

**Cibus**

Converting food into yield

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NASDAQ STOCKHOLM

WELCOMES

CIBUS NORDIC

Q2

Converting food into yield

# Interim Report

1 January 2021 – 30 June 2021

 Nasdaq

# Summary of the period

1 January 2021 – 30 June 2021

## Q2 2021

(compared with Q2 2020)

**Rental income** amounted to EUR 19,797 thousand (16,366)  
**Net operating income** totalled EUR 18,472 thousand (15,100)  
**Profit from property management** was EUR 10,834 thousand (7,801)  
**Profit for the period** amounted to EUR 11,672 thousand (8,883), corresponding to EUR 0.29 (0.24) per share.  
 Unrealised changes in property values totalling EUR 2,357 thousand (3,002) were included in profit.

## January – June 2021

(compared with January – June 2020)

**Rental income** amounted to EUR 39,228 thousand (30,406)  
**Net operating income** totalled EUR 36,683 thousand (28,103)  
**Profit from property management** was EUR 22,404 thousand (14,642)  
**Profit for the period** amounted to EUR 22,843 thousand (15,980), corresponding to EUR 0.57 (0.45) per share.  
 Unrealised changes in property values totalling EUR 2,540 thousand (4,611) were included in profit.

### Significant events during the period

On 14 April, it was announced that Cibus had acquired three properties in Sweden for SEK 34.5 million. ICA Sverige is the anchor tenant for all of the properties concerned.

At the Annual General Meeting on 15 April 2021, Victoria Skoglund was elected as a new Board member. Patrick Gylling was re-elected Chairman of the Board and Elisabeth Norman, Jonas Ahlblad and Stefan Gattberg were re-elected as Board members.

On 29 April, it was announced that Cibus had acquired a property in Rauma, Finland for EUR 5.3 million. Tokmanni is the anchor tenant for that property.

On 14 April, it was announced that Cibus would acquire three properties in Finland for EUR 25.5 million. Lidl, HalpaHalli and S Group are the anchor tenants.

Cibus announced on May 26 that it signed a collaboration agreement with Järntorget to jointly develop that part of Cibus' Swedish property portfolio that is not used for daily goods retail. Through planning work, the aim of the agreement is to realise building rights for rental apartments in Cibus' existing and future Swedish property portfolio.

On 27 May, it was announced that Cibus had been approved for listing on Nasdaq Stockholm. The first day of trading on Nasdaq Stockholm's main list was Tuesday, 1 June 2021, and the final day of trading on Nasdaq First North Premier Growth Market was Monday, 31 May 2021.

On 28 May, Cibus published a prospectus in connection with the change of listing to Nasdaq Stockholm.

On 28 May, it was also announced that Cibus would make two further acquisitions in Finland for EUR 15.9 million. Tokmanni and S Group are the anchor tenants.

On 1 June, it was announced that Cibus would acquire two properties in Sweden for EUR 4.5 million. ICA is the anchor tenant in all of these properties.

On 14 June, it was announced that Cibus had published a basic prospectus regarding the newly-established MTN programme and is considering an issue of hybrid bonds.

On 15 June, it was announced that Cibus would acquire a daily goods property in Finland, with Kesko as the anchor tenant, for EUR 2.2 million.

On 16 June, it was announced that Cibus had entered into an agreement to acquire 72 daily goods stores in Finland for EUR 71.6 million and had agreed to issue a private placement of 2,000,000 new shares to AB Sagax. Of these properties, 71 are leased to Kesko and one to S-Group.

On 17 June, Cibus issued hybrid bonds for EUR 30 million.

### Significant events after the end of the period

On 1 July, Cibus signed an agreement to acquire, and took possession of three properties in Sweden for EUR 4.1 million. Coop Sverige Fastigheter is the anchor tenant in all of these properties.

### Dividend

For the 12-month period commencing following the 2021 Annual General Meeting, it was decided to distribute a total of EUR 0.94 per share, divided between 12 monthly dividends. The full wording of the resolution, with monthly amounts and reconciliation dates can be found at <https://www.cibusnordic.com/investors/the-share/dividend-calendar/>

Key figures <sup>1</sup>	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun
Market value of properties, EUR million	1,331	1,124	1,331	1,124
NOI, current earnings capacity, EUR million	76.0	64.5	76.0	64.5
Lettable area, thousand sq.m.	784	664	784	664
Proportion grocery and daily goods stores, %	94.1	94.2	94.1	94.2
Number of properties with solar panels	32	15	32	15
Senior debt LTV ratio, %	48.5	49.0	48.5	49.0
Net debt LTV ratio, %	60.1	60.5	60.1	60.5
Interest coverage ratio, multiple	3.4	3.6	3.4	3.5
EPRA NRV per share, EUR	12.3	11.8	12.3	11.8
Approved dividend per share paid for the period, EUR	0.23	0.22	0.46	0.44

<sup>1</sup>Refer to page 28 for alternative performance measures and definitions.





By acquiring, refining and developing our properties in the food, grocery and daily-goods segments, we provide a stable and increasing dividend, irrespective of economic fluctuations, to our shareholders.



# Delivering on promises

CEO's comments

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"We have delivered in accordance with our promises to the market regarding the change of list and achieving growth clearly above our targets"

— Sverker Källgården,



## Promises fulfilled

If the first quarter of the year appeared outwardly quiet, the second has been all the more intense. We have delivered in accordance with our promises to the market regarding the change of list and achieving growth clearly above our targets.

## Switching to main list

The switch to Nasdaq Stockholm Mid Cap took place on 1 June and represents a natural step in Cibus's development. The change of list will afford the company greater visibility in the media and among investors, and serves as a stamp of quality for Cibus. The number of shareholders has passed 37,000, demonstrating that the share is liquid and attractive to own.

## High growth rate


During the second quarter, we announced acquisitions for approximately EUR 130 million, of which the largest was for slightly more than EUR 70 million and will come into our possession in the fourth quarter. The high growth rate is the result of sustained, hard work by a very competent in-house organisation. The fact that AB Sagax chose to receive 2 million shares in partial payment for its Finnish portfolio also bears witness to the attractiveness of the Cibus share and our business concept.

## Financing

During the quarter, we launched an MTN programme for both senior unsecured bonds and hybrid bonds. The MTN programme allows us to reach the bond market quickly should we see an attractive major property portfolio being placed on the market. It also gives us the opportunity to raise additional capital to keep our loan-to-value ratio within the framework of our financial policy. In connection with the launch of the programme, we also issued our first hybrid bond of EUR 30 million. The offering was heavily oversubscribed and the transaction was completed on attractive terms.

## Outlook for the second half of the year

We have delivered what we promised in the first half of the year with regard to the change of list and in terms of growth. Many more opportunities lie ahead, and we look forward confidently to an exciting second half of the year. If the pandemic subsides in the second half of the year, as vaccinations increase and borders reopen, we look forward, among other things, to also considering the other Nordic markets.



Stockholm, 18 August 2021

**Sverker Källgården**



# Operations

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vihannessäilykkeet  
ruokasäilykkeet  
kalasäilykkeet  
hedelmäsäilykkeet

*Deli*  
KREIKKALA  
KREIKKALA

FILCO

Kreikkala  
aurinko

# Earnings capacity

The current earnings capacity for the coming 12 months is based on the property portfolio owned by Cibus as of 30 June 2021.

Current earnings capacity is not a forecast but should instead 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 for the forthcoming period regarding the development of rent, occupancy rate, property expenses, interest rates, changes in value or other items affecting earnings.

## Current earnings capacity

Amounts in thousand euro (EUR thousands)	30 Jun 2020	30 Sep 2020	31 Dec 2020	31 Mar 2021	30 Jun 2021*	Change (Jun '21/Jun '20)
Rental income	68,371	69,411	76,581	76,581	80,880	
Property expenses	-3,841	-3,771	-3,981	-3,981	-4,880	
<b>Net operating income</b>	<b>64,530</b>	<b>65,640</b>	<b>72,600</b>	<b>72,600</b>	<b>76,000</b>	
Central administration	-4,295	-4,310	-4,895	-4,895	-5,275	
Net financial expenses**	-19,920	-20,370	-21,811	-21,811	-23,600	
<b>Profit from property management</b>	<b>40,315</b>	<b>40,960</b>	<b>45,894</b>	<b>45,894</b>	<b>47,125</b>	
<b>Profit from property management, EUR/share***</b>	<b>1.08</b>	<b>1.10</b>	<b>1.15</b>	<b>1.15</b>	<b>1.18</b>	<b>9%</b>

\*Includes all transactions where Cibus has taken possession of the property prior to or during June 2021.

\*\*In accordance with IFRS16, site leasehold fees are included among financial expenses. Financial expenses also include prepaid arrangement fees not affecting future cash flow.

\*\*\*In December 2020, a new share issue was implemented encompassing 2,680,000 shares. The number of shares subsequently totalled 40,000,000.

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

Rental income based on signed leases on an annual basis (including service charges and potential rental discounts) as well as other property-related income as of 30 June 2021 according to current lease agreements.

Property expenses based on a normal operating year with maintenance. Operating costs include property-related administration. Property tax is calculated based on the current tax values of the properties. Property tax included in the item "Property expenses".

Central administration costs are calculated based on the current organisation and the current size of the property portfolio. Non-recurring costs are not included.

An exchange rate of SEK 10.20/EUR has been used in translating the figures for the Swedish operations.

## Comments regarding current earnings capacity

As of 30 June 2021, the earnings capacity for the next 12 months improved by 9% compared with the 12-month perspective as of 30 June 2020. This was a result of the acquisitions carried out by the Company and rent increases due to indexation.

# Financial development

## Profit analysis January – June 2021

### Income

During the first half of 2021, the Group's rental income amounted to EUR 39,228 thousand (30,406), corresponding to an increase of 29% compared with the first half of 2020. Service income totalled EUR 6,301 thousand (4,121) and consisted largely of re-invoiced expenses. The economic occupancy rate was 94.8% (95.1). At 30 June 2021, the total annual rental value amounted to EUR 85,465 thousand (72,113).

### Net operating income

Operating expenses for the reporting period amounted to EUR 8,846 thousand (6,424). Net operating income increased by 31% to EUR 36,683 thousand (28,103), resulting in a surplus ratio of 93.5% (92.4). As many leases are triple-net leases, whereby the tenants cover the majority of the expenses, net operating income is one of the most important comparative figures. Depending on the terms of the lease, expenses may be charged to tenants directly or via Cibus. This means that gross rents, expenses and service income may vary over time, even if net operating income remains relatively stable.

### Net financial items

Net financial items amounted to an expense of EUR 10,818 thousand (10,440) and consisted mainly of interest expenses for the period of EUR 9,397 thousand (6,840) but also an exchange rate difference of EUR 67 thousand (519). Net financial items also include arrangement fees, expenses for interest rate derivatives and site leasehold fees in accordance with IFRS 16. In addition to secured loans of EUR 645 million, two unsecured bonds have been issued in the amounts of SEK 600 million and EUR 135 million. At the end of the period, the average interest rate in the loan portfolio, including margins and expenses for interest rate hedging, was 2.4% (2.5).

### Profit from property management

For the reporting period, profit from property management increased by 53% to EUR 22,404 thousand (14,642), corresponding to EUR 0.56 per share (0.42).

### Changes in property values

Including acquisitions, changes in property values amounted to EUR 58,672 thousand (249,349) from the opening balance of EUR 1,272,514 thousand (874,813) to the closing balance of EUR 1,331,186 thousand (1,124,162). EUR 2,540 thousand (4,611) of the changes in value are unrealised and a negative SEK 1,661 (0) constitutes an exchange rate effect. During the period, disbursements for acquisitions of properties were made in the amount of EUR 56,733 thousand (242,576). In addition, investments of EUR 1,060 thousand (2,162) have been made in the properties, of which about EUR 240 thousand were tenant adjustments that were implemented with a direct return in line with, or exceeding, the existing portfolio.

### Tax

The nominal rate of corporation tax in Finland is 20%. Through fiscal depreciation on fittings and equipment, and on the buildings themselves, as well as through tax-loss carryforwards being exercised, a low effective tax expense was incurred for the reporting period. The nominal rate of corporation tax in Sweden is 20.6%. The loss carryforwards are estimated at about EUR 32,552 thousand (8,285). Tax assets attributable to these loss carryforwards have been recognised in the consolidated balance sheet in an amount of EUR 5,004 thousand (1,773) and in the Parent Company's balance sheet in an amount of EUR 2,645 thousand (1,047). Cibus recognised total tax for the reporting period of EUR 2,443 thousand (3,099), of which current tax and deferred tax amounted to EUR 25 thousand (757) and EUR 2,419 thousand (2,342) respectively. The effective tax rate was 9.7% (16.2).

### Net profit after tax

Profit after tax for the period amounted to EUR 22,843 thousand (15,980), corresponding to EUR 0.57 per share (0.45). Unrealised changes in property values totalling EUR 2,540 thousand (4,611) were included in profit.

## Second quarter of 2021

Consolidated rental income increased by 21% to EUR 19,797 thousand (16,366) in the second quarter of 2021. Net operating income increased by 22% to EUR 18,472 thousand (15,100).

Administration costs amounted to EUR 1,764 thousand (1,532). Administration costs included non-recurring costs of about EUR 400 thousand, primarily for transition to the main list of the exchange. Net financial items for the second quarter amounted to an expense of EUR 5,873 thousand (5,767) and consisted mainly of interest expenses but also included limit fees, expenses for interest rate derivatives, prepaid arrangement fees and site leasehold fees in accordance with IFRS 16. Net financial items also include a negative change of EUR 430 thousand in exchange rates (1,378). Profit from property management for the second quarter was EUR 10,834 thousand (7,801), corresponding to EUR 0.27 (0.21) per share.

Unrealised changes in property values amounted to EUR 2,357 thousand (3,002). Total tax amounted to EUR 1,597 thousand (1,687), of which current tax amounted to EUR 25 thousand (501) and deferred tax to EUR 1,572 thousand (1,186).

Profit after tax for the second quarter amounted to EUR 11,672 thousand (8,883), corresponding to EUR 0.29 (0.24) per share.

## Cash flow and financial position

Consolidated cash flow from operating activities amounted to EUR 25,998 thousand (19,881), corresponding to EUR 0.65 (0.57) per the average number of shares outstanding. Cash flow from investing activities was negative in the amount of EUR 57,928 thousand (244,918) and mainly involved acquisitions of properties during the reporting period. Cash flow from financing activities amounted to EUR 34,667 (283,347).

At the end of the period, cash and cash equivalents amounted to EUR 39,478 thousand (84,507), corresponding to EUR 0.99 per share (2.26). At 30 June 2021, Cibus had net interest-bearing liabilities, after deduction of cash and cash equivalents, of EUR 799,978 thousand (680,155). Capitalised borrowing costs amounted to EUR 3,656 thousand (4,642).

## Group

Cibus Nordic Real Estate AB (publ) is the Parent Company of the Group and owns no properties directly. Its operations comprise owning shares, managing stock market-related issues and Group-wide business functions such as administration, transactions, management, legal issues, project development and finance. The Parent Company's profit for the period amounted to a negative EUR 574 thousand (55).

## Segment reporting

Cibus reports its operations in the two national segments of Finland and Sweden. Of the total net operating income for the first half of 2021, 85% was attributable to Finland and 15% to Sweden. Of the total value of the properties, EUR 1,116,830 thousand was attributable to Finland and EUR 214,356 thousand to Sweden. See page 27 of this report for more information.



## Sustainability

Cibus is driven by the conviction that the decisions we make regarding our property portfolio can contribute to responsible social development. In our acquisitions and management of properties, we seek to foster sustainable development, both for our tenants, as well as for vibrant local communities, and for this to contribute to a favourable long-term profit trend for our shareholders. For Cibus, sustainability entails helping create accessible and climate-smart marketplaces for end-consumers. We achieve this alongside our anchor tenants, who are leading players in the food, grocery and daily-goods segment in the Nordic region. An example of this is that we grant our tenants access to our large and often flat roofs so that they can install solar panels. Today, 32 (15) of our properties have solar panels. The electricity they generate annually corresponds to the electricity consumption for about 1,635 apartments or for driving more than 16 million kilometres in an electric car. The annual CO<sub>2</sub> reduction is about 461 tCO<sub>2</sub>. Additional solar panels have already been planned and discussions are in progress with several tenants about installing more.

In the second quarter of 2021, Cibus signed a collaboration agreement with Järntorget to jointly develop that part of Cibus' Swedish property portfolio that is not used for daily goods retail. Järntorget and Cibus have ambitious sustainability goals for the upcoming projects. Where possible, the homes will be built sustainably of wood, and all of the homes will carry the Nordic Swan ecolabel.

## General information

Cibus Nordic Real Estate AB (publ) ("Cibus"), corporate registration number 559135-0599, is a public limited company registered in Sweden and domiciled in Stockholm. The Company's address is Kungsgatan 56, SE-111 22 Stockholm, Sweden. The operations of the Company and its subsidiaries ("the Group") encompass owning and managing grocery and daily-goods properties.

## Risks and uncertainties

Cibus is exposed to a number of risks and uncertainties. The Company has procedures in place to minimise these risks. Cibus also has a strong financial position. Beyond the risks described below, refer to Cibus's 2020 Annual Report under "Risks and risk management" on pages 30-34.

### Properties

#### Changes in property values

The property portfolio is measured at fair value. Fair value is based on a market valuation performed by an independent valuation institute, which was Newsec for this reporting period. Ultimately, however, Cibus's management always determines the value of the property portfolio.

The value of the properties was largely influenced by the cash flows generated in the properties in terms of rental income, operating and maintenance expenses, administration costs and investments in the properties. Therefore, a risk exists in terms of changes in property values due to changes in cash flows as well as changes in yield requirements and the condition of the properties. Risk to the Company includes the risk of vacancies in the portfolio as a consequence of existing leases being terminated and the financial position of the tenants.

In turn, the underlying factors influencing cash flow stem from current economic conditions as well as local external factors in terms of competition from other property owners and the geographic location that may affect the supply and demand equilibrium.

Cibus focuses on offering active, tenant-centric management with the aim of creating good, long-term relationships with tenants, which fosters conditions for sustaining a stable value trend for the property portfolio. The Company's property development expertise enables the proactive management of risks pertaining to the properties' values by securing the quality of the holdings.

### Rental income

Cibus's results are affected by the portfolio's vacancy rate, customer losses and possibly by the loss of rental income. The (economic) occupancy rate for the portfolio at the end of the period was 94.8% and the weighted average unexpired lease term (WAULT) was 5.2 years. More than 90% of the Company's income stems from properties rented to tenants in the grocery and daily-goods sector. The risk of vacancies, lost customers and a loss of rental income is impacted by tenants' inclination to continue renting the property and by tenants' financial positions as well as other external market factors.

To manage the risks, Cibus is creating a more diversified contract base but is also continuing to retain and improve existing relationships with the Group's largest tenants, which are leaders in the grocery and daily-goods sector in the Nordic region.

### Operating and maintenance expenses

The Group runs a risk of increased expenses that are not compensated by regulation in the lease. This risk is limited, however, as more than 90% of all leases are triple-net agreements or net leases, meaning that, in addition to the rent, the tenant pays most of the expenses incurred in the property. Even unforeseen maintenance needs pose a risk to operations. Active and ongoing maintenance is conducted to retain and improve the properties' standard and to minimise the risk of needs for repair.

### Financing

The Group is exposed to risks associated with financial activities in the form of currency and interest-rate risks. Currency risk arises when agreements are signed in currencies other than the euro. Interest-rate risk pertains to the impact on consolidated earnings and cash flow from changes in interest rates.

To reduce the risk of interest-rate increases, the Group has interest-rate derivatives in the form of interest-rate caps.

## 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. Disclosures according to IAS 34 16A are presented in the financial statements and related notes as well as in other parts of the report. The Parent Company applies RFR 2 Accounting for Legal Entities and the Annual Accounts Act.

The accounting policies applied in the interim report correspond to those applied in the preparation of the 2020 Annual Report. Other amended and new IFRS standards and interpretations from IFRS IC taking effect during the year or in future periods are not considered to have any significant impact on the consolidated accounts and financial statements. Assets and liabilities are recognised at cost, other than investment properties and interest-rate derivatives, which are measured at fair value. Refer to pages 57-60 of the most recent annual report for information about fair value measurement.

In preparing the interim report, management must make a number of assumptions and judgements that affect the Group's earnings and financial position. The same assessments and accounting and valuation policies have been applied as those used in the annual report – refer to the 2020 Annual Report for Cibus Nordic Real Estate AB (publ).

The Company publishes five reports each year: three interim reports, a year-end report and an annual report.

## Coronavirus

The Coronavirus has had a very limited negative impact on Cibus's operations. We follow the recommendations issued by the Public Health Agency of Sweden and, naturally, we act with caution in our contacts with other companies, preferring to hold meetings by phone or video link, and keeping travel to a minimum.

For our foremost tenants, grocery retailers, volumes have increased since the virus emerged because more people are eating at home. Grocery retail volumes are at normal levels and nothing indicates that our tenants will encounter difficulty paying their rent. Slightly more than 98% of the rent we had invoiced for the second quarter of 2021 has been paid, with the figure being about 99% for the first half of 2021. Of our income, about 90% derives from the largest grocery chains in the Nordic countries.

## Related party transactions

At the Annual General Meeting on 11 April 2019, a resolution was taken to establish a warrant programme allotting 186,600 warrants to CEO Sverker Källgården. The subscription price is set at the average price for the Cibus share on 16-29 May 2019 and amounts to EUR 10.70 per share. Subscription may take place no earlier than 15 April 2022. The purpose of the warrants programme is to strengthen the connection between the work of the CEO and shareholder value.

The Annual General Meeting of 24 April 2020 resolved to initiate a warrants programme comprising 160,000 options for Cibus's management, excluding the Company's CEO, who already participates in a warrants programme established by the 2019 Annual General Meeting. The subscription price is set at the average price for the Cibus share on 18-25 May 2020 and amounts to EUR 12.20. Subscription may take place no earlier than 17 April 2023.

The Annual General Meeting of 15 April 2021 resolved to initiate a warrants programme comprising 120,000 options for Cibus's management, excluding the Company's CEO, who already participates in a warrants programme established by the 2019 Annual General Meeting. The subscription price is set at the average price for the Cibus share on 18-28 June 2021 and amounts to EUR 20.0. Subscription may take place no earlier than 15 April 2024.

The purpose of the warrants programme, and the reasons for deviating from the preferential rights of existing shareholders, is to strengthen the connection between management and the shareholder value generated. In this way, the shared interests of Cibus's management and its shareholders are considered to increase.

The intention is for the warrants programme to recur on an annual basis.

## Review

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

## The Cibus share

Cibus Nordic Real Estate (publ) has been listed on Nasdaq Stockholm MidCap since 1 June 2021. The final day for trading on Nasdaq First North Premier Growth Market was 31 May 2021. The last price paid for the share on 30 June 2021 was SEK 204.40, corresponding to a market value of approximately SEK 8.2 billion. At the end of the period, there were approximately 38,000 shareholders. On 30 June 2021, there were 40,000,000 ordinary shares outstanding. The Company has one class of shares. Each share entitles the holder to one vote at the Annual General Meeting.

## Dividend

For the 12-month period commencing following the 2021 Annual General Meeting, it was decided to distribute a total of EUR 0.94 per share, divided between 12 monthly dividends. The complete decision with monthly amounts and reconciliation dates can be found at <https://www.cibusnordic.com/investors/the-share/dividend-calendar/>.

## Events after the end of the period

On 1 July, Cibus signed an agreement to acquire, and took possession of three properties in Sweden for EUR 4.1 million. Coop Sverige Fastigheter is the anchor tenant in all of these properties.

## Presentation for investors, analysts and media

A live teleconference will be held at 10.00 a.m. (CEST) on 18 August 2021, at which CEO Sverker Källgården and CFO Pia-Lena Olofsson will present the report. The presentation will be held in English and will be broadcast live at <https://tv.streamfabriken.com/cibus-nordic-real-estate-q2-2021>. To attend the teleconference, call in on +46 8 50558351. The exchange will open at 9:55 a.m. The presentation will subsequently be available at [www.cibusnordic.com](http://www.cibusnordic.com).

## 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 18 August 2021.

Stockholm, 18 August 2021  
Cibus Nordic Real Estate AB (publ)  
Corporate registration number 559135-0599

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### Patrick Gylling

Chairman

### Elisabeth Norman

Board member

### Victoria Skoglund

Board member

### Jonas Ahlblad

Board member

### Stefan Gattberg

Board member

### Sverker Källgården

CEO

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This interim report has been published in Swedish and English. In case of any discrepancy between versions, the Swedish version is to take precedence.

This information is of the nature that Cibus Nordic Real Estate AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation.

## Reporting calendar

**11 November 2021** Interim report for the third quarter

**24 February 2022** Year-end report

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## For further information, please contact

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[www.cibusnordic.com](http://www.cibusnordic.com)



# The share and shareholders

Since 1 June 2021, Cibus's shares have been listed on Nasdaq Stockholm MidCap

## Primary reasons to invest in the Cibus share

1

### High and stable yield

Cibus strives to earn a high and stable yield for shareholders. From the outset, Cibus has never lowered its dividend in EUR per share from one quarter to the next.

2

### Potential for favourable value growth

Cibus's investment strategy of acquiring individual properties or property portfolios with a higher yield requirement than the existing portfolio, combined with planned annual investments of between EUR 50 million and EUR 100 million, generates potential for favourable long-term growth in share value. The investment target of at least EUR 50 million was achieved in 2018, 2019, 2020 and has also been achieved for 2021.

3

### Gradually rising monthly dividends.

Since October 2020, Cibus pays dividends monthly and aims to gradually increase them by 5% annually.

4

### A segment with long-term resilience and stability

The grocery and daily-goods sector has experienced stable, non-cyclical growth over time. Historically, the grocery sector has grown by approximately 3% annually, even during periods of recession. It also shows strong resilience to the growing e-commerce trend that has made the stores into a distribution network for goods purchased online.

On 30 June 2021, market capitalisation amounted to slightly more than EUR 800 million.



## Cibus's shareholders

Since 1 June 2021, Cibus has been listed on Nasdaq Stockholm MidCap. The final day for trading on Nasdaq First North Premier Growth Market Stockholm was 31 May 2021. Cibus's shares bear the ISIN code SE0010832204. As of 30 June 2021, the Company had about 38,000 shareholders. The 15 largest shareholders hold approximately 42% of the votes. None of these shareholders has a holding amounting to 10% or more of the votes in Cibus as of 30 June 2021.

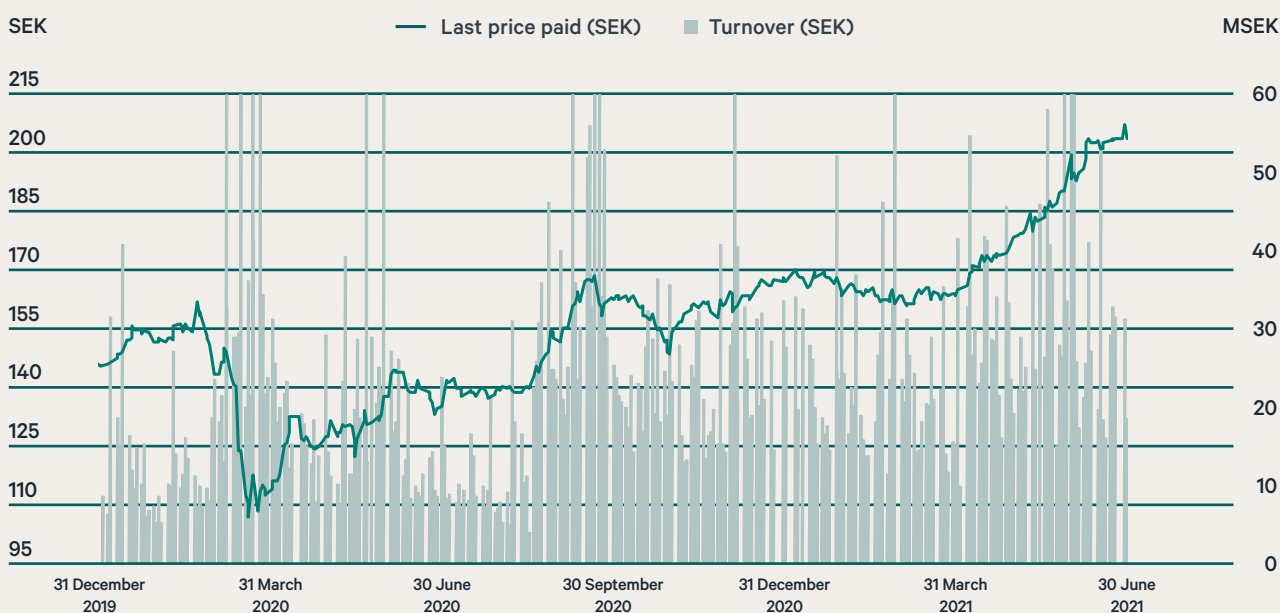
### Shareholders as of 30 June 2021

Name	No. of shares	Percentage
Fjärde AP-fonden	3,478,253	8.7
BMO Global Asset Management	2,419,157	6.0
Marjan Dragicevic	1,814,000	4.5
Dragfast AB	1,700,000	4.2
Avanza Pension	1,558,251	3.9
Sensor Fonder	946,000	2.4
Länsförsäkringar Fonder	888,773	2.2
Nordnet Pensionsförsäkring	779,982	1.9
Blackwell Partners LLC	550,455	1.5
Nuveen Asset Management	534,325	1.3
Göran Gustafssons Stiftelser	522,000	1.3
Patrick Gylling	500,000	1.2
Svenska Handelsbanken	380,500	1.0
Futur Pension	332,089	0.8
Ulf Greger Jönsson	311,337	0.8
<b>Total, 15 largest shareholders</b>	<b>16,715,122</b>	<b>41.9</b>
Other	23,284,878	58.1
<b>Total</b>	<b>40,000,000</b>	<b>100</b>

Source: Modular Finance

## Share price performance

The closing price for Cibus's shares on 30 June 2021 was SEK 204.40, corresponding to a market value of approximately SEK 8.2 billion. The average turnover in the share in the second quarter of 2021 amounted to approximately SEK 32 million per day.

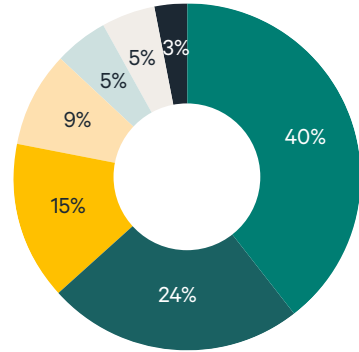


# Tenants and lease structure

## Tenants

More than 90% of Cibus's net operating income comes from properties in which Kesko, Tokmanni, Coop, S Group or Lidl are the anchor tenants. Other grocery and daily-goods tenants include ICA and independent traders. The graph below shows how net operating income is distributed among properties where the different grocery and daily-goods chains are the anchor tenants.

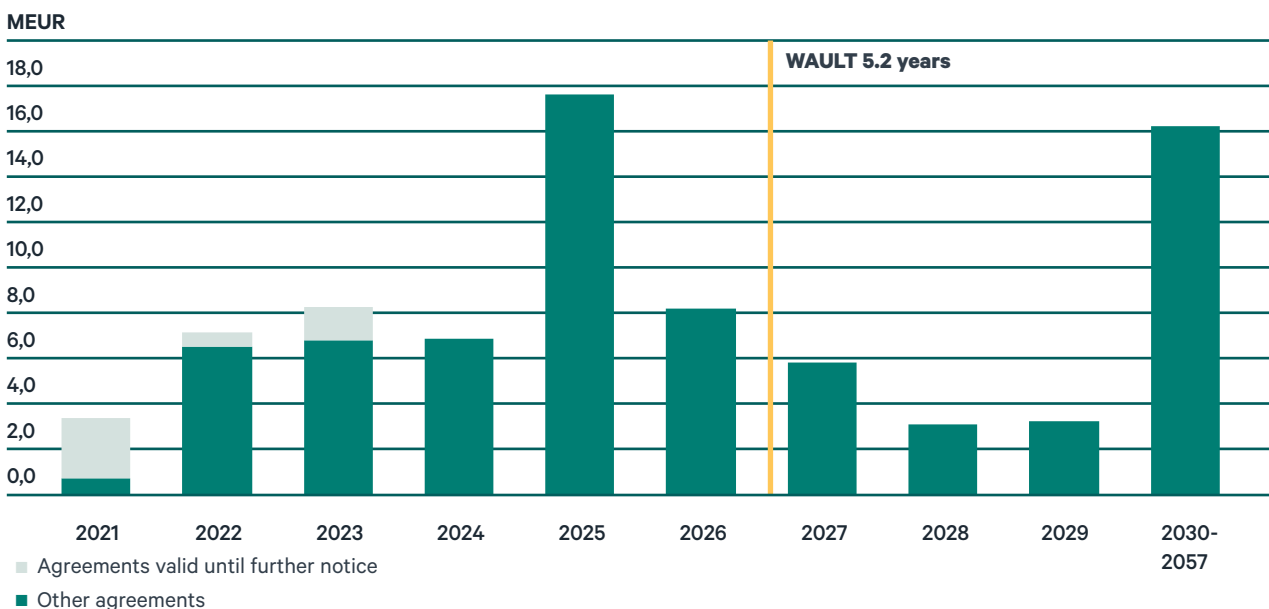
- Kesko
- Tokmanni
- Coop
- S Group
- Lidl
- Other daily goods
- Other retail





### Summary of leases

The information below shows that the maturity structure of the leases is well distributed over the coming years. The typical lease contains a renewal option clause allowing the tenant to renew the lease, generally for three or five years, under the same terms as the current lease. This occurs in most cases. The table below presents the maturity of the leases if no such options are exercised by the tenant. Since the options generally are exercised, and approximately the same number of leases are extended each year, average lease terms have, to date, been relatively stable over time and are likely to remain so in the future. As of 30 June 2021, the weighted average unexpired lease term (WAULT) in the portfolio was 5.2 years.



**Approximately 79%** of the lease agreements that would expire in 2021 are valid until further notice, meaning that both the landlord and the tenant have the opportunity to terminate them. Such leases are typical for smaller tenants and this agreement structure provides flexibility for developing the property if, for example, the anchor tenant seeks to expand its premises. In the vast majority of cases, agreements valid until further notice have already continued for quite some time and it can be assumed that neither the landlord nor the tenant will terminate the agreement within the near future.

**More than 90%** of the leases are classified as net leases, meaning that the risk associated with operating costs is very low for the property owner.

# The property portfolio

## General overview

As of 30 June 2021, Cibus's property portfolio comprised 307 relatively modern store properties, located in various growth regions across Finland and Sweden. Approximately 85% of the portfolio's net operating income on an annual basis stems from properties in Finland and 15% from properties in Sweden.

More than 90% of the total rental income is derived from properties anchored by five market-leading tenants: Kesko, Tokmanni, Coop S Group and Lidl. All major tenants perceive the properties as well suited to their operations. Anchor tenants account for 88% of rental income from grocery and daily goods retail properties and have an average unexpired lease term of 5.6 years.

Anchor tenant	No. of properties	Lettable area, sq.m.	Remaining term, years	Anchor tenant's remaining term, years	Anchor tenant's share of rent
Kesko	84	251,159	3.7	4.0	90%
Tokmanni	51	233,520	4.7	5.0	83%
Coop	110	117,307	8.5	8.7	98%
S Group	32	57,974	6.6	7.2	76%
Lidl	6	31,658	7.3	8.4	82%
Other daily goods	15	46,159	5.1	5.8	78%
Other retail	9	46,456	4.3	n/a	n/a
<b>Portfolio total</b>	<b>307</b>	<b>784,233</b>	<b>5.2</b>	<b>5.6</b>	<b>88%</b>



# Geographic locations

The portfolio is diversified with favourable market coverage in both Finland and Sweden.

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**The portfolio** is strongly concentrated in growing communities, and most of the properties are located in southern and south-western Finland and in southern and central Sweden. The properties generally enjoy highly favourable micro-locations, close to developed areas central to each community. As in many other developed countries, both Finland and Sweden are experiencing nationwide urbanisation, with rural areas becoming depopulated as the larger cities expand.

The map shows the geographic locations of the properties.





## Portfolio diversification

No single property in the portfolio accounts for a larger share than 2.5% of the portfolio's total net operating income, eliminating dependency on any individual property. Only one property accounts individually for more than 2% of the portfolio's total rental income.

Supermarkets account for the majority of the grocery sales in Finland and Sweden, and represent the dominant type of store property in the portfolio.

## Key figures

Annual net operating income is estimated at about EUR 76.0 million (current earnings capacity), based on Cibus's portfolio as of 31 June 2021.

Number of properties	307
Total lettable area, thousand sq.m.	784
Lettable area/property sq.m.	2,555
Net operating income (current earnings capacity), EUR million	76.0
Net operating income, EUR/sq.m (let area)	104
WAULT, years	5.2





# Financing

Cibus is financed through ordinary shares from shareholders, secured loans from reputable major Nordic banks and institutes, two unsecured bonds, as well as a hybrid bond loan.

As of 30 June 2021, the Group had secured bank loans of EUR 645 million with a weighted average floating interest margin of 1.7% and a weighted average loan maturity of 3.0 years. Cibus has pledged mortgages in the properties as collateral for the interest-bearing liabilities. In Cibus's assessment, the collateral agreements have been entered on market terms.

Cibus has issued an unsecured green bond for SEK 600 million. The bond matures on 12 June 2023 and carries a floating coupon rate of 3m STIBOR + 4.75%.

Cibus has issued an unsecured bond for EUR 135 million. The bond matures on 18 September 2023 and carries a floating coupon rate of 3m EURIBOR + 4.5%.

Both unsecured bonds have been listed on the Nasdaq Stockholm Corporate Bond list since 20 July 2020.

The earlier EUR bond, maturing on 26 May 2021, was fully redeemed as of 9 July 2020.

In June 2021, Cibus established an MTN programme enabling both senior unsecured bonds and hybrid bonds. On 17 June, Cibus issued hybrid bonds for EUR 30 million under its newly-established MTN programme. The hybrid bonds have a perpetual eternal maturity, with the first opportunity for redemption occurring after 5.25 years, and maturing with an interest rate of 3 months EURIBOR + 4.75%. The hybrid bond has been listed on the Nasdaq Stockholm Corporate Bond list since 24 June 2021.

- The Group's average tenor, excluding the hybrid bond, amounted to 3.0 years.
- The first loan maturity date is in 2.0 years time.
- Of the Group's bank loans, around 66% are hedged using interest-rate derivatives in the form of interest-rate caps.
- The LTV ratio including the unsecured bonds is 60.1%.
- The secured bank loan has an LTV of 48.5%.





# Financial statements





## Consolidated income statement

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
Rental income	19,797	16,366	39,228	30,406	65,033
Service income	2,651	1,813	6,301	4,121	9,346
Operating expenses	-3,091	-2,285	-7,054	-4,992	-10,023
Property tax	-886	-794	-1,792	-1,432	-2,961
<b>Net operating income</b>	<b>18,472</b>	<b>15,100</b>	<b>36,683</b>	<b>28,103</b>	<b>61,395</b>
Administration expenses	-1,764	-1,532	-3,461	-3,021	-6,520
Financial income	15	3	17	9	34
Financial expenses	-5,888	-5,770	-10,834	-10,449	-21,421
<b>Profit from property management</b>	<b>10,834</b>	<b>7,801</b>	<b>22,404</b>	<b>14,642</b>	<b>33,488</b>
Unrealised change in value of investment properties	2,357	3,002	2,540	4,611	6,461
Realised change in value of investment properties	-	-29	-	-29	-
Unrealised change in value of interest-rate derivatives	78	-204	343	-145	-357
<b>Profit before tax</b>	<b>13,269</b>	<b>10,570</b>	<b>25,287</b>	<b>19,079</b>	<b>39,592</b>
Current tax	-25	-501	-25	-757	-21
Deferred tax	-1,572	-1,186	-2,419	-2,342	-4,974
<b>Profit for the period</b>	<b>11,672</b>	<b>8,883</b>	<b>22,843</b>	<b>15,980</b>	<b>34,597</b>
Average No. of shares outstanding	40,000,000	37,320,000	40,000,000	35,132,747	36,459,344
Earnings per share before and after dilution, EUR	0.29	0.24	0.57	0.45	0.95

## Consolidated statement of comprehensive income

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
<b>Profit for the period</b>	<b>11,672</b>	<b>8,883</b>	<b>22,843</b>	<b>15,980</b>	<b>34,597</b>
<b>Other comprehensive income</b>					
Items that have been reallocated or that can be reallocated to profit for the period	-	-	-	-	-
Translation differences for the period in the translation of foreign operations	831	3,017	-597	1,450	4,408
<b>Total comprehensive income*</b>	<b>12,503</b>	<b>11,900</b>	<b>22,246</b>	<b>17,430</b>	<b>39,005</b>

\*Profit for the period and comprehensive income are entirely attributable to Parent Company shareholders.

## Consolidated statement of financial position

Amounts in thousand euro (EUR thousand)	2021 30 Jun	2020 30 Jun	2020 31 Dec
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	1,331,186	1,124,162	1,272,514
Right-of-use assets	8,325	3,389	8,218
Other tangible assets	33	45	36
Intangible assets	110	14	11
Deferred tax assets	5,004	1,773	3,648
Other non-current receivables	33	3,104	36
<b>Total non-current assets</b>	<b>1,344,691</b>	<b>1,132,487</b>	<b>1,284,463</b>
<b>Current assets</b>			
Rental receivables	527	593	679
Current tax receivables	486	-	-
Other current receivables	892	2,157	453
Prepaid expenses and accrued income	3,026	2,440	1,576
Cash and cash equivalents	39,478	84,507	36,783
<b>Total current assets</b>	<b>44,409</b>	<b>89,697</b>	<b>39,491</b>
<b>TOTAL ASSETS</b>	<b>1,389,100</b>	<b>1,222,184</b>	<b>1,323,954</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	400	373	400
Other contributed capital	422,244	382,216	422,275
Reserve	3,811	1,450	4,408
Retained earnings incl. profit for the period	16,188	38,165	30,945
<b>Equity attributable to Parent Company shareholders</b>	<b>442,643</b>	<b>422,204</b>	<b>458,028</b>
Hybrid bond	29,702	-	-
<b>Total equity</b>	<b>472,345</b>	<b>422,204</b>	<b>458,028</b>
<b>Non-current liabilities</b>			
Borrowings	833,907	759,450	810,202
Deferred tax liabilities	24,117	16,358	20,294
Interest rate derivatives	1,031	2,155	736
Other non-current liabilities	8,691	6,350	9,296
<b>Total non-current liabilities</b>	<b>867,747</b>	<b>784,313</b>	<b>840,528</b>
<b>Current liabilities</b>			
Current portion of borrowing and derivatives	2,596	570	2,762
Accounts payable	704	547	438
Current tax liabilities	1,482	735	37
Other current liabilities	2,768	3,817	3,739
Accrued expenses and deferred income	41,458	9,998	18,422
<b>Total current liabilities</b>	<b>49,008</b>	<b>15,667</b>	<b>25,398</b>
<b>Total liabilities</b>	<b>916,755</b>	<b>799,980</b>	<b>865,926</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,389,100</b>	<b>1,222,184</b>	<b>1,323,954</b>

## Consolidated statement of changes in equity

Amounts in thousand euro (TEUR)	Equity attributable to Parent Company shareholders						Hybrid bond	Total equity
	Share capital	Other contributed capital	Reserve	Retained earnings incl. profit for the period	Total			
<b>Opening equity, 1 Jan 2020</b>	<b>311</b>	<b>300,794</b>	<b>-</b>	<b>31,764</b>	<b>332,869</b>	<b>-</b>	<b>332,869</b>	
Profit for the period	-	-	-	34,597	34,597	-	34,597	
Other comprehensive income	-	-	4,408	-	4,408	-	4,408	
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>4,408</b>	<b>34,597</b>	<b>39,005</b>	<b>-</b>	<b>39,005</b>	
New share issue	89	123,125	-	-	123,214	-	123,214	
Issue costs	-	-2,160	-	-	-2,160	-	-2,160	
Tax effect of issue costs	-	462	-	-	462	-	462	
Issue of warrants	-	54	-	-	54	-	54	
Dividend	-	-	-	-35,416	-35,416	-	-35,416	
<b>Closing equity, 31 Dec 2020</b>	<b>400</b>	<b>422,275</b>	<b>4,408</b>	<b>30,944</b>	<b>458,027</b>	<b>-</b>	<b>458,027</b>	
<b>Opening equity, 1 Jan 2021</b>	<b>400</b>	<b>422,275</b>	<b>4,408</b>	<b>30,944</b>	<b>458,027</b>	<b>-</b>	<b>458,027</b>	
Profit for the period	-	-	-	22,843	22,843	-	22,843	
Other comprehensive income	-	-	-597	-	-597	-	-597	
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-597</b>	<b>22,843</b>	<b>22,246</b>	<b>-</b>	<b>22,246</b>	
Issue hybrid bonds	-	-	-	-	-	30,000	30,000	
Issue costs	-	-39	-	-	-39	-375	-414	
Tax effect of issue costs	-	8	-	-	8	77	85	
Dividend	-	-	-	-37,600	-37,600	-	-37,600	
<b>Closing equity, 30 Jun 2021</b>	<b>400</b>	<b>422,244</b>	<b>3,811</b>	<b>16,188</b>	<b>442,643</b>	<b>29,702</b>	<b>472,345</b>	



## Consolidated cash-flow statement

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
<b>Operating activities</b>					
Profit before tax	13,269	10,571	25,287	19,079	39,592
Adjustments for non-cash items:					
- Financial items	401	448	794	800	1,625
- Unrealised changes in value, investment properties	-2,373	-3,002	-2,553	-4,611	-6,461
- Unrealised changes in value, interest-rate derivatives	78	204	343	145	357
- Unrealised exchange rate differences	4,718	-905	3,194	-3,732	2,819
Tax paid	10	-901	-	-775	-609
<b>Cash flow from operating activities before changes in working capital</b>	<b>16,101</b>	<b>6,415</b>	<b>27,065</b>	<b>10,906</b>	<b>37,323</b>
<b>Cash flow from changes in working capital</b>					
Change in other current receivables	671	857	-5,426	-165	3,037
Change in other current receivables	348	235	266	329	220
Change in other current liabilities	3,504	101	4,092	8,811	5,345
<b>Cash flow from operating activities</b>	<b>20,624</b>	<b>7,608</b>	<b>25,998</b>	<b>19,881</b>	<b>45,925</b>
<b>Investing activities</b>					
Property acquisitions	-56,419	-67,095	-56,733	-242,576	-386,122
Property sales	-	-	-	-	270
Investments in current buildings	-496	-1,318	-1,060	-2,162	-4,262
Other investments	-79	-167	-135	-180	-2,176
<b>Cash flow from investing activities</b>	<b>-56,993</b>	<b>-68,580</b>	<b>-57,928</b>	<b>-244,918</b>	<b>-392,290</b>
<b>Financing activities</b>					
New share issue	-	-45	-	81,434	123,214
Issue hybrid bonds	30,000	-	30,000	-	-
Issue costs	-375	-	-415	-	-2,160
Issue of warrants	-	40	-	40	54
Borrowings	24,588	253,457	24,588	379,450	454,923
Loan arrangement fees	-132	-1,765	-132	-2,355	-2,836
Repayment of debt	-621	-152,128	-975	-152,270	-175,667
Dividend	-9,200	-8,210	-18,400	-22,952	-39,587
<b>Cash flow from financing activities</b>	<b>44,261</b>	<b>91,349</b>	<b>34,667</b>	<b>283,347</b>	<b>357,941</b>
<b>Cash flow for the period</b>	<b>7,891</b>	<b>30,377</b>	<b>2,736</b>	<b>58,310</b>	<b>11,576</b>
<b>Cash and cash equivalents at start of period</b>	<b>31,533</b>	<b>51,820</b>	<b>36,783</b>	<b>24,746</b>	<b>24,746</b>
Exchange rate difference in cash and cash equivalents	54	2,309	-41	1,450	461
<b>Cash and cash equivalents at end of period</b>	<b>39,478</b>	<b>84,506</b>	<b>39,478</b>	<b>84,506</b>	<b>36,783</b>

## Parent Company summary income statement

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
Operating income	177	81	353	162	501
Operating expenses	-922	-720	-1,702	-1,260	-2,629
<b>Operating result</b>	<b>-746</b>	<b>-639</b>	<b>-1,349</b>	<b>-1,098</b>	<b>-2,128</b>
<b>Results from financial items</b>					
Results from shares in group companies	-	-	-	-	10,580
Interest income and similar income items	3,669	3,437	7,417	6,874	12,917
Interest expenses and similar income items	-2,961	-3,283	-6,848	-5,709	-10,896
<b>Results after financial items</b>	<b>-37</b>	<b>-485</b>	<b>-781</b>	<b>67</b>	<b>10,473</b>
<b>Appropriations</b>					
Group contribution	-	-	-	-	-4,021
<b>Results before tax</b>	<b>-37</b>	<b>-485</b>	<b>-781</b>	<b>67</b>	<b>6,452</b>
Tax	136	101	207	-12	632
<b>Profit for the period</b>	<b>99</b>	<b>-384</b>	<b>-574</b>	<b>55</b>	<b>7,084</b>

## Parent Company statement of comprehensive income

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
Profit for the period	99	-384	-574	55	7,084
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income*</b>	<b>99</b>	<b>-384</b>	<b>-574</b>	<b>55</b>	<b>7,084</b>

## Parent Company summary balance sheet

Amounts in thousand euro (EUR thousand)	2021 30 Jun	2020 30 Jun	2020 31 Dec
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capitalised software expenditure	110	14	17
Equipment	14	20	11
Shares in subsidiaries	128,594	184,096	128,594
Deferred tax assets	2,645	1,047	2,438
Non-current receivables from group companies	400,225	271,953	374,363
Other non-current receivables	21	361	21
<b>Total financial fixed assets</b>	<b>531,608</b>	<b>457,491</b>	<b>505,444</b>
<b>Current assets</b>			
Current receivables from group companies	11,027	26,440	41,751
Other current receivables	86	463	70
Prepaid expenses and accrued income	49	100	27
Cash and cash equivalents	28,902	76,785	22,598
<b>Total current assets</b>	<b>40,065</b>	<b>103,788</b>	<b>64,446</b>
<b>TOTAL ASSETS</b>	<b>571,673</b>	<b>561,279</b>	<b>569,890</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	400	373	400
<b>Total restricted equity</b>	<b>400</b>	<b>373</b>	<b>400</b>
<b>Unrestricted equity</b>			
Share premium reserve	451,946	382,216	422,275
Retained earnings	-105,777	-48,753	-74,588
Profit for the period	99	55	7,084
<b>Total unrestricted equity</b>	<b>346,268</b>	<b>333,518</b>	<b>354,771</b>
<b>Total equity</b>	<b>346,668</b>	<b>333,891</b>	<b>355,171</b>
<b>Non-current liabilities</b>			
Borrowings	192,813	211,570	193,073
<b>Total non-current liabilities</b>	<b>192,813</b>	<b>211,570</b>	<b>193,073</b>
<b>Current liabilities</b>			
Current liabilities to group companies	0	15,159	11,840
Accounts payable	143	97	116
Other current liabilities	8	24	81
Accrued expenses and deferred income	32,041	538	9,609
<b>Total current liabilities</b>	<b>32,192</b>	<b>15,818</b>	<b>21,646</b>
<b>Total liabilities</b>	<b>225,005</b>	<b>227,388</b>	<b>214,719</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>571,673</b>	<b>561,279</b>	<b>569,890</b>



## Segment data

2021 Jan - Jun Amounts in thousand euro (EUR thousand)	Cibus Finland	Cibus Sweden	Cibus Group
Rental income	33,520	5,708	39,228
Service income	5,972	329	6,301
Operating expenses	-7,032	-22	-7,054
Property tax	-1,439	-353	-1,792
<b>Net operating income</b>	<b>31,020</b>	<b>5,663</b>	<b>36,683</b>
<b>Carrying amount, investment properties</b>	<b>1,116,830</b>	<b>214,356</b>	<b>1,331,186</b>

2020 Jan - Jun Amounts in thousand euro (EUR thousand)	Cibus Finland	Cibus Sweden	Cibus Group
Rental income	26,905	3,501	30,406
Service income	4,121	-	4,121
Operating expenses	-4,815	-177	-4,992
Property tax	-1,211	-221	-1,432
<b>Net operating income</b>	<b>25,000</b>	<b>3,103</b>	<b>28,103</b>
<b>Carrying amount, investment properties</b>	<b>939,191</b>	<b>184,971</b>	<b>1,124,162</b>

The Swedish portfolio was acquired on 10 March 2020. Prior to that, the property portfolio was located entirely in Finland.

Since many of the leases are triple-net leases, whereby the tenants cover the majority of the expenses, net operating income is one of the most important comparative figures and the level at which the Board of Directors monitors the operations per segment.

#### NOTE 1 – FINANCIAL INSTRUMENTS – FAIR VALUE

Financial instruments valued at fair value in the Statement of financial position comprise interest rate derivatives. To determine fair value, market interest rates are applied for each maturity noted on the balance sheet date, as well as generally accepted calculation methods. Accordingly, as in the preceding year, fair value has been determined in accordance with level 2 in the value hierarchy. Interest rate swaps are valued by discounting future cash flows to their present value, while instruments with option components are valued at their current repurchase price, as obtained from the relevant counterparty. On the balance sheet date, fair value amounted to EUR 1,735 thousand (2,155).

The carrying amounts for financial assets and liabilities are considered to be reasonable approximations of fair value. According to the Company's assessment, there has been no change in market interest rates or credit margins since the interest-bearing loans were raised, that would have a significant impact on the fair value of the liabilities. The fair value of rental receivables, other receivables, cash and cash equivalents, accounts payable and other liabilities does not differ significantly from the carrying amount, as these have short maturities.

Key figures, Group

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
Rental income	19,797	16,366	39,228	30,406	65,033
Net operating income	18,472	15,100	36,683	28,103	61,395
Profit from property management	10,834	7,801	22,404	14,642	33,488
Net profit after tax	11,672	8,883	22,843	15,980	34,597
No. of shares outstanding	40,000,000	37,320,000	40,000,000	37,320,000	40,000,000
Average No. of shares outstanding	40,000,000	37,320,000	40,000,000	35,132,747	36,459,344
Earnings per share. EUR <sup>1</sup>	0.29	0.24	0.57	0.45	0.95
EPRA NRV per share. EUR	12.3	11.8	12.3	11.8	12.1
EPRA NTA per share. EUR	12.3	11.8	12.3	11.8	12.1
EPRA NDV per share. EUR	11.7	11.3	11.7	11.3	11.6
Market value of properties	1,331,186	1,124,162	1,331,186	1,124,162	1,272,514
Cash and cash equivalents	39,478	84,507	39,478	84,507	36,783
Total assets	1,389,100	1,222,184	1,389,100	1,222,184	1,323,954
Return on equity. %	9.9	8.5	9.8	8.5	8.7
Senior debt LTV ratio. %	48.5	49.0	48.5	49.0	48.9
Net debt LTV ratio. %	60.1	60.5	60.1	60.5	61.3
Interest coverage ratio. multiple	3.4	3.6	3.4	3.5	3.3
Equity ratio. %	34.0	34.5	34.0	34.5	34.6
Debt/equity ratio. multiple	1.9	1.9	1.9	1.9	1.9
Surplus ratio. %	93.3	92.3	93.5	92.4	94.4
Economic occupancy rate. %	94.8	95.3	94.8	95.1	95.3
Proportion grocery and daily goods stores. %	94.1	94.2	94.1	94.2	95.0

<sup>1</sup> Before and after dilution.

Definitions of key figures

The Company presents certain financial performance measures in the interim reports that are not defined in accordance with IFRS. The Company is of the opinion that these performance measures provide valuable supplementary information to investors and the Company's management, since they enable an evaluation of the Company's performance. Since not all companies calculate financial performance measures in the same way, they are not always comparable with the performance measures used by other companies. Therefore, these performance measures are not to be considered a replacement for measures defined in accordance with IFRS. The following financial performance measures are not defined in accordance with IFRS: EPRA NAV/share; EPRA NTA/share; EPRA NDV/share; Senior debt LTV ratio; Net debt LTV ratio; Interest coverage ratio, Economic occupancy rate and The Proportion of grocery and daily goods shops.

Definitions for these and other financial performance measures are presented under "DEFINITIONS" in the following section.

Key figures	Definition	Purpose
Earnings per share	Profit for the period, including interest on hybrid bonds, divided by the average number of shares outstanding.	Earnings per share is used to highlight shareholder profit after tax per share.
EPRA NRV/share	Reported equity, excluding hybrid bonds, with reversal of derivatives, deferred tax and unpaid dividends, in cases where the record date has not yet passed.	Adjusted EPRA NAV/share highlights long-term net asset value per share, adjusted for unpaid dividends, unless the record date has not yet passed for the Company's stakeholders.
EPRA NTA/share	Reported equity, excluding hybrid bonds, with reversal of derivatives, deferred tax and unpaid dividends, in cases where the record date has not yet passed, divided by the number of shares outstanding.	EPRA NTA/share highlights current net asset value per share, adjusted for unpaid dividends, unless the record date has not yet passed for the Company's stakeholders. Since Cibus's aims to own the properties long-term, this key figure does not deviate from the long-term EPRA NRV.
EPRA NDV/share	Reported equity with reversal of derivatives, deferred tax receivables and unpaid dividends, in cases where the record date has not yet passed, divided by the number of shares outstanding.	EPRA NDV/share highlights the disposal value per share, adjusted for unpaid dividends, unless the record date has not yet passed for the Company's stakeholders.
Return on equity, %	Earnings after tax divided by average equity. At the end of the interim period, the return has been recalculated on an annual basis.	Return on equity illustrated Cibus's capacity to generate profit on shareholder capital.
Senior debt LTV ratio, %	Interest-bearing secured liabilities divided by the market value of the properties.	Cibus uses this key figure to highlight the Company's financial risk in relation to secured debt.
Net debt LTV ratio, %	Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents divided by the properties' market value.	Cibus uses this key figure to highlight the Company's financial risk in relation its company's net debt.
Interest coverage ratio	Net operating income less administration expenses and plus financial income divided by interest expenses including hedging expenses for interest rate ceiling.	Cibus uses this key figure to highlight how sensitive the Company's earnings are to interest rate fluctuations.
Equity ratio, %	Adjusted equity (equity including hybrid bonds and untaxed reserves less deferred tax) divided by total assets.	The equity ratio is used to illustrate Cibus's financial stability.
Debt/equity ratio, multiple	Total liabilities divided by equity.	The debt/equity ratio illustrates the extent to which Cibus is leveraged in relation to shareholder capital.
Surplus ratio, %	Net operating income in relation to rental income.	Cibus uses this key figure to measure profit from property management before taking into account financial income and expenses, as well as unrealised changes in value.
Economic occupancy rate, %	Rental income in relation to rental value.	This key figure is used to highlight vacancies where a high economic occupancy rate, as a percentage, reflects a low economic vacancy rate.
Proportion grocery and daily goods stores, %	The area used for grocery and daily goods stores divided by the total property area.	The Company uses the key figure to highlight the Company's exposure to grocery properties.

## Reconciliation of alternative key figures

Amounts in thousand euro (EUR thousand)	2021 Q2	2020 Q2	2021 Jan - Jun	2020 Jan - Jun	2020 Full-year
Reported equity excl. hybrid bond	442,643	422,204	442,643	422,204	458,028
Reversal of derivatives	1,031	2,155	1,031	2,155	736
Reversal of deferred tax	19,113	14,585	19,113	14,585	16,646
Reversal of unpaid dividends	28,400	-	28,400	-	9,200
No. of shares outstanding	40,000,000	37,320,000	40,000,000	37,320,000	40,000,000
<b>EPRA NRV per share, EUR</b>	<b>12.3</b>	<b>11.8</b>	<b>12.3</b>	<b>11.8</b>	<b>12.1</b>
Reported equity excl. hybrid bond	442,643	422,204	442,643	422,204	458,028
Reversal of derivatives	1,031	2,155	1,031	2,155	736
Reversal of assessed fair value of deferred tax	19,113	14,585	19,113	14,585	16,646
Reversal of unpaid dividends	28,400	-	28,400	-	9,200
No. of shares outstanding	40,000,000	37,320,000	40,000,000	37,320,000	40,000,000
<b>EPRA NTA per share, EUR</b>	<b>12.3</b>	<b>11.8</b>	<b>12.3</b>	<b>11.8</b>	<b>12.1</b>
Reported equity excl. hybrid bond	442,643	422,204	442,643	422,204	458,028
Reversal of derivatives	1,031	2,155	1,031	2,155	736
Reversal of assessed fair value of deferred tax assets	-5,004	-1,773	-5,004	-1,773	-3,648
Reversal of unpaid dividends	28,400	-	28,400	-	9,200
No. of shares outstanding	40,000,000	37,320,000	40,000,000	37,320,000	40,000,000
<b>EPRA NDV per share, EUR</b>	<b>11.7</b>	<b>11.3</b>	<b>11.7</b>	<b>11.3</b>	<b>11.6</b>
Earnings after tax	11,672	8,882	22,843	15,980	34,597
Average equity	470,042	420,357	465,186	377,537	395,449
<b>Return on equity, %</b>	<b>9.9</b>	<b>8.5</b>	<b>9.8</b>	<b>8.5</b>	<b>8.7</b>
Liabilities to senior lenders	645,176	550,839	645,176	550,839	622,505
Market value of properties	1,331,186	1,124,162	1,331,186	1,124,162	1,272,514
<b>Senior debt LTV ratio, %</b>	<b>48.5</b>	<b>49.0</b>	<b>48.5</b>	<b>49.0</b>	<b>48.9</b>
Liabilities to credit institutions	839,456	764,625	839,456	764,625	816,834
Cash and cash equivalents	-39,478	-84,507	-39,478	-84,507	-36,783
Net debt	799,978	680,118	799,978	680,118	780,051
Market value of properties	1,331,186	1,124,162	1,331,186	1,124,162	1,272,514
<b>Net debt LTV ratio, %</b>	<b>60.1</b>	<b>60.5</b>	<b>60.1</b>	<b>60.5</b>	<b>61.3</b>
Net operating income	18,472	15,101	36,683	28,103	61,395
Administration expenses	-1,764	-1,532	-3,461	-3,021	-6,520
Financial income	15	3	17	9	34
Interest expenses incl. hedging costs for interest rate caps	4,940	3,770	9,859	7,169	16,672
<b>Interest coverage ratio, multiple</b>	<b>3.4</b>	<b>3.6</b>	<b>3.4</b>	<b>3.5</b>	<b>3.3</b>
Adjusted equity	472,345	422,204	472,345	422,204	458,028
Total assets	1,389,100	1,222,184	1,389,100	1,222,184	1,323,954
<b>Equity ratio, %</b>	<b>34.0</b>	<b>34.5</b>	<b>34.0</b>	<b>34.5</b>	<b>34.6</b>
Total liabilities	916,755	799,980	916,755	799,980	865,926
Equity	472,345	422,204	472,345	422,204	458,028
<b>Debt/equity ratio, multiple</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>
Net operating income	18,472	15,101	36,683	28,103	61,395
Rental income	19,797	16,366	39,228	30,406	65,033
<b>Surplus ratio, %</b>	<b>93.3</b>	<b>92.3</b>	<b>93.5</b>	<b>92.4</b>	<b>94.4</b>
Rental income	19,797	16,366	39,228	30,406	65,033
Rental value	20,879	17,177	41,390	31,973	68,214
<b>Economic occupancy rate, %</b>	<b>94.8</b>	<b>95.3</b>	<b>94.8</b>	<b>95.1</b>	<b>95.3</b>
Grocery and daily goods properties	737,777	625,539	737,777	625,539	706,646
Total property area	784,233	663,780	784,233	663,780	744,039
<b>Proportion grocery and daily goods stores, %</b>	<b>94.1</b>	<b>94.2</b>	<b>94.1</b>	<b>94.2</b>	<b>95.0</b>