

## **The board's proposal regarding allocation of the company's result according to the adopted balance sheet and the adopted consolidated balance sheet and if resolution on dividend, record date for dividend and reasoned statement according to Chapter 18 Section 4 of the Swedish Companies Act**

### **Proposal regarding allocation of the company's result according to the adopted balance sheet and the adopted consolidated balance sheet and if resolution on dividend, record date for dividend.**

The board of Cibus Nordic Real Estate AB (publ), reg. no. 559135-0599, proposes that the annual general meeting on 18 October 2018 resolves on a dividend as set out below. The board further proposes that EUR 285,092,970 are carried forward to a new account.

Of unappropriated earnings of EUR 303,752,970, a dividend of EUR 0.6 per share shall be paid, corresponding to a total amount of EUR 18,660,000. The board proposes a dividend of EUR 0.2 per share and per annual quarter. This sums up to EUR 0.8 per share distributed over a full calendar year. The board however proposes, at this annual general meeting, an amendment to the company's articles of association to change the company's financial year from broken to a calendar year. If the annual general meeting resolves to change the company's financial year in accordance with the board's proposal this means, considering that the board intends to apply a shortened financial year for the period 1 July 2018 – 31 December 2018, that the next annual general meeting will be held in spring 2019. Since an annual general meeting cannot decide on a record date for dividend at a date occurring after the next upcoming annual general meeting, the board proposes that this annual general meeting resolves on three quarterly dividends of each EUR 0.2 per share, i.e. in total EUR 0.6 per share.

The board further proposes that the record dates for dividends are 22 October 2018, 28 December 2018 and 29 March 2019 and expected dates for payment are 29 October 2018, 8 January 2019 and 5 April 2019.

## **The board's reasoned statement regarding the proposed dividend**

The board finds that there will be full coverage for the company's restricted shareholders' equity after the proposed dividend and estimates that the shareholders' equity after the proposed dividend will be sufficient in relation to the nature of the business (the company's and the group's), its scope and risks. The board is of the opinion that the company's and the group's business do not entail cyclical risks or other risks beyond what is normal within the business or normal in the industry.

The group's solvency (equity/total assets) has been calculated to 42.2 percent as of 30 June 2018. Following the proposed dividend, the group's solvency has been calculated to 40.8 percent pro forma as of 30 June 2018, which the board considers to be sufficient considering the company's and the group's type of business and size.

The group's liquidity (current assets/current liabilities) has been estimated to approximately 240.8 percent as of 30 June 2018. The board estimates that the company and the group will have a satisfactory liquidity reserve after the proposed dividend and thus be able to fulfill their obligations in a short-term perspective and that the company's long-term liquidity need is not compromised by the proposed dividend.

The board estimates that the company's and the group's financial position is such that the company and the group will be able to make the necessary investments to continue operating the business at its present level.

To summarise, it is the board's opinion that the proposed dividend is justified with reference to the requirements that the nature of the business (the company's and the group's), its scope and risks place on the size of the shareholders' equity and the company's and the group's respective consolidation requirements, liquidity and position in general. In its assessment the board has considered the conditions presented in the annual report, conditions that have arisen after the end of the financial year 2017/2018 and overall the board's perception of conditions which may affect the company's and the group's financial position and future performance.

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Stockholm, September 2018

Cibus Nordic Real Estate AB (publ)

The board of directors