

23 Q2

Interim Report

1 January 2023 – 30 June 2023

Summary of the period

1 January 2023 – 30 June 2023

Q2 2023

(compared with Q2 2022)

Rental income amounted to EUR 29,633 thousand (27,193).

Net operating income totalled EUR 28,050 thousand (25,189).

Profit from property management was EUR 11,543 thousand (13,550). Profit from property management, excluding non-recurring costs and exchange rate effects, amounted to EUR 12,295 thousand.

Earnings after tax for the period amounted to EUR 3,990 thousand (30,831), corresponding to EUR 0.06 (0.63) per share.

Unrealised negative changes in property values totalling EUR -8,258 thousand (positive 17,183) were included in profit.

Jan-Jun 2023

(compared with January – June 2022)

Rental income amounted to EUR 59,300 thousand (50,658).

Net operating income totalled EUR 55,650 thousand (46,958).

Profit from property management was EUR 23,334 thousand (28,125). Profit from property management, excluding non-recurring costs and exchange rate effects, amounted to EUR 25,290 thousand.

Earnings after tax amounted to EUR 5,957 thousand (66,354), corresponding to EUR 0.09 (1.42) per share.

Unrealised negative changes in property values totalling EUR -16,735 thousand (positive 43,715) were included in profit.

EPRA NRV amounted to EUR 744,468 thousand (726,166), corresponding to EUR 13.0 per share (15.0).

Significant events during the period

At the Annual General Meeting on 20 April, Patrick Gylling was re-elected Chairman of the Board and Elisabeth Norman, Victoria Skoglund, Nils Styf and Stefan Gattberg were re-elected as Board members.

The Extraordinary General Meeting on 20 April approved the directed share issue decided on 23 March.

On 28 March, it was announced that the total number of shares and votes in Cibus increased during April as a result of the private placement. Accordingly, the number of shares and votes in Cibus amounts to 57,246,140 and the share capital in Cibus amounts to EUR 572,461.40.

On 23 May, it was announced that Cibus is requesting redemption of bonds outstanding for 2020/2023 with ISIN: SE0014479366. The redemption date was 19 June, with the redemption price for each bond being the applicable redemption rate (100.10 percent of the nominal value of the bonds), plus accrued but unpaid interest.

On 13 June, Cibus launched a repurchase offer for all unsecured bonds outstanding, although not including the hybrid bonds. The repurchase offer was maximized at EUR 25 million.

On 21 June, Cibus announced the results of the repurchase offer. The company had received and accepted repurchase instructions for a total aggregate nominal amount corresponding to EUR 16.8 million plus SEK 8.8 million.

On 21 June, it was announced that the unsecured bonds outstanding (excluding hybrid loans) amounted to EUR 91.5 million plus SEK 678.8 million.

Significant events after the end of the period

On 11 July, it was announced that Cibus is launching an updated Green Finance Framework and a new Sustainability-Linked Finance Framework.

Dividend

For the 12-month period ensuing following the 2023 Annual General Meeting, it was determined that the dividend should total EUR 0.90 per share, distributed over 12 monthly dividends. The full wording of the resolution, with monthly amounts and reconciliation dates can be found at www.cibusnordic.com/investors/the-share/dividend-calendar/

Key figures ¹	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
Investment properties, EUR million	1,815	1,833	1,815	1,833
NOI, current earnings capacity, EUR million	111.3	103.2	111.3	103.2
Lettable area, thousand m ²	981	960	981	960
Proportion grocery and daily-goods stores, %	93.3	94.5	93.3	94.5
Number of properties with solar panels	44	40	44	40
Senior debt LTV ratio, %	50.5	46.4	50.5	46.4
Net debt LTV ratio, %	56.5	58.0	56.5	58.0
Interest coverage ratio, multiple (rolling 12 months)	2.4	3.5	2.4	3.5
Approved dividend per share paid for the period, EUR	0.22	0.24	0.47	0.48

¹Refer to pages 32-33 for alternative performance measures and definitions.



By acquiring, refining and administering our properties in the grocery and daily-goods trade, we provide our shareholders with a favourable monthly dividend.

Continued focus on cash flow, the balance sheet and financing costs

CEO's comments



— "Cibus's focus is on continuing the work to optimize the balance sheet in a way that minimizes risk for our shareholders while also safeguarding increased cash flows and dividends over time."
— Sverker Källgård, CEO

Share issue and strengthened balance sheet

In many ways, the second quarter of the year resembled the first. Russia's war of aggression in Ukraine continues unabated, the central banks continue to raise their policy rates and there are concerns in many markets.

Cibus continued to show stable earnings in the second quarter with the underlying operations continuing to perform well and net operating income increasing by 11% compared with the second quarter of 2022.

Over the quarter, Cibus took significant steps to reduce its indebtedness and thereby also its financing costs. The Extraordinary General Meeting on 20 April approved the directed share issue the board decided on 23 March, thereby injecting about EUR 70 million in new capital. The proceeds from the share issue enabled the Company to redeem, on 19 June, the remainder of the bond due to mature on 18 September without having to depend on an uncertain bond market. At the same time, the Company's loan-to-value ratio could be lowered.

Cibus has also been able to repurchase other outstanding bonds in the market, partly with cash from the new share issue and partly through supplementary bank loans from our partner banks. Including both redemptions and repurchases, bonds for slightly more than EUR 92 million were repurchased over the quarter. At the end of the quarter, the Company has cash and bank balances of about EUR 40 million that can partly be used to further strengthen the balance sheet.

Financing and interest hedging

Both during and after the quarter, Cibus has continued to hedge the Company's financing costs through newly subscribed interest rate caps and, in mid-July, roughly 95% of the Company's interest-bearing debt was interest rate hedged. Accordingly, the Company's secured debt remains fully hedged, now at a maximum interest rate, including margins, reference interest rates and hedging costs, of about 3.95% from September 2023 and up to and including December 2024, to then reach 4.05% in the first half of 2025. After that, the interest rate hedges gradually mature. Of Cibus's outstanding bonds, some 75% are interest rate hedged as of mid-July.

At the end of the quarter, Cibus had a loan-to-value ratio of 56.5% and, as of 30 June, the interest coverage ratio, measured on a rolling 12-month basis, was a multiple of 2.4. The objective is that the multiple should not fall below 2.0. As long as the reference interest rates remain below 9% over the next 12 months, we believe the target can be met thanks to the Company's interest rate hedges and low exposure to variable interest rates. The target multiple has been set at of 2.0 to leave a margin to the covenant of 1.75 included in the terms of the bond.

Market

The transaction market is cautious and no major transactions have occurred in the Nordic market. During the quarter, Cibus extended leases on 31 properties with Tokmanni as the tenant and where the leases would have expired in 2024-2025. The leases were extended by about five years, once again demonstrating Cibus's fine partnership with its anchor tenants.

Property values

Over the quarter, general yield requirements rose by an average of about 5 basis points, the effect of which has partially been mitigated by higher inflation assumptions for 2023, as 99% of our rents are CPI linked. Cibus externally assesses all of its properties in connection with each quarterly report, which in the second quarter resulted in unrealized negative changes in value of about EUR 8 million. The reasons for the reduced property values are associated more with the uncertainty in the market than any concrete transactions conducted. For the second quarter, the net initial yield for the portfolio was 6.1%, compared with the average interest rate on the Company's financing of 4.6%.

Focus areas

Cibus's focus is on continuing the work to optimize the balance sheet in a way that minimizes risk for our shareholders while also safeguarding increased cash flows and dividends over time.

Stockholm, 18 July 2023

Sverker Källgården



Operations



Earnings capacity

The current earnings capacity for the coming 12 months is based on the property portfolio owned by Cibus as of 1 July 2023.

The earnings capacity is not a forecast but a snapshot whose purpose is to present income and expenses on an annual basis given property holdings, financing costs, capital structure and organisation at a specific 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 EUR thousand	30 Jun 2022	30 Sep 2022	1 Jan 2023	1 Apr 2023	1 Jul 2023	Change (1 Jul 2023 - 30 Jun 2022)
Rental income	110,000	111,300	118,500	119,400	119,000	
Property expenses	-6,800	-7,000	-7,800	-7,800	-7,700	
Net operating income	103,200	104,300	110,700	111,600	111,300	+8%
Central administration	-7,100	-7,250	-8,250	-8,400	-8,170	
Net financial expenses*	-29,900	-33,700	-44,300	-49,900	-52,050***	
Profit from property management	66,200	63,350	58,150	53,300	51,080	
Expenses, hybrid bond costs	-1,360	-1,660	-2,060	-2,330	-2,500	
Profit from property management plus expenses for hybrid bond	64,840	61,690	56,090	50,970	48,580	
Adjustment of non-cash items	2,280	2,510	2,510	2,920	3,490	
Total earnings excluding non-cash items plus expenses for hybrid bond	67,120	64,200	58,600	53,890	52,070	
Earnings per share excluding non-cash items plus expenses for hybrid bond, EUR**	1.39	1.33	1.21	1.11	0.91	-34%

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

**41,792 new shares were issued on warrants exercised in May 2022 and as a result of a private placement of 8,804,348 shares approved 20th April 2023. The number of shares subsequently totalled 57,246,140.

***Including an additional interest rate cap signed in July 2023.

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 1 July 2023 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.
- In translating the figures for the Swedish operations, an exchange rate of SEK 10.20/EUR was applied up until 30 June 2022, and an exchange rate of SEK 11.00/EUR was applied as of 30 September 2022 and until 1 April 2023. **As of 1 July 2023 the exchange rate 11.50 SEK/EUR is applied for the Swedish operations.** For the Norwegian operations, an exchange rate of NOK 10.00/EUR was applied until 30 June 2022 and an exchange rate of NOK 10.40/EUR was applied as of 30 September 2022 and until 1 April 2023. **Thereafter, as of 1 July 2023, the exchange rate NOK 11.50/EUR has been applied for the Norwegian operations.** For the Danish operations, an exchange rate of DKK 7.44/EUR was applied for the earnings capacity.

Net operating income in a comparable portfolio

	EUR thousand	% effect
Net operating income 30 Jun 2022	103,200	
Net changes as of 1 Jul 2022	450	
Net operating income 1 Jul 2022	103,650	
Effect of changes in property expenses	-950	-0.9%
Effect of changes in occupancy	-850	-0.8%
Effect of indexation and other rent increases	8,890	+8.6%
Comparable portfolio 1 Jul 2023*	110,740	+6.8%
Currency effect	-2,040	-2.0%
Properties acquired/sold	2,600	+2.5%
Net operating income 1 Jul 2023	111,300	+7.4%

* Comparable portfolio, exchange rates according to earnings capacity 30 June 2022.

Comments regarding current earnings capacity

As of 1 July 2023, the earnings capacity regarding profit from property management per share for the ensuing 12 months had decreased by 34% compared with the 12-month perspective as of 30 June 2022. This was attributable to the higher interest levels, as well as the exchange rate effect in SEK and NOK compared with EUR. The effect of indexation and other rent increases amounted to 8.6% annually. As of the end of the second quarter of 2023, Cibus holds significant cash and bank balances that can, in part, be used to further strengthen the balance sheet.

Financial development

Profit analysis January – June 2023

Income

For the first half of 2023, the Group's rental income amounted to EUR 59,300 thousand (50,658), corresponding to an increase of 17% compared with the corresponding period last year. In terms of rental value, 99% of Cibus's rents are linked to and increase alongside the consumer price index (CPI). In Denmark, slightly more than half of the leases are, however, subject to rent caps. The increase is normally maximised at 3-4% annually. Service income totalled EUR 9,475 thousand (8,056) and consisted largely of re-invoiced expenses. The economic occupancy rate was 94.8% (94.9). Total rental value on an annual basis amounted to EUR 126,500 thousand (117,100).

Net operating income

Operating expenses for the reporting period amounted to EUR -13,125 thousand (-11,756). Net operating income increased by 19% to EUR 55,650 thousand (46,958), resulting in a surplus ratio of 93.8% (92.7). 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. It also means that while rental income increases in accordance with the consumer price index, expenses do not increase to a corresponding extent.

Administrative expenses

Administration expenses amounted to EUR -4,307 thousand (-3,985). The administration costs include a positive non-recurring item of EUR 400 thousand for the reversal of a provision in connection with an earlier acquisition.

Net financial items

Net financial items amounted to an expense of EUR -28,009 thousand (-14,848) and consisted mainly of interest expenses for the period of EUR -23,149 thousand (-11,755) but also a negative exchange rate difference of EUR -1,485 thousand (-1,227). Net financial items also includes a non-recurring expense of EUR -871 thousand regarding the redemption premium for the early redemption of bonds. Net financial items also include limit fees, expenses for interest rate derivatives and site leasehold fees in accordance with IFRS 16. In addition to secured loans of EUR 917 million, there were three unsecured bonds of a total EUR 149 million as of 31 June 2023. In the second quarter, Cibus repurchased the remainder of a EUR bond of EUR 135 million, which amounted to EUR 61.8 million. The Company has also used capital from April's new share issue, combined with additional bank facilities, to repurchase other outstanding bonds. In the second quarter, Cibus acquired further interest rate caps to protect the Company against potential future interest rate increases. At the end of the period, average interest rate in the loan portfolio, including unsecured bonds and including margins and current expenses for interest rate hedging, was 4.6% (2.5).

Profit from property management

During the reporting period, profit from property management decreased by 17% to EUR 23,334 thousand (28,125). Profit from property management, excluding non-recurring costs and exchange rate effects, amounted to EUR 25,290 thousand.

Changes in property values

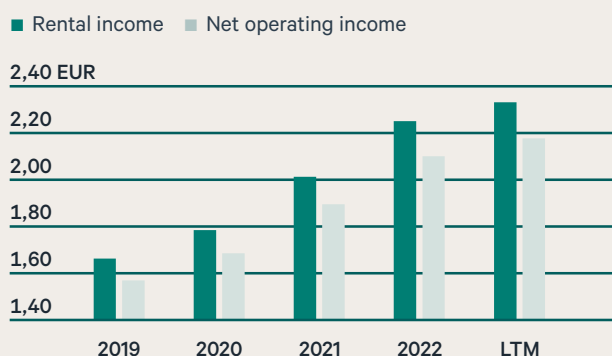
The net change in property values was negative in the amount of EUR- 35,518 thousand (positive 333,363) from the opening balance of EUR 1,850,911 thousand (1,499,626) to the closing balance of EUR 1,815,393 thousand (1,832,989). A specification of the change is presented below:

	EUR thousand
Opening balance	1,850,911
Acquisition	2,124
Unrealised changes in value	-16,735
Exchange rate effect	-21,777
Investments in the properties	751
Adjusted acquisition cost	119
Closing balance	1,815,393

Unrealised changes in property values amounted to a negative EUR -16,735 thousand (positive 43,715). The negative change in value was due to higher yield requirements in the property portfolio. The effect was dampened somewhat by increased rent levels as a consequence of indexation. At the end of the second quarter of 2023, the net initial yield in the property portfolio was 6.1%.

Investments of EUR 751 thousand (829) have been made in the properties, of which about EUR 326 thousand (124) involved tenant adjustments that were implemented with a direct return in line with, or exceeding, the existing portfolio.

Rental income and net operating income per share



Profit from property management per share



Tax

The nominal rate of corporation tax in Finland is 20%, in Sweden 20.6% and in Norway and Denmark 22%. 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 loss carryforwards are estimated at about EUR 20,308 thousand (22,617). Tax assets attributable to these loss carryforwards have been recognised in the consolidated balance sheet in an amount of EUR 4,179 thousand (4,352) and in the Parent Company's balance sheet in an amount of EUR 2,922 thousand (3,396). Cibus recognised total tax for the reporting period of negative EUR -642 thousand (-14,474), of which current tax and deferred tax amounted to negative EUR -83 thousand (-206) and negative EUR -559 thousand (-14,268) respectively.

Earnings after tax

Earnings after tax amounted to EUR 5,957 thousand (66,354), corresponding to EUR 0.09 (1.42) per share. Unrealised negative changes in property values totalling EUR -16,735 thousand (positive 43,715) were included in profit.

Second quarter of 2023

Consolidated rental income increased by 9% to EUR 29,633 thousand (27,193) in the second quarter of 2023. Net operating income increased by 11% to EUR 28,050 thousand (25,189).

Administration expenses amounted to EUR -2,112 thousand (-1,843). The administration costs include a positive non-recurring item of EUR 400 thousand for the reversal of a provision in connection with an earlier acquisition.

Net financial items for the second quarter amounted to an expense of EUR -14,395 thousand (-9,796) 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 -454 thousand in exchange rates (-2,142). The exchange rate change is unrealised and is a consequence of the NOK and SEK weakening against the EUR during the quarter. Net financial items also includes a non-recurring expense of EUR -698 thousand regarding the redemption premium for the early redemption of bonds.

Profit from property management for the second quarter was EUR 11,543 thousand (13,550), corresponding to EUR 0.21 (0.28) per share. Profit from property management, excluding non-recurring costs and exchange rate effects, amounted to EUR 12,295 thousand.

Unrealised changes in property values amounted to a negative EUR -8,258 thousand (positive 17,183). The negative change in value was due to yield requirements in the property portfolio being about 5 basis points higher. The effect was dampened somewhat by increased rent levels as a consequence of indexation.

Total tax amounted to a negative EUR -1,790 thousand (-7,273), of which current tax amounted to a negative EUR -39 thousand (-80) and deferred tax to a negative EUR -1,751 thousand (-7,353).

Profit after tax for the second quarter amounted to EUR 3,990 thousand (30,831), corresponding to EUR 0.06 (0.63) per share.

Cash flow and financial position

Consolidated cash flow from operating activities amounted to EUR 45,375 thousand (44,126). Over the quarter, interest paid and early redemption fees were reclassified to financing activities. The items reclassified to financing activities are those directly linked to the Company's loans and bonds as we believe that showing these cash flows in financing activities will provide a fairer view. The comparison periods have also been adjusted.

Cash flow from investing activities was negative in the amount of EUR -2,875 thousand (-301,589) and mainly involved acquisitions of properties in Denmark during the reporting period.

Cash flow from financing activities was negative in the amount of EUR -47,220 thousand (235,009). The financing activities have now been charged with costs for interest paid and early redemption fees.

At the end of the period, cash and cash equivalents amounted to EUR 40,893 thousand (28,893). At 30 June 2023, Cibus had net interest-bearing liabilities, after deduction of cash and cash equivalents, of EUR 1,024,956 thousand (1,062,543). Capitalised borrowing costs amounted to EUR 5,509 thousand (3,894).

Parent Company

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 earnings after tax amounted to a negative EUR -2,890 thousand (positive 3,345).

Segment reporting

Cibus reports its operations in the four country segments Finland, Sweden, Norway and Denmark. Of net operating income for the first quarter, 69% was attributable to Finland, 13% to Sweden, 14% to Denmark and 4% to Norway. Of the total property value, EUR 1,240,006 thousand (1,237,744) was attributable to Finland, EUR 229,371 thousand (244,794) to Sweden, EUR 277,431 thousand (279,819) to Denmark and EUR 68,585 thousand (70,632) to Norway. See page 30 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 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, 44 (40) of our properties have solar panels. The electricity they generate annually corresponds to the electricity consumption for about 2,513 apartments or for driving more than about 25 million kilometres in an electric car. The annual CO₂ reduction is about 660 tCO₂. Additional solar panels have already been planned and discussions are in progress with several tenants about installing more. We have also installed solar panels at one property on our own initiative, and we are planning additional installations like this as they are both profitable and good for the environment. Cibus targets being climate neutral by 2030. There is a plan with milestones set to reduce emissions. Emissions that cannot be completely removed will be compensated.

Because of Cibus's ambitious sustainability objectives, the Company is able to secure green financing. In July 2023, the Company's Green Finance Framework was updated, with the level of ambition compared with previous frameworks having been raised. At the same time, a Sustainability-Linked Finance Framework was also launched, in which the interest expense is linked to the outcome of pre-set sustainability performance targets. The frameworks can be used for both bank and bond financing.

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. In addition to the risks described below, please see the "Risk management" section on pages 45-46 and Note 22 "Financial instruments" on pages 83-86 of the Cibus 2022 Annual Report.

Properties

Changes in property values

The property portfolio is measured at fair value. Fair value is based on market valuations performed by independent valuation institutes, which were Newsec, Cushman & Wakefield and CBRE for this reporting period. All properties are valued by external assessors each quarter. Ultimately, however, Cibus's management always determines the value of the property portfolio. Any deviation from the external assessors' valuation is made in consultation with Cibus's Board of Directors. The valuation as of the second quarter remains pervaded by a high degree of uncertainty. Cibus has adopted the external assessors' valuation for the quarter and the average net initial yield lies at 6.1%.

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% (94.9) and the weighted average unexpired lease term (WAULT) was 5.1 years. About 97% 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 cost increases that are not compensated by regulation in the lease. This risk is limited, however, as 90% of all leases are "triple-net" agreements or net leases, meaning that the tenant, in addition to the rent, pays most of the costs incurred on 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 refinancing risk. Currency risk arises when agreements are signed in currencies other than EUR. 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 hikes, the Group holds interest rate derivatives in the form of interest rate caps and interest rate swaps, but also loans at fixed rates. Refinancing risk refers to the risk that the Company will not be able to refinance its loans when they matures. To mitigate the refinancing risk, Cibus collaborates with several Nordic banks and institutions and maintains a maturity structure among its loans to ensure that they do not mature at the same time.

Russia's invasion of Ukraine and the macroeconomic situation

On 24 February 2022, Russia commenced a military invasion of Ukraine. In response, the EU and the US have imposed sanctions against Russia. The war does not affect Cibus's operations directly in the macroeconomic situation in which the company operates, but rather indirectly, through the resulting concerns in the financial markets and rising inflation. To curb inflation, central banks around the world have been raising interest rates at a faster rate than previously seen. The market expects continued interest rate hikes to reduce the rate of inflation, with macroeconomic forecasts having been revised down as a result. It is currently uncertain what effect the war in Ukraine will have on the Nordic economy and the capital and credit market in a longer perspective. In the short term, higher interest rates have had negative effects on Cibus's financial position and earnings.

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 2022 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 72-75 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 2022 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.

Related-party transactions

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 has already participated 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 has already participated 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.

At the Annual General Meeting on 20 April 2022, a resolution was taken to establish a warrant programme of 500,000 options for Cibus's CEO, company management and key employees. The subscription price is set at 110% of the average price for the Cibus's share on 5-9 May 2022 and amounts to EUR 21.48. The options can be subscribed for no earlier than 14 April 2025.

At the Annual General Meeting on 20 April 2023, a resolution was taken to establish a warrant programme of 386,000 options for Cibus's CEO, company management and key employees. The subscription price is set at 110% of the average price for the Cibus's share between 28 April and 5 May 2023 and amounts to EUR 10.41. The options can be subscribed for no earlier than 13 April 2026.

The purpose of the warrants programmes, 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 CEO, management, key employees and its shareholders are considered to increase.

The intention is that the warrant program for Company Management and other employees must reoccur annually.

Audit

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

The Cibus share

Cibus Nordic Real Estate (publ) is listed on Nasdaq Stockholm MidCap. The last price paid for the share on 30 June 2023 was SEK 104.85, corresponding to a market capitalisation of approximately SEK 6.0 billion. At the end of the period, there were slightly more than 48,000 shareholders. As of 30 June 2023, there were 57,246,140 ordinary shares outstanding. The Company has one (1) class of shares. Each share entitles the holder to one vote at the Annual General Meeting.

Events after the end of the period

On 11 July, it was announced that Cibus is launching an updated Green Finance Framework and a new Sustainability-Linked Finance Framework.

Presentation for investors, analysts and media

A live teleconference will be held at 10 a.m. (CEST) on 18 July 2023, at which CEO Sverker Källgård and CFO Pia-Lena Olofsson will present the report. The presentation will be held in English and will be broadcast live at <https://ir.financialhearings.com/cibus-nordic-real-estate-q2-2023>. To participate in the conference call, please register your intention to participate via the following link: <https://conference.financialhearings.com/teleconference/?id=5004605>. After registration, you will receive a phone number and a conference ID to log in to the conference. The exchange will open at 9:55 a.m. The presentation will subsequently be available at www.cibusnordic.com.

Dividend

For the 12-month period ensuing following the 2023 Annual General Meeting, it was determined that the dividend should total EUR 0.90 per share, distributed over 12 monthly dividends. The full wording of the resolution, with monthly amounts and reconciliation dates can be found at www.cibusnordic.com/investors/the-share/dividend-calendar/



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 on 18 July 2023.

Stockholm, 18 July 2023
Cibus Nordic Real Estate AB (publ)
Corporate registration number 559135-0599

Patrick Gylling

Chairman

Elisabeth Norman

Board member

Victoria Skoglund

Board member

Nils Styf

Board member

Stefan Gattberg

Board member

Sverker Källgård

CEO

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

7 Nov 2023	Interim Report Q3
29 Feb 2024	Year-end report
20 Mar 2024	Annual Report
15 Apr 2024	Annual General Meeting

For further information, please contact

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Cibus Nordic Real Estate AB (publ)
Kungsgatan 56
SE-111 22 Stockholm, Sweden

Pia-Lena Olofsson, CFO

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+46 708 580 453

www.cibusnordic.com

The share and shareholders

Cibus's shares are 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.

3

Gradually rising monthly dividends

Since October 2020, Cibus pays dividends monthly, with the objective of gradually increasing them.

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 the planned rate of investment (doubling the value of the property portfolio to a value of between EUR 2.5 billion and EUR 3 billion), this generates potential for favourable long-term growth in share value.

4

A segment with long-term resilience and stability

The grocery and daily-goods segment has experienced stable, non-cyclical growth over time. Historically, the grocery segment 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.

At the end of June 2023, market capitalisation amounted to approximately SEK 6.0 billion.



Cibus's shareholders

Cibus has been listed on Nasdaq Stockholm MidCap since 1 June 2021. Cibus's shares bear the ISIN code SE0010832204. As of 30 June 2023, the Company had slightly more than 48,000 shareholders. The 15 largest shareholders hold approximately 44% of the votes. None of these shareholders had a holding amounting to 10% or more of the votes in Cibus as of 30 June 2023.

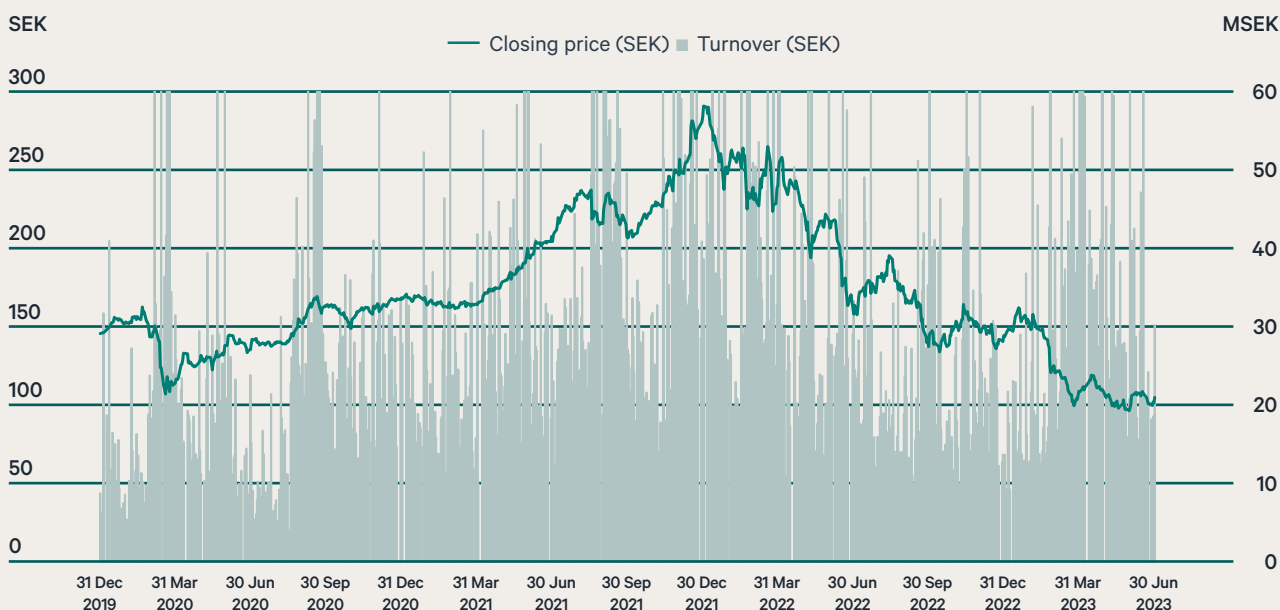
Shareholders as of 30 June 2023

Name	No. of shares	Percentage
Fjärde AP-fonden	4,666,549	8.2
Länsförsäkringar Fonder	3,340,367	5.8
Avanza Pension	2,308,361	4.0
Nordnet Pensionsförsäkring	2,094,671	3.7
Vanguard	1,944,200	3.4
BlackRock	1,671,843	2.9
Marjan Dragicevic	1,530,000	2.7
Sensor Fonder	1,438,391	2.5
Dragfast AB	1,400,000	2.5
Tredje AP-fonden	915,250	1.6
Carnegie Fonder	907,304	1.6
Handelsbanken Fonder	738,829	1.3
Columbia Threadneedle	609,225	1.1
Patrick Gylling	540,000	1.0
ACTIAM	539,610	1.0
Total, 15 largest shareholders	24,644,600	43.1
Other	32,601,540	56.9
Total	57,246,140	100

Source: Modular Finance

Share price performance

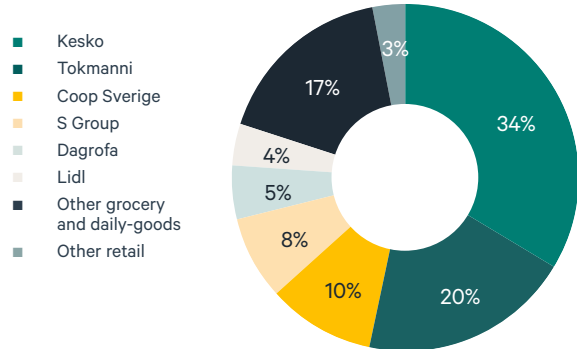
The stock market unease and the turbulence experienced since the outbreak of war in Ukraine, as well as rising inflation and interest rates have affected Cibus's share price. The closing price for Cibus's share on 30 June 2023 was SEK 104.85, corresponding to a market value of approximately SEK 6.0 billion. Average total turnover in the share in the second quarter of 2023 amounted to approximately SEK 85 million per day.



Tenants and lease structure

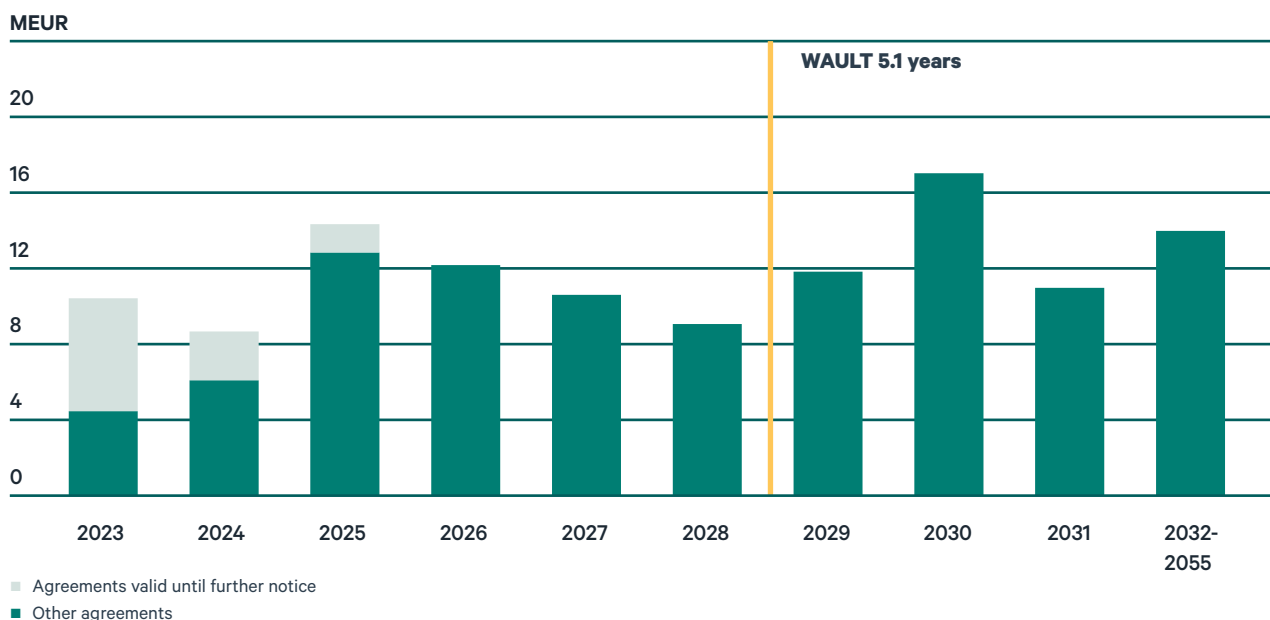
Tenants

About 97% of net operating income derives from grocery and daily-goods properties. The largest tenants are Kesko, Tokmanni, Coop Sverige, S Group, Dagrofa and Lidl. Other tenants in the grocery and daily-goods trade include NorgesGruppen, Reitan, Coop Danmark, Salling Group and ICA. The graph adjacent shows how net operating income is distributed among properties where the different grocery and daily-goods chains are the anchor tenants.



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. Because the options are generally exercised, and about the same number leases are extended each year, to date, the average length of the leases has been relatively stable over time. The average remaining maturity of the portfolio is 5.1 years.



Approximately 57% of the lease agreements that would expire in 2023 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 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 2023, Cibus's property portfolio comprised 455 relatively modern store properties, located in various growth regions across Finland, Sweden, Norway and Denmark. Approximately 69% of the portfolio's net operating income for the second quarter stems from properties in Finland, 14% from properties in Denmark, 13% from properties in Sweden and 4% from properties in Norway.

About 97% of total rental income derives from grocery and daily-goods properties. The largest grocery and daily-goods chains in the Nordic region perceive the properties as well suited to their operations. Anchor tenants account for 87% of rental income from grocery and daily goods stores and have an average unexpired lease term of 5.7 years.

During the second quarter, a property was acquired in Denmark. For further information, access www.cibusnordic.com.

Anchor tenant	No. of properties	Lettable area, m ²	Remaining term, years	Anchor tenant's remaining term, years	Anchor tenant's share of rent
Kesko	150	281,296	4.1	4.4	92%
Tokmanni	53	241,029	5.4	5.9	83%
Coop Sverige	112	121,871	6.6	6.7	97%
S Group	39	69,962	5.8	6.3	79%
Dagrofa	8	28,495	3.1	5.4	75%
Lidl	7	42,138	6.7	8.4	77%
Other grocery and daily-goods	67	130,102	6.3	7.1	85%
Other retail	19	66,168	2.6	n/a	n/a
Total portfolio	455	981,061	5.1	5.7	87%

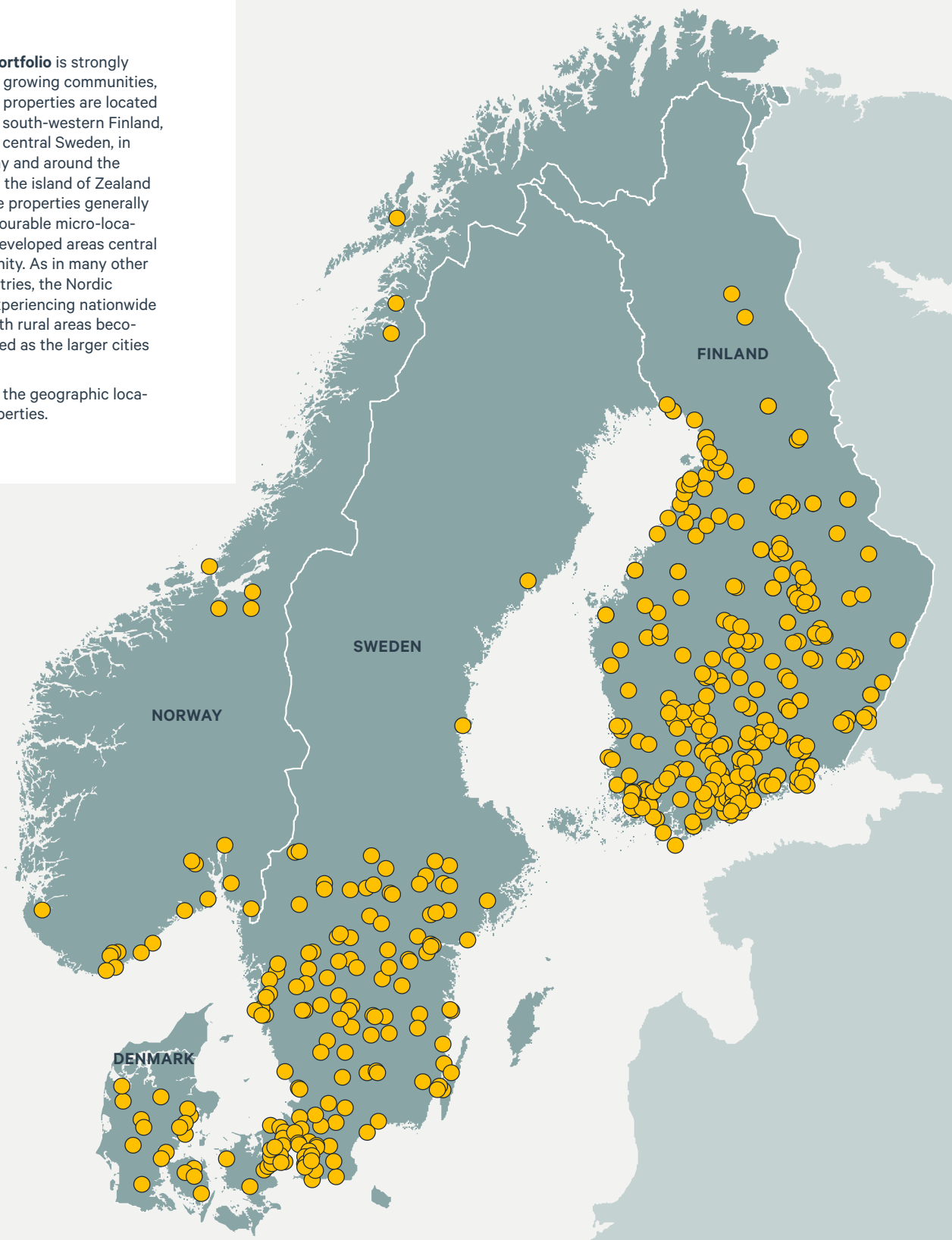


Geographic locations

The portfolio is diversified with favourable market coverage throughout the Nordic region.

The property portfolio is strongly concentrated in growing communities, and most of the properties are located in southern and south-western Finland, in southern and central Sweden, in southern Norway and around the largest cities on the island of Zealand in Denmark. The properties generally enjoy highly favourable micro-locations, close to developed areas central to each community. As in many other developed countries, the Nordic countries 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 2.0% of the portfolio's total net operating income, eliminating dependency on any individual property. Individually, only one property accounts for more than 1.5% of the portfolio's total net operating income.

Medium-sized supermarkets (1,000–3,000 m²) account for most grocery and daily-goods trade in Finland, Sweden, Denmark and Norway and represent the dominant type of store property in the portfolio.

Key figures

Annual net operating income is estimated at about EUR 111.3 million (current earnings capacity), based on Cibus's portfolio as of 1 July 2023.

Number of properties	455
Total lettable area, thousand m ²	981
Lettable area/property, m ²	2,156
Net operating income (current earnings capacity), EUR million	111.3
Net operating income, EUR/m ² (let area)	121
WAULT, years	5.1

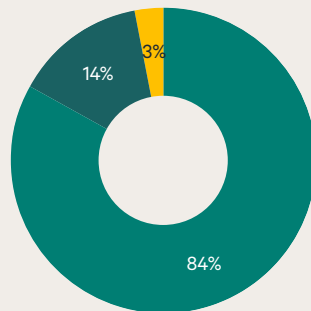


Financing

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

Financing sources

- Bank loans
EUR 916,787 thousand
- Bonds
EUR 149,062 thousand
- Hybrid bonds
EUR 30,000 thousand



Bank loans

Of Cibus's external funding sources, 83.7% comprise bank loans. As of 30 June 2023, the Group has bank loans of EUR 917 million with a weighted average credit margin of 1.7% and a weighted average capital maturity of 2.5 years. As collateral for the bank loans, Cibus has pledged mortgages in the properties on market terms.

Over the year, Cibus has increased existing credit facilities and raised new bank loans with the aim of reducing the volume of bonds outstanding.

Cibus holds interest rate hedges covering 100% of its bank loans and now even 75% of its bonds (including hedging done after end of Q2). The volumes of bank loans with floating interest are protected by interest rate caps or interest rate swaps and certain volumes of bank loans mature at fixed interest rates. The maximum interest rate on bank loans, once all procured interest rate hedges have come into effect, is 3.95% from September 2023 up to and including December 2024 and subsequently 4.05% for the first half of 2025. After that, the interest rate hedges gradually mature.

Maturity structure for interest rate hedges

Current interest rate caps

Amounts in EUR thousand	Interest rate cap	Maturity date
95,000	3M Euribor 0.50%	2 Nov 2023
35,000	3M Euribor 2.00%	29 Dec 2024
30,000	3M Euribor 0.50%	16 Jun 2025
105,000	3M Euribor 3.50%	16 Jun 2025
138,150	3M Euribor 2.00%	30 Sep 2025
50,600	3M Euribor 0.00%	10 Dec 2025
453,750		

Amounts in SEK thousand	Interest rate cap	Maturity date
572,220	3M Stibor 0.25%	4 Mar 2025
110,000	3M Stibor 0.25%	8 Jan 2026
30,000	3M Stibor 3.50%	8 Jan 2026
712,220		

Amounts in NOK thousand	Interest rate cap	Maturity date
120,000	3M Nibor 2.50%	15 Oct 2025
90,000	3M Nibor 2.50%	22 Dec 2025
72,275	3M Nibor 4.00%	30 Nov 2026
282,275		

Current interest rate swaps

Amounts in EUR thousand	Fixed interest	Maturity date
30,000	2.97%	29 Sep 2027
30,000		

Interest rate caps yet to come into effect as of Q2

Amounts in EUR thousand	Interest rate cap	Start date	Maturity date
90,000*	3M Euribor 1.50%	14 Jul 2023	14 Jul 2025
86,000	3M Euribor 2.00%	2 Nov 2023	30 Jan 2026
176,000			

Interest rate swaps yet to come into effect as of Q2

Amounts in EUR thousand	Fixed interest	Start date	Maturity date
20,000	2.94%	1 Jul 2023	1 Jul 2027
125,000	2.96%	15 Jul 2023	15 Jul 2027
70,000	2.97%	28 Aug 2023	28 Nov 2027
215,000			

Amounts in SEK thousand	Fixed interest	Start date	Maturity date
435,000	3.48%	17 Jul 2023	15 Jul 2027
435,000			

* Put in place after the end of Q2.

Bonds and hybrid bonds

Of Cibus's external financing sources, 13.6% comprise unsecured bonds for a nominal amount of EUR 149 million. In addition, Cibus has a hybrid bond loan of EUR 30 million, equivalent to 2.7% of the external financing. All outstanding bonds are issued under the Company's MTN programme and are listed on the Nasdaq Stockholm Corporate Bond list.

Cibus has not issued any new bonds during the year. A bond with an outstanding debt of EUR 61.8 million was repaid in full on 19 June and, in addition to that, repurchases have been made during the year for a further EUR 28.5 million and SEK 21.3 million, see table below for more details.

Outstanding bonds and hybrid bonds

Type	Maturity	ESG	Currency	Amount issued	Own holdings	Reference rate	Credit margin	ISIN	Comments
Bond	29 Dec 2024	Green	EUR	50,000,000	18,000,000	3M Euribor	4.00%	SE0013360716	-
Bond	2 Sep 2025	Green	SEK	700,000,000	21,250,000	3M Stibor	5.95%	SE0017071517	-
Bond	1 Dec 2025	-	EUR	70,000,000	10,500,000	3M Euribor	7.00%	SE0013360849	-
Hybrid bond	-	-	EUR	30,000,000	-	3M Euribor	4.75%	SE0013360344	First call date 24 Sep 2026

Average interest rate, as well as capital and interest maturity structure

As of 30 June 2023, the closing average interest rate was 4.6% (2.5). The table below illustrates the loan maturity and interest maturity profiles. The interest maturity profile includes interest rate hedges procured before the end of Q2 which gradually come into effect over the remainder of the year. Cibus's target is to maintain the interest coverage ratio, measured over a rolling 12-month period, at a multiple of more than 2.0. With the Company's low exposure to floating interest rates (including interest rate hedges put in place after end of Q2) it is expected that this target can be maintained for the next 12 months, as long as underlying reference rates are below 9.0%. The MTN programme regulating the Company's bonds includes a covenant that the interest coverage ratio must exceed a multiple of 1.75.

Loan maturity							Interest rate hedging**	
Interval	Secured bank loans		Bond*		Total borrowings		Total borrowings	
	EUR thousand	Average margin	TEUR	Average margin	TEUR	Percentage	EUR thousand	Percentage
0-1 year	1,097	0.5%	-	-	1,097	0%	126,614	12%
1-2 years	260,900	1.5%	32,000	4.0%	292,900	27%	218,527	21%
2-3 years	521,051	2.0%	117,062	6.5%	638,113	60%	307,730	29%
3-4 years	133,738	0.9%	-	-	133,738	13%	412,976	39%
Total	916,787	1.7%	149,062	6.0%	1,065,848	100%	1,065,848	100%

*Refers to outstanding amount (the amount issued less Cibus's own holdings).

** Following the end of Q2 additional interest rate hedges of EUR 90,000 thousand have been put in place until and including 2025 which are not included in the table above.

Interest rate sensitivity analysis

Based on the reported earnings capacity and taking into account existing fixed interest rates loans and interest rate caps, as well as interest rate swaps and interest rate caps coming into effect over the remainder of the year (incl hedges done after end of Q2), the effect on profit of an increase in the market interest rate of 1% would be negative by about EUR -900 thousand on an annual basis. The effect on profit of a 2% increase would be a negative EUR -1,400 thousand on an annual basis.



A photograph of a modern building with a balcony. A person is standing on the balcony. The building has large windows and a balcony with a glass railing. The text "Financial statements" is overlaid on the image.

Financial statements

Market

Market

7-22

8-22

Consolidated income statement

Amounts in EUR thousand	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Rental income	29,633	27,193	59,300	50,658	106,722
Service income	4,167	3,391	9,475	8,056	17,297
Operating expenses	-4,506	-4,336	-10,627	-9,714	-20,035
Property tax	-1,244	-1,059	-2,498	-2,042	-4,377
Net operating income	28,050	25,189	55,650	46,958	99,607
Administrative expenses	-2,112	-1,843	-4,307	-3,985	-8,531
Net financial items	-14,395	-9,796	-28,009	-14,848	-35,894
Profit from property management	11,543	13,550	23,334	28,125	55,182
Realised change in value of investment properties	-	99	-	99	60
Unrealised change in value of investment properties	-8,258	17,183	-16,735	43,715	28,143
Unrealised change in value of interest-rate derivatives	2,495	7,272	-	8,889	14,102
Earnings before tax	5,780	38,104	6,599	80,828	97,487
Current tax	-39	80	-83	-206	-281
Deferred tax	-1,751	-7,353	-559	-14,268	-17,216
Earnings after tax	3,990	30,831	5,957	66,354	79,990
Average No. of shares outstanding	54,730,612	48,420,666	51,603,574	46,392,711	47,425,672
Earnings per share* before and after dilution, EUR	0.06	0.63	0.09	1.42	1.66

*Earnings per share include interest on hybrid bonds.

Consolidated statement of comprehensive income

Amounts in EUR thousand	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Earnings after tax	3,990	30,831	5,957	66,354	79,990
Other comprehensive income					
Translation differences for the period in the translation of foreign operations	-3,516	-2,501	-6,420	-3,399	-5,915
Total comprehensive income*	474	28,330	-463	62,955	74,075

*Earnings after tax and comprehensive income are entirely attributable to Parent Company shareholders.

Consolidated statement of financial position

Amounts in EUR thousand	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets			
Investment properties	1,815,393	1,832,989	1,850,911
Right-of-use assets	10,607	9,697	9,986
Other tangible assets	98	48	117
Intangible assets	136	197	158
Deferred tax assets	4,179	4,352	2,193
Interest rate derivatives ¹	23,038	8,601	14,719
Other non-current receivables	35	31	36
Total non-current assets	1,853,486	1,855,915	1,878,120
Current assets			
Rental receivables	1,012	650	800
Other current receivables	377	1,982	451
Prepaid expenses and accrued income	3,442	3,260	4,361
Cash and cash equivalents	40,893	28,893	45,994
Total current assets	45,724	34,785	51,606
TOTAL ASSETS	1,899,210	1,890,700	1,929,726
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Share capital	572	484	484
Other contributed capital	666,816	596,999	596,968
Reserves	-9,451	-515	-3,031
Profit brought forward, incl. earnings after tax	27,333	60,542	73,387
Equity, excluding hybrid bonds	685,270	657,510	667,808
Hybrid bond	30,000	30,000	30,000
Total shareholders' equity *	715,270	687,510	697,808
Non-current liabilities			
Borrowings ²	1,059,395	1,028,986	1,052,747
Deferred tax liabilities	46,516	44,493	45,244
Other non-current liabilities	13,854	13,222	13,501
Total non-current liabilities	1,119,765	1,086,701	1,111,492
Current liabilities			
Current portion of borrowing ²	945	58,556	80,453
Current portion interest rate derivatives	972	785	1,875
Accounts payable	449	497	1,132
Current tax liabilities	1,538	1,814	1,924
Other current liabilities	5,491	8,337	7,951
Accrued expenses and deferred income	54,780	46,500	27,091
Total current liabilities	64,175	116,489	120,426
Total liabilities	1,183,940	1,203,190	1,231,918
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,899,210	1,890,700	1,929,726

*Corresponds to equity attributable to Parent Company's shareholders.

¹In the second quarter, Cibus acquired interest rate derivatives to protect the Company against potential future interest rate increases.

²In the second quarter, Cibus repurchased the remainder of its EUR bond of EUR 135 million, which amounted to EUR 61.8 million. The Company has also used capital from April's new share issue, combined with additional bank facilities, to also repurchase other outstanding bonds.

Consolidated statement of changes in equity

Amounts in EUR thousand	Equity attributable to Parent Company shareholders						
	Share capital	Other contributed capital	Reserves	Profit brought forward, incl. earnings after tax	Total	Hybrid bond	Total shareholders' equity
Opening equity, 1 Jan 2022	440	507,155	2,884	42,783	553,262	30,000	583,262
Earnings after tax Jan-Jun 2022	-	-	-	66,354	66,354	-	66,354
Other comprehensive income Jan-Jun 2022	-	-	-3,399	-	-3,399	-	-3,399
Comprehensive income for the period	-	-	-3,399	66,354	62,955	-	62,955
New share issue	44	92,450	-	-	92,494	-	92,494
Repurchase of options	-	-1,303	-	-	-1,303	-	-1,303
Exercise of options	-	307	-	-	307	-	307
Issue expenses	-	-2,028	-	-	-2,028	-	-2,028
Tax effect of issue expenses	-	418	-	-	418	-	418
Dividends to shareholders	-	-	-	-47,951	-47,951	-	-47,951
Dividend, hybrid bond	-	-	-	-644	-644	-	-644
Closing equity, 30 Jun 2022	484	596,999	-515	60,542	657,510	30,000	687,510
Earnings after tax Jul-Dec 2022	-	-	-	13,636	13,636	-	13,636
Other comprehensive income Jul-Dec 2022	-	-	-2,516	-	-2,516	-	-2,516
Comprehensive income for the period	-	-	-2,516	13,636	11,120	-	11,120
Adjustment of options	-	-31	-	-	-31	-	-31
Dividend, hybrid bond	-	-	-	-791	-791	-	-791
Closing equity, 31 Dec 2022	484	596,968	-3,031	73,387	667,808	30,000	697,808
Opening equity, 1 Jan 2023	484	596,968	-3,031	73,387	667,808	30,000	697,808
Earnings after tax Jan-Jun 2023	-	-	-	5,957	5,957	-	5,957
Other comprehensive income Jan-Jun 2023	-	-	-6,420	-	-6,420	-	-6,420
Comprehensive income for the period	-	-	-6,420	5,957	-463	-	-463
New share issue	88	71,042	-	-	71,130	-	71,130
Exercise of options	-	22	-	-	22	-	22
Issue expenses	-	-1,532	-	-	-1,532	-	-1,532
Tax effect of issue expenses	-	316	-	-	316	-	316
Dividends to shareholders	-	-	-	-50,905	-50,905	-	-50,905
Dividend, hybrid bond	-	-	-	-1,106	-1,106	-	-1,106
Closing equity, 30 Jun 2023	572	666,816	-9,451	27,333	685,270	30,000	715,270

Consolidated cash-flow statement

Amounts in EUR thousand	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Operating activities					
Earnings before tax	5,780	38,104	6,599	80,828	97,487
Adjustment for:					
- Financial items ¹	13,538	7,501	22,975	13,406	30,988
- Unrealised changes in value, investment properties	8,258	-17,183	16,735	-43,715	-28,143
- Unrealised changes in value, interest-rate derivatives	-2,495	-7,272	-	-8,889	-14,102
- Unrealised exchange rate differences	472	-1,920	1,109	-2,404	1,471
- Change in deferred tax in connection with acquisitions	-	7,277	-	5,656	-
Tax paid	-	-	-33	-	-
Cash flow from operating activities before changes in working capital	25,553	26,507	47,385	44,882	87,701
Cash flow from changes in working capital					
Change in current receivables	2,673	12,954	722	-470	-466
Change in current liabilities	2,945	-1,801	-2,732	-286	9,145
Cash flow from operating activities	31,171	37,660	45,375	44,126	96,380
Investing activities					
Property acquisitions	-2,053	-285,205	-2,124	-301,392	-341,858
Property sales	-	651	-	651	660
Investments in current buildings	-439	-280	-751	-829	-3,714
Other investments	-	-17	-	-19	-30
Cash flow from investing activities	-2,492	-284,851	-2,875	-301,589	-344,942
Financing activities					
New share issue	71,130	403	71,130	92,450	92,494
Repurchase of options	-	-1,303	-	-1,303	-1,303
Exercise of options	22	307	22	307	274
Issue expenses	-1,532	-764	-1,532	-2,028	-2,028
Dividends to shareholders	-11,978	-11,619	-24,088	-22,179	-46,400
Dividend, hybrid bond	-607	-336	-1,106	-638	-1,435
Bond repurchases	-92,125	-	-106,625	-	-
Proceeds from borrowings	54,272	125,375	54,272	183,643	693,170
Repayment of debt	-7,283	-1,295	-7,521	-1,902	-457,662
Loan arrangement fees	-675	-232	-764	-930	-4,838
Interest paid ¹	-11,318	-6,565	-19,896	-12,011	-25,604
Early redemption fees ¹	-1,515	-400	-1,688	-400	-2,660
Premium for financial instrument	-9,424	-	-9,424	-	-
Cash flow from financing activities	-11,033	103,571	-47,220	235,009	244,008
Cash flow for the year	17,646	-143,620	-4,720	-22,454	-4,554
Cash and cash equivalents at the start of the financial year	23,504	172,238	45,994	51,054	51,054
Exchange rate difference in cash and cash equivalents	-257	275	-381	293	-506
Cash and cash equivalents at the close of the financial year	40,893	28,893	40,893	28,893	45,994

¹ As of an earlier date, we also include amortisations and accruals of arrangement fees under financial items. Over the quarter, interest paid and early redemption fees were reclassified to financing activities. The items reclassified to financing activities are those directly linked to the Company's loans and bonds as we believe that showing these cash flows in financing activities will provide a fairer view. The comparison periods have also been adjusted.

Parent Company income statement and statement of comprehensive income

Amounts in EUR thousand	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Operating income	532	436	1,065	872	2,081
Operating expenses	-1,001	-843	-1,703	-1,974	-3,413
Operating loss	-469	-407	-638	-1,102	-1,332
Profit/loss from financial items					
Interest income and similar income statement items	4,813	4,827	9,552	8,827	23,425
Interest expenses and similar income statement items	-5,878	-3,364	-12,469	-3,906	-13,311
Loss after financial items	-1,534	1,056	-3,555	3,819	8,782
Appropriations					
Group contributions	-	-	-	-	2,025
Earnings before tax	-1,534	1,056	-3,555	3,819	10,807
Tax	236	-90	665	-474	-1,928
Earnings after tax*	-1,298	966	-2,890	3,345	8,879

*Earnings after tax and comprehensive income are entirely attributable to Parent Company shareholders.

Parent Company Balance Sheet

Amounts in EUR thousand	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets			
Capitalised software expenditure	136	197	158
Equipment	7	9	10
Shares in subsidiaries	264,573	250,734	261,514
Deferred tax assets	2,922	3,396	1,941
Non-current receivables from Group companies	514,575	530,465	513,841
Other non-current receivables	963	2,965	3,317
Total non-current assets	783,176	787,766	780,781
Current assets			
Current receivables from Group companies	21,853	9,389	8,761
Other current receivables	59	1,042	53
Prepaid expenses and accrued income	131	146	82
Cash and cash equivalents	15,607	12,060	20,368
Total current assets	37,650	22,637	29,264
TOTAL ASSETS	820,826	810,403	810,045
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Share capital	572	484	484
Total restricted equity	572	484	484
Share premium reserve	666,816	596,552	596,968
Hybrid bond	30,000	30,000	30,000
Profit brought forward	-201,859	-156,646	-158,727
Earnings after tax	-2,890	3,345	8,879
Total unrestricted equity	492,067	473,251	477,120
Total shareholders' equity	492,639	473,735	477,604
Non-current liabilities			
Bond loan ¹	147,233	183,533	180,419
Total non-current liabilities	147,233	183,533	180,419
Current liabilities			
Bond loan ¹	-	56,160	76,300
Current liabilities	140,759	59,890	62,060
Accounts payable	101	169	113
Other current liabilities	114	72	135
Accrued expenses and deferred income	39,980	36,844	13,414
Total current liabilities	180,954	153,135	152,022
Total liabilities	328,187	336,668	332,441
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	820,826	810,403	810,045

¹In the second quarter, Cibus repurchased the remainder of its EUR bond of EUR 135 million, which amounted to EUR 61.8 million. The Company has also used capital from April's new share issue, combined with additional bank facilities, to also repurchase other outstanding bonds.

Segment data

Q2 2023 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	20,730	3,613	1,093	4,197	29,633
Service income	3,221	389	38	519	4,167
Operating expenses	-3,744	-256	-66	-440	-4,506
Property tax	-776	-193	-22	-253	-1,244
Net operating income	19,431	3,553	1,043	4,023	28,050
Investment properties	1,240,006	229,371	68,585	277,431	1,815,393

Q2 2022 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	19,209	3,426	916	3,642	27,193
Service income	2,849	394	18	130	3,391
Operating expenses	-3,653	-292	-41	-350	-4,336
Property tax	-739	-197	-24	-99	-1,059
Net operating income	17,666	3,331	869	3,323	25,189
Investment properties	1,237,744	244,794	70,632	279,819	1,832,989

Jan-Jun 2023 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	41,343	7,358	2,276	8,323	59,300
Service income	7,586	783	86	1,020	9,475
Operating expenses	-9,065	-553	-152	-857	-10,627
Property tax	-1,562	-382	-50	-504	-2,498
Net operating income	38,302	7,206	2,160	7,982	55,650
Investment properties	1,240,006	229,371	68,585	277,431	1,815,393

Jan-Jun 2022 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	38,306	6,867	1,843	3,642	50,658
Service income	7,158	733	35	130	8,056
Operating expenses	-8,780	-501	-83	-350	-9,714
Property tax	-1,501	-396	-46	-99	-2,042
Net operating income	35,183	6,703	1,749	3,323	46,958
Investment properties	1,237,744	244,794	70,632	279,819	1,832,989

Full-year 2022 Amounts in EUR thousand	Cibus Finland	Cibus Sweden	Cibus Norway	Cibus Denmark	Cibus Group
Rental income	77,159	13,796	4,144	11,623	106,722
Service income	14,364	1,639	112	1,182	17,297
Operating expenses	-17,665	-1,016	-237	-1,117	-20,035
Property tax	-2,649	-839	-99	-790	-4,377
Net operating income	71,209	13,580	3,920	10,898	99,607
Investment properties	1,249,087	243,180	76,598	282,046	1,850,911

The first properties in Denmark were acquired on 6 April 2022. Prior to that the property portfolio was located entirely in Finland, Sweden and Norway.

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 ceilings 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 22,066 thousand (7,816).

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

Unless otherwise stated, in EUR thousands.	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Rental income	29,633	27,193	59,300	50,658	106,722
Net operating income	28,050	25,189	55,650	46,958	99,607
Profit from property management	11,543	13,550	23,334	28,125	55,182
Earnings after tax	3,990	30,831	5,957	66,354	79,990
No. of shares outstanding	57,246,140	48,441,792	57,246,140	48,441,792	48,441,792
Average No. of shares outstanding	54,730,612	48,420,666	51,603,574	46,392,711	47,425,672
Earnings per share, EUR ¹	0.06	0.63	0.09	1.42	1.66
EPRA NRV/share, EUR	13.0	15.0	13.0	15.0	14.7
EPRA NTA/share, EUR	13.0	15.0	13.0	15.0	14.7
EPRA NDV/share, EUR	12.2	14.1	12.2	14.1	13.7
Investment properties	1,815,393	1,832,989	1,815,393	1,832,989	1,850,911
Cash and cash equivalents	40,893	28,893	40,893	28,893	45,994
Total assets	1,899,210	1,890,700	1,899,210	1,890,700	1,929,726
Return on shareholders' equity, %	2.3	17.7	1.7	20.9	12.5
Senior debt LTV ratio, %	50.5	46.4	50.5	46.4	47.6
Net debt LTV ratio, %	56.5	58.0	56.5	58.0	59.1
Interest coverage ratio, multiple	2.4	3.5	2.4	3.5	3.1
Equity/asset ratio, %	37.7	36.4	37.7	36.4	36.2
Debt/equity ratio, multiple	1.7	1.8	1.7	1.8	1.8
Surplus ratio, %	94.7	92.6	93.8	92.7	93.3
Economic occupancy rate, %	94.8	95.0	94.8	94.9	94.8
Proportion grocery and daily-goods stores, %	93.3	94.5	93.3	94.5	94.1

¹ *Earnings per share include interest on hybrid bonds, 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 per share; EPRA NTA per share; EPRA NDV per share; Senior debt LTV ratio; Net debt LTV ratio; Interest coverage ratio, Economic occupancy rate and The Proportion of grocery and daily-goods stores.

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

Key figures	Definition	Purpose
Earnings per share	Earnings after tax, plus interest on hybrid bonds, divided by the average number of shares outstanding.	Earnings per share is used to highlight shareholder earnings after tax per share.
EPRA NRV/share	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.	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	Equity, excluding hybrid bonds, with reversal of intangible assets, 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	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 and hybrid bond loans.
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 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 have been recalculated on a full-year basis.	Cibus uses this key figure to highlight how sensitive the Company's earnings are to interest rate fluctuations.
Equity/asset ratio, %	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 and daily-goods properties.

Reconciliation of alternative key figures

Unless otherwise stated, in EUR thousands	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Equity, excluding hybrid bonds	685,270	657,510	685,270	657,510	667,808
Reversal of derivatives	-22,066	-7,816	-22,066	-7,816	-12,844
Reversal of deferred tax	42,337	40,141	42,337	40,141	43,051
Reversal of unpaid dividends	38,927	36,331	38,927	36,331	12,110
EPRA NRV	744,468	726,166	744,468	726,166	710,125
No. of shares outstanding	57,246,140	48,441,792	57,246,140	48,441,792	48,441,792
EPRA NRV/share, EUR	13.0	15.0	13.0	15.0	14.7
Equity, excluding hybrid bonds	685,270	657,510	685,270	657,510	667,808
Reversal of intangible assets	-136	-197	-136	-197	-158
Reversal of derivatives	-22,066	-7,816	-22,066	-7,816	-12,844
Reversal of deferred tax	42,337	40,141	42,337	40,141	43,051
Reversal of unpaid dividends	38,927	36,331	38,927	36,331	12,110
EPRA NTA	744,332	725,969	744,332	725,969	709,967
No. of shares outstanding	57,246,140	48,441,792	57,246,140	48,441,792	48,441,792
EPRA NTA/share, EUR	13.0	15.0	13.0	15.0	14.7
Equity, excluding hybrid bonds	685,270	657,510	685,270	657,510	667,808
Reversal of derivatives	-22,066	-7,816	-22,066	-7,816	-12,844
Reversal of assessed fair value of deferred tax assets	-4,179	-4,352	-4,179	-4,352	-2,193
Reversal of unpaid dividends	38,927	36,331	38,927	36,331	12,110
EPRA NDV	697,952	681,673	697,952	681,673	664,881
No. of shares outstanding	57,246,140	48,441,792	57,246,140	48,441,792	48,441,792
EPRA NDV/share, EUR	12.2	14.1	12.2	14.1	13.7
Earnings after tax	3,990	30,831	5,957	66,354	79,990
Average equity	705,821	698,069	706,539	635,386	640,535
Return on shareholders' equity, %	2.3	17.7	1.7	20.9	12.5
Senior secured debt	916,787	850,275	916,787	850,275	880,111
Investment properties	1,815,393	1,832,989	1,815,393	1,832,989	1,850,911
Senior debt LTV ratio, %	50.5	46.4	50.5	46.4	47.6
Liabilities to credit institutions	1,065,849	1,091,436	1,065,849	1,091,436	1,139,341
Cash and cash equivalents	-40,893	-28,893	-40,893	-28,893	-45,994
Net debt	1,024,956	1,062,543	1,024,956	1,062,543	1,093,347
Investment properties	1,815,393	1,832,989	1,815,393	1,832,989	1,850,911
Net debt LTV ratio, %	56.5	58.0	56.5	58.0	59.1
Net operating income *	108,299	86,601	108,299	86,601	99,607
Administrative expenses *	-8,853	-6,909	-8,853	-6,909	-8,531
Financial income *	120	53	120	53	92
Total	99,566	79,745	99,566	79,745	91,168
Interest expenses including hedging expenses for interest rate caps *	-40,884	-22,586	-40,884	-22,586	-29,019
Interest coverage ratio, multiple (rolling 12 months)	2.4	3.5	2.4	3.5	3.1
Equity	715,270	687,510	715,270	687,510	697,808
Total assets	1,899,210	1,890,700	1,899,210	1,890,700	1,929,726
Equity/asset ratio, %	37.7	36.4	37.7	36.4	36.2
Total liabilities	1,183,940	1,203,190	1,183,940	1,203,190	1,231,918
Equity	715,270	687,510	715,270	687,510	697,808
Debt/equity ratio, multiple	1.7	1.8	1.7	1.8	1.8
Net operating income	28,050	25,189	55,650	46,958	99,607
Rental income	29,633	27,193	59,300	50,658	106,722
Surplus ratio, %	94.7	92.6	93.8	92.7	93.3
Rental income	29,633	27,193	59,300	50,658	106,722
Rental value	31,269	28,613	62,569	53,390	112,556
Economic occupancy rate, %	94.8	95.0	94.8	94.9	94.8
Grocery and daily-goods properties	914,893	906,540	914,893	906,540	922,531
Total property area	981,061	959,507	981,061	959,507	980,576
Proportion grocery and daily-goods stores, %	93.3	94.5	93.3	94.5	94.1