bearing liabilities, after deduction of cash and cash equivalents, of TEUR 429,326. Capitalised borrowing costs amounted to TEUR 2,272.

Financing

The Group has bank loans of around TEUR 324,500 with a weighted average floating interest margin of 2.1% + 3m EURIBOR and a weighted average tenor of 2.0 years. The loans are free of amortisation payments. Cibus has lodged the properties' mortgage deeds as collateral for the interest-bearing liabilities subject to what the company considers to comprise market terms.

In addition to the bank loans, Cibus has issued an unsecured bond amounting to TEUR 135,000. The bond matures on 26 May 2021 and carries a floating coupon rate of 4.5% + 3m EURIBOR.

The bond is listed on the Nasdaq First North Bond Market, and the first day of trading was 3 May 2018. The Group's total tenor amounted to 2.2 years.

Of the Group's bank loans, around 65.4% are hedged using interest-rate derivatives in the form of interest-rate caps. After taking interest-rate caps into consideration, the Group's average fixed-interest tenor is 2.0 years. The change in value of interest-rate derivatives is of an accounting nature and has no impact on the Group's future cash flows. At the expiry date, the interest-rate cap's market value will always be EUR 0. At 30 September 2018, the market value of interest-rate derivatives was TEUR 1,024. The change in value that does not affect cash flow amounted to TEUR 126 for the period.

THE SHARE AND SHAREHOLDERS

Cibus's shares are listed on Nasdaq First North and the company had 969 registered shareholders as of 30 September 2018. The ten largest shareholders hold 61.6% of the votes.

One of these shareholders has a holding that amounted to 10% or more of the votes in the company at 30 September 2018. At the same date, the number of shares outstanding amounted to 31,100,000.

Dividend

The AGM resolved in accordance with the Board's proposal, that the profits totalling EUR 303,752,970 available for disposition by the AGM be appropriated such that EUR 0.2 per share be paid in dividends to the shareholders each quarter. This entails a dividend of EUR 0.8 per share distributed over a full calendar year. However, the AGM resolved to approve an amendment to the Articles of Association to change the company's financial year from a split year to the calendar year. Given that the company will apply a shortened financial year for the period 1 July 2018 to 31 December 2018, this means that the next AGM will be held in spring 2019. Since the AGM cannot resolve on a dividend record date that will take place on a date after the next AGM, the AGM resolved to pay three quarterly payments of EUR 0.2 EUR per share each, corresponding to a total of EUR 0.6 per share. It was resolved that the record date for the first payment of the dividend would be 22 October 2018, with an expected payment date of 29 October 2018, that the record date for the second payment of the dividend would be 28 December 2018, with an expected payment date of 8 January 2019, and that the record date for the third payment of the dividend would be 29 March 2019, with an expected payment date of 5 April 2019.

OTHER INFORMATION

Legal structure

At 30 September 2018, the Group comprised 117 limited companies with Cibus as the Parent Company. All properties are owned by subsidiaries and 20 of the subsidiaries are partly-owned mutual real estate companies. This is a common partnership arrangement in Finland that allows direct ownership of a specified part of a property.

Related-party transactions

Cibus has a property portfolio management agreement with Sirius Retail Asset Management, the parent company of which owns 500,000 Cibus shares and has Chairman of the Board Patrick Gylling as majority shareholder. Interim CEO Jonas Ahlblad is also a partner at Sirius Capital Partners. The fee to Sirius amounted to TEUR 421 during the period.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in thousand euro (TEUR)</i>	Jul 2018- Sep 2018
Rental income	12,568
Service income	2,046
Operating costs	-2,047
Property tax	-515
Net operating income	12,052
Administration costs	-975
Financial income	114
Financial costs	-3,988
Profit from property management	7,203
<i>Changes in value</i>	
Investment properties, unrealised	-34
Interest-rate derivatives, unrealised	126
Profit before tax	7,295
Current tax	-586
Deferred tax	-132
Profit for the period	6,577
Earnings per share	0.2
Average number of shares, thousand	31,100

Consolidated statement of comprehensive income

<i>Amounts in thousand euro (TEUR)</i>	Jul 2018- Sep 2018
Profit for the period	6,577
Other comprehensive income	–
Total comprehensive income	6,577

CONSOLIDATED BALANCE SHEET

<i>Amounts in thousand euro (TEUR)</i>	30 Sep 2018	30 Jun 2018
Assets		
Investment properties	784,179	767,879
Deferred tax assets	1,896	1,922
Other non-current receivables	130	136
Total non-current assets	786,205	769,937
Other current receivables	1,363	3,088
Prepaid expenses and accrued income	1,355	1,452
Cash and cash equivalents	25,208	17,408
Total current assets	27,926	21,948
TOTAL ASSETS	814,131	791,885
Equity and liabilities		
Share capital	311	311
Other contributed capital	300,762	300,762
Retained earnings including profit for the year	39,478	32,901
Total equity	340,551	333,974
Borrowings	456,806	440,007
Deferred tax liabilities	7,382	7,252
Financial derivatives	1,222	1,354
Other non-current liabilities	171	183
Total non-current liabilities	465,581	448,796
Accounts payable	284	815
Current tax liabilities	986	419
Other current liabilities	2,149	3,718
Accrued expenses and deferred income	4,580	4,163
Total current liabilities	7,999	9,115
Total liabilities	473,580	457,911
TOTAL EQUITY AND LIABILITIES	814,131	791,885

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in thousand euro (TEUR)</i>	Share capital	Other contributed capital	Retained earnings including profit for the period	Total equity
Equity, 30 Jun 2018	311	300,762	32,901	333,974
Profit for the period	–	–	6,577	6,577
Total comprehensive income for the period	–	–	6,577	6,577
Equity, 30 Sep 2018*	311	300,762	39,478	340,551

*Equity is entirely attributable to Parent Company shareholders.

CONSOLIDATED CASH-FLOW STATEMENT

<i>Amounts in thousand euro (TEUR)</i>	Jul 2018- Sep 2018
Profit before tax	7,295
<i>Non-cash items</i>	
Unrealised changes in value, investment properties	34
Unrealised changes in value, interest-rate derivatives	-126
Cash flow from operating activities before changes in working capital	7,203
<i>Cash flow from changes in working capital</i>	
Increase/decrease in other current receivables	1,827
Increase/decrease in other current liabilities	-1,695
Cash flow from operating activities	7,335
<i>Investing activities</i>	
Property acquisitions	-16,010
Investments in new builds, extensions and redevelopments	-324
Cash flow from investing activities	-16,334
<i>Financing activities</i>	
Borrowings	16,799
Cash flow from financing activities	16,799
Cash flow for the period	7,800
Opening balance, cash and cash equivalents	17,408
Closing balance, cash and cash equivalents	25,208

PARENT COMPANY INCOME STATEMENT

<i>Amounts in thousand euro (TEUR)</i>	Jul 2018- Sep 2018
Net sales	–
Administration costs	-252
Operating loss	-252
Interest income from Group companies	1,492
Interest expenses	-1,457
Other financial costs	-196
Loss before tax	-413
Tax	–
Loss for the period	-413
Consolidated statement of comprehensive income	
<i>Amounts in thousand euro (TEUR)</i>	Jul 2018- Sep 2018
Loss for the period	-413
Other comprehensive income	–
Total comprehensive income	-413

PARENT COMPANY BALANCE SHEET

<i>Amounts in thousand euro (TEUR)</i>	30 Sep 2018	30 Jun 2018
Assets		
Shares in subsidiaries	128,450	128,450
Deferred tax assets	1,888	1,888
Non-current receivables from Group companies	302,853	302,853
Total non-current assets	433,191	433,191
Receivables from Group companies	1,752	3,630
Other current receivables	22	420
Prepaid expenses and accrued income	723	281
Cash and cash equivalents	1,820	757
Total current assets	4,317	5,088
TOTAL ASSETS	437,508	438,279
EQUITY AND LIABILITIES		
Share capital	311	311
Unrestricted equity	303,340	303,753
Equity	303,651	304,064
Borrowings	133,186	133,001
Total non-current liabilities	133,186	133,001
Accounts payable	7	542
Other current liabilities	9	27
Accrued expenses and deferred income	655	645
Total current liabilities	671	1,214
TOTAL LIABILITIES	133,857	134,215
TOTAL EQUITY AND LIABILITIES	437,508	438,279

GENERAL INFORMATION

Cibus Nordic Real Estate AB (publ), corporate registration number 559135-0599, is a public limited company registered in Sweden and domiciled in Stockholm. The company's address is Berzelii Park 9, Box 7415, SE-103 91 Stockholm. The operations of the company and the subsidiaries (the Group) encompass owning and managing properties.

ACCOUNTING POLICIES

Cibus Nordic Real Estate AB (publ) applies the International Financial Reporting Standards (IFRS) as adopted by the EU. This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The same accounting and valuation policies have been applied as those used in the annual report; refer to the 2017/2018 Annual Report for Cibus Nordic Real Estate AB (publ).

The company prepares five reports each year: two quarterly reports, a six-month report, a year-end report and the annual report.

AUDIT

This report has not been subject to review by the company's auditors.

DEFINITIONS

Earnings per share

Profit for the period divided by the average number of shares outstanding.

EPRA NAV per share

Reported equity with reversal of interest derivatives and deferred tax, divided by the number of shares outstanding.

Return on equity

Profit for the period attributable to the Parent Company's shareholders, restated as for 12 months, divided by average equity.

Loan-to-value (LTV) ratio

Liabilities to credit institutions divided by the market value of the properties.

Interest coverage ratio

Net operating income less administration costs and plus financial income divided by interest expenses.

Equity/assets ratio

Adjusted equity divided by total assets.

Debt/equity ratio

Total liabilities divided by equity.

Debt service coverage ratio (DSCR)

Net operating income less administration costs and plus financial income divided by the sum of interest expenses and principal repayments.

Surplus ratio

Net operating income in relation to total income.

Economic occupancy rate

Rental income in relation to rental value.

DECLARATION BY THE BOARD

The Board of Directors and the CEO hereby certify that the report provides a fair and accurate overview of the company's and the Group's operations, financial position and results, and describes the material risks and uncertainties faced by the company and the companies included in the Group.

The interim report for Cibus Nordic Real Estate AB (publ) was adopted by the Board as of 27 November 2018.

Stockholm, 27 November 2018
Cibus Nordic Real Estate AB (publ)
Corp. Reg. No. 559135-0599

Patrick Gylling
Chairman

Elisabeth Norman
Board member

Johanna Skogestig
Board member

Jonas Ahlblad
Board member and interim CEO

INFORMATION ON MAR

This information is of such a nature that Cibus Nordic Real Estate AB (publ) is legally required to disclose pursuant to the EU's Market Abuse Regulation. The information was submitted for publication on the company's website through the agency of the above contact person on 27 November 2018.

REPORTING CALENDAR

Year-end Report	27 February 2019
Annual Report	7 March 2019

FOR FURTHER INFORMATION, PLEASE CONTACT

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