

AURORA



Q4 2022
REPORT



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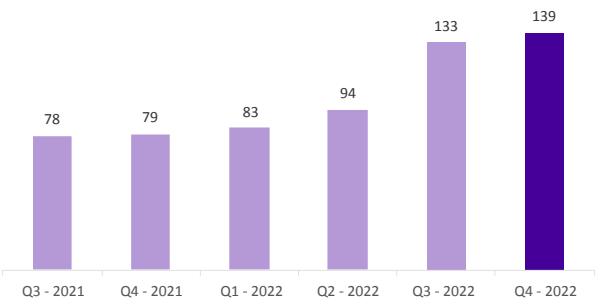
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HIGHLIGHTS AND SUMMARY OF THE

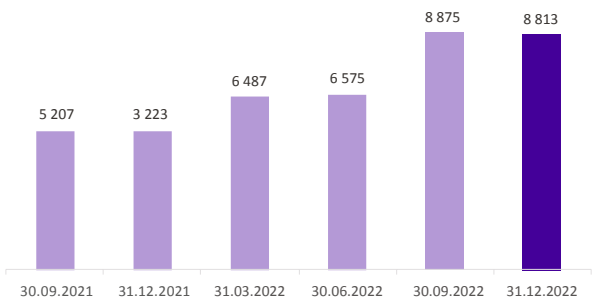
Fourth quarter of 2022

- Rental income in Q4 was NOK 138,7 million (NOK 79,4 million). Aurora Eiendom´s portfolio in 2021 consisted of five shopping centers acquired in July 2021. Aurora Eiendom has increased its portfolio of shopping centers with Buskerud Storsenter, Gulskogen Senter and Arkaden Senter during 2022.
- Aurora Eiendom has increased its indirect ownership in Jærhagen Kjøpesenter from 8,75% to 10% in the quarter
- The quarter´s gross tenant turnover in our fully owned centers was NOK 2 652 million, which is a like-for-like reduction of 0,6% compared to Q4 2021.
- For the year in total, like-for-like gross tenant turnover was NOK 8,4 bn (NOK 8,2 bn), an increase of 3,2%

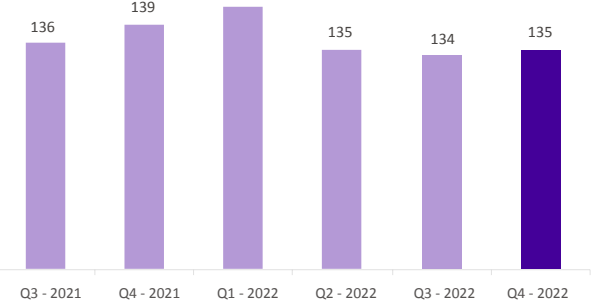
Gross rental income
(NOK million)



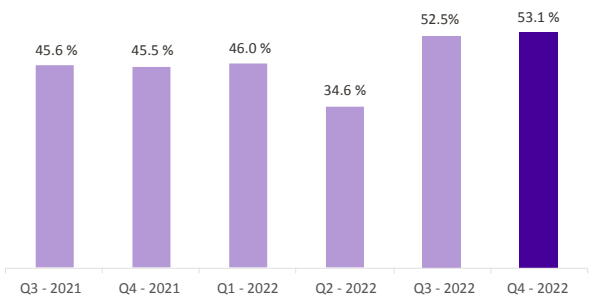
Value of investment properties
(NOK million)



EPRA NRV per share
(NOK)



Net Loan to value
(LTV)



LETTER FROM THE CEO

Above expectations

With high cost levels, purchasing power under pressure and an increasing uncertainty among the consumers it was with limited expectations towards the tenant turnover we entered the fourth quarter. However, when we now summarize the retail industry's most important quarter of the year, we are pleased to see that 2022 ended stronger than expected, and in line with the previous year.

The shopping center portfolio had a tenant turnover in the quarter of NOK 2.7 billion, a reduction of 0.6 per cent compared to last year. However, if we exclude grocery stores and alcoholic beverages, that came down from high levels in the pandemic years, we can see that the rest of the tenant portfolio had an overall positive development in turnover.

The shopping center segment delivered a strong year in total, where several of the centers in our portfolio set turnover records and we are satisfied with the overall turnover development. It is particularly positive that categories such as travel effects, restaurants, clothes, and shoes continue the positive trend from 2021.

In total for the year, the centers had a turnover of NOK 8.4 billion, an increase of 3.2 per cent compared to the year before. If we do the same calculation as for the fourth quarter and exclude groceries and alcoholic beverages the remaining categories had a total turnover growth of 7.5 per cent.

We are especially proud of Alti Nordbyen, which can show to both turnover and visitor records, and passed NOK 600 million in tenant turnover for the first time in history.

During the fourth quarter leases with a total of 2,722 square meters started and 2,441 square meters expired, corresponding to a net leased area of 0.1 per cent. In the same period leases representing 3.7 per cent of the portfolio's gross lettable area were extended.

We continue to work to strengthen the centers as destinations and attractive meeting places, and as a part



of this journey we opened the popular restaurant concept Sabrura Sticks & Sushi at both Alti Amanda and Nerstranda before Christmas.

The early phase development work with our green field projects were made public in December, with the submitting of planning initiatives for both the development plot next to Alti Buskerud and Hovlandbanen next to Alti Nordbyen. It is with excitement that we look forward to seeing what these projects can add to the already strong destinations, with a combination of shopping, services, and residential areas.

The stabilization of the long-term interest rates resulted in a smaller adjustment of the valuation yields than in the previous quarter, with a weighted average increase of 0.05 percentage points for the portfolio. Although increased rental levels and the leasing activity contributed positively to the development of the property values, the increase in valuation yields combined with reduced inflation expectations for the coming years led to a write down of NOK 65 million for the shopping center portfolio.

We are welcoming the year 2023 expecting that new opportunities will emerge, and we are looking forward to several openings of new stores and restaurants. While we at the same time are aware that cost levels and reduced purchasing power can cause challenges that will require good craftsmanship to handle in the best possible way.

Lars Ove Løseth
CEO

Key figures

Group Key Figures		Q4 2022	Q4 2021	2022	2021
Rental Income	NOK	138 715 629	79 418 811	447 915 298	158 043 738
Net income from property management	NOK	116 309 335	68 002 971	377 828 438	129 008 000
		31.12.2022	31.12.2021	31.12.2022	31.12.2021
Market value of property portfolio	NOK	8 813 000 000	5 222 900 000	8 813 000 000	5 222 900 000
Net interest bearing debt *	NOK	4 681 651 166	2 377 271 564	4 681 651 166	2 377 271 564
Outstanding shares		30 962 431	20 550 400	30 962 431	20 550 400
Equity per share	NOK	130,5	130,7	130,5	130,7
Alternative performance measures*		Q4 2022	Q4 2021	2022	2021
Interest coverage ratio		2.1	3.1	2.2	3.2
Loan to Value (LTV)	%	53.1 %	45.5 %	53.1 %	45.5 %
EPRA earnings per share (EPS)	NOK	1,93	1,76	6,39	6,37
EPRA NRV per share	NOK	135	139	135	139
EPRA NTA per share	NOK	130	135	130	135
EPRA NDV per share	NOK	131	131	131	131
EPRA Net Initial Yield	%	5.76	5.36	5.76	5.36
EPRA Topped-Up Net Initial Yield	%	5.85	5.53	5.85	5.53
Net Initial Yield Fully Let	%	6.01	5.64	6.01	5.64
EPRA Vacancy Rate	%	2.2	1.8	2.2	1.8
* See Alternative Performance Measures for details.					

Leasing portfolio summary		Q4 2022	Q3 2022	Q2 2022	Q1 2022
Properties fully owned	#	8	8	6	6
GLA	sqm	202 323	201 905	146 558	146 152
Occupancy *	%	93.4	93.6	91.8	91.2
WAULT	year	3.3	2.6	2.6	2.7
Annualised cash passing rental income	MNOK	576 207**	534 427	383 197	382 670
* Occupancy = vacant leasing area / GLA. ** Consumer price index adjusted to rental income per 01.01.2023					
Leasing activity					
Leases started / ended		Q4 2022	Q3 2022	Q2 2022	Q1 2022
Total area leases started	sqm	2 722	4 406	1 230	428
Total area leases expired	sqm	2 441	1 840	-	2 229
Net area leased	sqm	281	2 566	1 230	(1 801)
Net area leased	%	0,1 %	1,3 %	0,8 %	-1,2 %
Average lease term	year	7,5	7,2	4,2	3,1
Leases extended					
Total area	sqm	7 534	11 039	1 978	4 192
Total area	%	3,7 %	5,5 %	1,3 %	2,9 %
Average extension	year	4,1	7,1	4,3	4,0
Leases signed (not started)					
Total area	sqm	159	2 281	3 505	4 314
Total area	%	0,1 %	1,1 %	2,4 %	3,0 %
Average lease term	year	5,0	9,0	9,2	9,2
Leases extended are defined as new or extended lease contracts with the same tenant on the same area. All other lease contracts are defined as leases started.		the last day of the quarter. Lease contracts typical for the shopping center industry normally have a start date between three and nine months after the lease is signed.			
Leases signed (not started) are leases that are signed, but have a later start date than the last day of the quarter. These lease contracts can be for areas that are both vacant and occupied at					

Real estate portfolio

Shopping center portfolio:



HAUGESUND
Altitude Amanda
100 %



DRAMMEN
Gulsøen Senter
100 %



TROMSØ
Nerstranda Senter
100 %



LARVIK
Altitude Nordbyen
100 %



ÅS
Altitude Vinterbro
100 %



STAVANGER
Arkaden Senter
100 %



KROKSTADELVA
Altitude Buskerud
100 %



TØNSBERG
Altitude Farmandstredet
100 %

Key figures:

202 323
sqm

Gross lettable area

NOK 8.4
bn

Tenant revenue

NOK 576
m

Annualised cash passing
rental income

NOK 8.8
bn

Portfolio value

Associated companies:



Altitude Forvaltning
50 %



HAMAR
Maxi Storsenter
25 %



KLEPPE
Jærhagen Kjøpesenter
10 %





- Aurora Eiendom's shopping centers had a turnover of NOK 8.4 billion in 2022, an increase of 3.2 per cent compared to the previous year. Compared to 2019, before the pandemic, turnover growth is 8.6 per cent.
 - For Q4 alone tenant turnover was down 0,6% from Q4 2021
 - Year-end turnover (Christmas shopping) came above expectations
- The stores in the food and drink category came down somewhat from high levels in the pandemic years. If this category is excluded, the remaining categories had a total turnover growth of 7.5 per cent last year.

Development projects

Aurora's two large greenfield projects - Elveparken in Drammen and Hovlandparken in Larvik. Planning initiatives have been submitted on both projects. The projects are being developed with varied housing forms, and we emphasise sustainable material selection and energy-efficient solutions in the process.

Alti Buskerud, Drammen

At Krokstad in Drammen, we have under development approx. 550 housing units with shoreline to the Drammen river. We are developing what will become a new residential area in Drammen next to Alti Buskerud. Part of the land lot will be developed to retail.



Elveparken - Krokstad

Alti Nordbyen, Larvik

At Hovland in Larvik, we have under development approx. 800 housing units on the "old Hovland Trotting Track", combined with retail areas. This is planned to become a residential area just outside the center of Larvik, with Alti Nordbyen as one of the closest neighbours.



Hovlandparken

Sustainability in Aurora Eiendom

- Aurora Eiendom continues to focus on sustainability in its real estate operations through its management partner Alti Forvaltning.
- ESG-reporting is being put in place in order to give insight to stakeholders, and to provide a baseline for setting short- and long-term goals.
- All assets are set to be recertified by the new manual (V6) for BREEAM In-Use during 2023.
- Alti Forvaltning is running a project in cooperation with Kjeldsberg Eiendomsforvaltning to improve the energy efficiency of all assets. Quantified goals will be set.
- 29% of Aurora's bank loans are qualified as green financing.



Financial developments

Financial developments for the quarter are presented and compared to Q4 2021. Please note that Aurora Eiendom’s portfolio in 2021 consisted of five shopping centers acquired in July 2021. Aurora Eiendom has increased its portfolio of shopping centers with Buskerud Storsenter, Gulskogen Senter and Arkaden Senter during 2022.

Rental income

Gross rental income in the quarter was NOK 138,7 million (NOK 79,4 million).

Property related operational expenses and administrative expenses

Property related operational expenses consist of owner’s share of common costs, maintenance, leasehold insurance, and other direct property cost. These amounted to NOK 11,9 million for the quarter (NOK 2,6 million). Please see note 4 for further information.

Administrative expenses were NOK 6,8 million (NOK 3,6 million). This represents the fee paid to Alti Forvaltning AS for managing the eight shopping centers in the Aurora portfolio. Alti Forvaltning AS also provides management services to the parent company Aurora Eiendom AS, and the cost of this is included in the management fee.

Other operating income and expenses

Other operating income and expenses consists of income and expenses not related to the properties, such as provision and consultancy and auditing fees. These costs amounted to NOK 3,9 million (NOK 5,2 million). Some of these costs are one-offs due to legal and advisory fees due to changes in the group structure on company level. In Q4 2021 the cost of listing Aurora Eiendom on Euronext Growth was included in these expenses.

Net income from property management

Net income from property management amounted to NOK 116 million (NOK 68 million).

Fair value adjustments of investment properties

The fair value of the investment properties was adjusted with negative NOK 64,7 million in the quarter. The Group’s investment property portfolio consists of eight 100% owned shopping centers which are valued by an external appraiser on a quarterly basis. The fair value change is due to the external appraiser’s increase in valuation yields of 5 bps on average. In addition, inflation expectations are lower.

Share of results from associated companies

Aurora Eiendom AS has three associated companies:

- Alti Forvaltning AS – owned 50%
- 10% indirect ownership in Jærhagen Kjøpesenter through JHG Invest AS. The indirect ownership increased from 8,75% last quarter.
- 25% of Hamar Storsenter Holding AS.

The Group’s share of profit in these companies amounted to NOK 16,9 million in Q4. This figure includes amortisation of NOK 1,3 million of the excess book value on the shares in Alti Forvaltning. NOK 14,5 million of this profit is a result of positive fair-value change of the ownership in Hamar Storsenter Holding, following a valuation conducted on Hamar Storsenter.

Financial income

Financial income is mainly interests on cash and cash equivalents, as well as positive cash flow from financial derivatives (swap agreements).

Fair value adjustments on interest rate derivatives

Aurora Eiendom AS has twelve swap agreements and two swaptions. Market value and position of the interest swap agreements amounted to NOK 143,6 million by the end of the quarter.

The market value of the swaptions amounted to NOK -16,3 million.

<i>Financial instrument</i>	<i>Principal amount</i>	<i>Remaining term in years</i>	<i>Swap rate</i>	<i>Start date</i>	<i>Maturity date</i>
Interest rate swap 1	396 000 000	9.3	1.883 %	01.10.2021	01.10.2031
Interest rate swap 2	250 000 000	9.3	1.696 %	17.12.2021	01.10.2031
Interest rate swap 3	141 418 201	9.3	2.050 %	13.10.2021	01.10.2031
Interest rate swap 4	113 163 601	9.3	2.050 %	03.01.2022	01.10.2031
Interest rate swap 5	140 711 109	9.3	1.990 %	03.01.2022	01.10.2031
Interest rate swap 6	88 662 210	9.3	1.880 %	01.10.2021	01.10.2031
Interest rate swap 7	70 000 000	9.5	1.720 %	03.01.2022	02.01.2032
Interest rate swap 8	90 000 000	9.5	1.730 %	03.01.2022	02.01.2032
Interest rate swap 9	90 000 000	9.5	1.730 %	03.01.2022	02.01.2032
Interest rate swap 10	110 000 000	9.7	2.135 %	09.03.2022	09.03.2032
Interest rate swap 11	500 000 000	2.8	2.710 %	30.09.2022	30.09.2025
Interest rate swap 12	150 000 000	1.8	2.640 %	30.09.2022	30.09.2024
2 139 955 121			2.130 %		

Swaption 1	500 000 000	2.710 %	30.09.2025	30.09.2030
Swaption 2	150 000 000	2.640 %	30.09.2024	30.09.2029

Swaption 1 and 2 are based on agreement that the bank has an option, but no obligation, to prolong interest rate swap 11 and 12 for an additional 5 years.

The exercise of the option is based on the bank’s decision alone, and must be communicated to Aurora before the maturity date of the initial interest rate swaps.

Financial expenses

Financial expenses in the quarter amounted to NOK 65,3 million and are mainly related to interest and fees on interest-bearing debt. Financial expenses are recognised using the amortised cost method.

Composition and repayment profile of the Group's interest-bearing debt

	Nominal amount	Repayment profile			
		2023	2024	2025	Total
(NOK million)	31.12.2022				
Bank loan 1	3 095	62	3 033	0	3 095
Bank loan 2	266	2	264	0	266
Bank loan 3	1 448	44	44	1 360	1 448
Seller´s credit	200	0	0	200	200
Total long-term debt	5 009	108	3 341	1 560	5 009

The bank loans have a weighted average credit margin of 2.14% over 3 month NIBOR
The seller´s credit has an all-in interest rate of 5%

Summary

Profit before income tax was NOK 76.6 million.
Pre-tax profit, **including** fair value adjustments of investment properties and interest rate derivatives, was NOK -19,3 million.

Balance sheet

The Group´s assets amounted to NOK 9 473 million. Of this, investment properties amounted to NOK 8 813 million.

Interest bearing debt was NOK 4 995 million (amortised) at the end of the quarter (NOK 5 009 million in nominal amounts). This includes a seller´s credit of NOK 200 million. The equity totaled NOK 4 042 million (43 %).

Financing

The Group´s debt portfolio consists of long-term debt with Norwegian banks. The average remaining term for the debt portfolio is 1,8 years.
The Group´s investment properties are pledged as security for the bank loans.

The Group's bank loans incorporate financial covenants related to minimum liquidity, loan-to-value and interest coverage ratio. Aurora Eiendom was in compliance with conditions in the credit agreements as of 31.12.2022.

Cash flow and liquidity

Net cash flow from operating activites was NOK -9,7 million, mainly due to changes in working capital. Net cash flow from investments was NOK -10.7 million and net cash flow from financing activities was NOK -11.5 million.

The net change in cash and cash equivalents was NOK -32 million, and cash and cash equivalents at the end of the period were NOK 327 million.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Aurora Eiendom	Note	Q4 2022	Q4 2021	2022	2021
Rental income		138 715 629	79 418 811	447 915 298	158 043 738
Property related operational expenses	4	-11 854 085	-2 570 393	-36 869 249	-15 161 419
Net rental income		126 861 544	76 848 418	411 046 049	142 882 319
Other income		146 518	66 147	182 845	275 602
Other operating expenses	4	-3 883 731	-5 327 936	-10 830 266	-6 635 017
Administrative expenses	4	-6 814 996	-3 583 658	-22 570 190	-7 514 904
Net income from property management		116 309 335	68 002 971	377 828 438	129 008 000
Fair value adjustment, investment property	2	-64 738 315	15 500 000	105 770 125	754 614 898
Share of profit from JV and associates		16 908 862	-547 958	19 582 471	-166 251
Operating profit		68 479 882	82 955 013	503 181 034	883 456 647
Financial income		8 687 078	154 007	8 863 984	160 768
Fair value adjustments, interest rate derivatives	1	-31 100 647	-8 710 592	136 059 830	-8 710 592
Financial expenses		-65 341 230	-22 092 800	-178 092 948	-40 164 446
Net financial items		-87 754 799	-30 649 385	-33 169 134	-48 714 270
Profit before income tax		-19 274 917	52 305 628	470 011 900	834 742 377
Change in deferred tax		14 627 099	-4 881 542	-80 404 072	-170 008 304
Income tax payable		-10 386 617	-5 932 514	-26 389 317	-11 938 996
Income tax		4 240 482	-10 814 056	-106 793 389	-181 947 300
Profit		-15 034 435	41 491 572	363 218 511	652 795 077
Other Comprehensive income					
Total comprehensive income for the period / year		-15 034 435	41 491 572	363 218 511	652 795 077
Profit attributable to:					
Shareholders of the parent		-15 034 435	41 491 572	363 218 511	652 795 077
Total comprehensive income attributable to:					
Equity holders of the Company		-15 034 435	41 491 572	363 218 511	652 795 077
Basic = diluted earnings per share		-0.49	2.02	13.36	59.18

CONSOLIDATED BALANCE SHEET – ASSETS

Non-current assets	Note	31.12.2022	31.12.2021
Investment properties	2	8 813 000 000	5 222 900 000
Investment in joint ventures and associated companies		136 306 532	89 724 061
Receivables		6 795 922	1 256 126
Derivative financial instruments	3	143 629 940	4 428 480
Total non-current assets		9 099 732 394	5 318 308 667
Current assets			
Trade receivables	3	8 461 847	2 340 358
Other current asset		37 298 920	13 198 657
Cash and cash equivalents	3	327 025 464	288 715 066
Total current assets		372 786 231	304 254 081
Total assets		9 472 518 625	5 622 562 748

CONSOLIDATED BALANCE SHEET – EQUITY & LIABILITIES

Equity	Note	31.12.2022	31.12.2021
Share capital		2 322 182 325	1 541 280 000
Share premium		703 763 154	486 744 430
Retained earning		1 016 013 588	652 795 077
Total equity		4 041 959 067	2 680 819 507
Long-term liabilities			
Loans	3	4 635 945 456	2 524 568 870
Derivative financial instruments	3	16 280 702	13 139 072
Lease liabilities		10 650 491	11 859 429
Deferred tax liabilities		250 412 376	170 008 304
Total long-term liabilities		4 913 289 025	2 719 575 675
Short-term liabilities			
Loans	3	359 543 176	129 830 681
Income tax payable		35 286 318	23 081 671
Trade payables	3	22 916 574	15 532 464
Current lease liabilities		1 109 889	1 483 407
Other current liabilities	3	98 414 576	52 239 343
Total short-term liabilities		517 270 533	222 167 566
Total liabilities		5 430 559 558	2 941 743 241
Total liabilities and shareholders' equity		9 472 518 625	5 622 562 748

CHANGES IN EQUITY

	Share capital	Share premium	Retained earnings	Total equity
Equity at 31.12.2021	1 541 280 000	492 656 586	652 795 077	2 686 731 663
Share issue 25.02.2022	297 029 700	102 970 296	-	399 999 996
Transaction cost equity issue net of tax	-	-1 014 000	-	-1 014 000
Profit for period	-	-	242 145 004	242 145 004
Equity at 31.03.2022	1 838 309 700	594 612 882	894 940 081	3 327 862 663
Share issue 29.06.2022	483 872 625	116 129 430	-	600 002 055
Transaction cost equity issue net of tax	-	-6 979 158	-	-6 979 158
Profit for period	-	-	144 274 341	144 274 341
Total equity 30.06.2022	2 322 182 325	703 763 154	1 039 214 422	4 065 159 901
Profit for period	-	-	-8 166 400	-8 166 400
Total equity 30.09.2022	2 322 182 325	703 763 154	1 031 048 022	4 056 993 501
Profit for period	-	-	-15 034 435	-15 034 435
Total equity 31.12.2022	2 322 182 325	703 763 154	1 016 013 588	4 041 959 067

STATEMENT OF CASH FLOWS

	Q4 2022	Q4 2021	2022	2021
Profit before tax	-19 274 917	52 305 628	470 011 899	834 742 376
Income tax paid	-23 561 936		-23 561 936	
Net expensed interest and fees on loans and leases	64 997 825	22 092 800	177 749 543	39 436 819
Net interest and fees paid on loans and leases	-54 795 259	-16 148 256	-153 779 450	-31 794 110
Share of profit from associates and jointly controlled entities	-16 908 862	547 958	-19 582 471	166 251
Changes in value of investment properties	64 738 315	-15 500 000	-105 770 125	-754 614 898
Changes in value of financial instruments	31 100 647	8 710 592	-136 059 830	8 710 592
Change in working capital	-56 014 649	-23 917 739	-20 069 154	-326 264
Net cash flow from operating activities	-9 718 836	28 090 983	188 938 476	96 320 766
Acquisitions of investment properties	-4 429 734	4 356 927	-3 428 414 590	-4 405 106 502
Investment in and upgrades of investment properties	-2 538 315	-355 391	-22 325 445	-5 887 158
Net payment of loans to associates and JVs	-3 750 000	-	-3 750 000	-
Investments in associates and JVs	-	-34 775 000	-31 250 000	-89 890 313
Dividends from associates and JVs	-	-	4 250 000	-
Net cash flow from investment activities	-10 718 049	-30 773 464	-3 481 490 035	-4 500 883 973
Proceeds interest bearing debt	-		2 420 000 000	2 665 986 630
Repayment interest bearing debt	-11 025 000	-	-77 310 000	-
Repayment of lease liabilities	-464 903	-434 036	-1 582 456	-732 788
Proceeds from issue of shares			989 754 412	2 028 024 430
Net cash flow from financing activities	-11 494 903	-434 036	3 330 861 956	4 693 278 272
Change in cash and cash equivalents	-31 931 788	-3 116 517	38 310 397	288 715 066
Cash and cash equivalents at beginning of period	358 957 252	291 831 582	288 715 066	-
Cash and cash equivalents at end of period	327 025 464	288 715 066	327 025 464	288 715 066





Notes

- 1 ACCOUNTING PRINCIPLES
- 2 INVESTMENT PROPERTIES
- 3 FINANCIAL ASSETS AND FINANCIAL LIABILITIES
- 4 COSTS

NOTE 1 – ACCOUNTING PRINCIPLES

The financial statements for Q4-2022 have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles that have been used are described in the annual report of 2021. The interim financial statements for Q4-2022 have not been audited.

NOTE 2 – INVESTMENT PROPERTY

	Q4 2022
Opening balance as at 01 October 2022	8 875 200 000
Additions from acquisitions	0
Investment in the property portfolio*	2 538 315
Net gain / loss on changes in fair value	-64 738 315
As of 31 December 2022	8 813 000 000

Investment property consist of property (land, building or both) held to earn rental income and to increase value of capital. Investment property is recognised at fair value. The fair value model is also applied to the right-of-use-assets (building plots covered by long term leasehold contracts)

Investment property is valued at its fair value based on a valuation carried out by the independent appraisers Cushman & Wakefield Realkapital. The value is calculated using the discounted cash flow method. The discount rate is set by the valuer.

The fair value represents the amount at which the assets could be exchanged between a knowledgeable, willing buyer and seller in an arm's length transaction at the date of valuation.

* Investment in the property portfolio seems low due to a reversal of accrued expenses. Real investment in property portfolio for Q4-2022 is NOK 23 044 063.

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NOTE 2 – INVESTMENT PROPERTY

The following main inputs have been used:

Valuation inputs	31.12.2022
Valuation method	DCF
Valuation level	3
Fair Value NOK	8 813 000 000
Weighted average exit yield (%) excluding development projects	5,89 %
Valuation yield range	5,67 % - 6,42 %
Long term operating expense growth (%)	2.0 %
Long term growth rate in real rental terms (%)	2.0 %
Number of properties	8

Changes in fair value is recognised in the period to which the profit/loss relates.

The latest independent valuation was carried out on 31 of December 2022. Investment properties are not depreciated.

There are no restrictions on when the investment properties can be realised. Revenue from sales must in part be used to repay bank loans.

There are no significant contractual obligations to buy, build or develop investment properties. The investment properties are pledged as security for the bank loans.

NOTE 3 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Q4 2022	Q4 2022
Assets	Amortised cost	Fair value
Financial derivatives	0	143 629 940
Accounts receivable	8 461 847	
Cash and cash equivalents	327 025 464	
Total Financial assets	335 487 311	143 629 940

	Q4 2022	Q4 2022
Liabilities	Amortised cost	Fair value
<i>Interest bearing loans and borrowings</i>		
Bank Loan 1	3 085 508 987	
Bank Loan 2	265 897 861	
Bank Loan 3	1 444 081 784	
Seller's credit	200 000 000	
Trade payables	22 916 574	
Financial derivatives	0	16 280 702
Total financial liabilities	5 018 405 206	16 280 702

Determination of fair value

The following of the Group's financial instruments are not measured at fair value: cash and cash equivalents, accounts receivables, other current receivables and payables.

Bank loans have been recognised at amortised cost. Per 31.12.2022 the Group did not have financial instruments other than those mentioned above.

The carrying amount of cash and cash equivalents is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of account receivables and other current receivables and payables is approximately equal to fair value since they are short term and entered into on “normal” terms and conditions.

For Fair Value of Investment Properties see note 2 “Investment property”.

NOTE 4 – COSTS

REAL ESTATE RELATED COSTS

Operating costs	Q4 2022	Q4 2021	2022	2021
Maintenance	3 761 859	691 663	8 167 416	4 513 453
Leasehold and property insurance	1 604 620	1 001 356	5 085 641	2 060 509
Other expenses / direct property costs	6 487 606	877 374	23 616 192	8 587 457
Sum	11 854 085	2 570 393	36 869 249	15 161 419

Expenses directly related to the operation of existing properties are presented as real estate related costs.

OTHER COSTS

Other operating expenses	Q4 2022	Q4 2021	2022	2021
Advertising	-	158 375	175 884	630 250
Consultancy fees and external personnel	561 407	2 170 698	3 655 320	2 364 740
Other operating costs	3 322 324	2 998 863	6 999 062	3 640 027
Total operating expenses	3 883 731	5 327 936	10 830 266	6 635 017

Administrative expenses

Administrative expenses	6 814 996	3 583 658	21 532 790	7 514 904
Board remuneration	-	0	1 037 400	0
Total	6 814 996	3 583 658	22 570 190	7 514 904

Administrative expenses represent the management fee paid to Alti Forvaltning AS for management of the shopping center portfolio. Alti Forvaltning AS also provides management services for the parent company Aurora Eiendom AS, the cost of which is included in the management fee.

Responsibility statement

To the best of our knowledge, we declare that:

- The consolidated financial statements for the Q4 report 2022 have been prepared in accordance with IAS 34 – Interim reporting.
- The information in the consolidated financial statements pr 31.12.2022 provides a true and fair picture of the overall assets, liabilities, financial position and financial result for the Group.

SURNADAL, 15TH FEBRUARY 2023



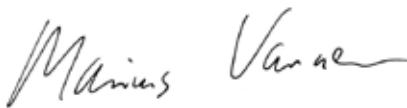
Petter A. Stordalen
Chairman of the Board



Lars Løseth
Board member



Johan Johannson
Board member



Marius Varner
Board member



Sigurd Stray
Board member



Lars Ove Løseth
CEO



Aurora Eiendom's Alternative performance measures and EPRA reporting

Aurora Eiendom AS' financial reporting is prepared in accordance with IFRS. As a supplement to the financial statements, the company reports alternative performance measures. These are intended to be a supplement to the financial statements, to enhance the understanding of the Group's performance.

AURORA EIENDOM'S ALTERNATIVE PERFORMANCE MEASURES ARE

- 1. Debt ratio – Loan to value (LTV)
- 2. Interest Coverage Ratio
- 3. EPRA Performance Measures

- A. EPRA Earnings

EPRA Earnings per share (EPS)
- B. EPRA Net Assset Value metrics

EPRA Net Reinstatement Value (NRV)

EPRA Net Tangible Assets (NTA)

EPRA Net Disposal Value (NDV)
- C. EPRA Net Initial Yield

EPRA Topped-Up Net Initial Yield
- D. EPRA Vacancy Rate

EPRA metrics are presented in accordance with the best practices defined by the European Public Real Estate Association BPR 2022.

1. DEBT RATIO – LOAN TO VALUE (LTV)

Loan to Value (LTV)	31.12.2022	31.12.2021
Fair value of investment properties	8 813 000 000	5 222 900 000
Nominal interest- bearing debt	5 008 676 630	2 665 986 630
Cash and bank deposits	327 025 464	288 715 066
Net interest-bearing debt	4 681 651 166	2 377 271 564
Loan to value	53.1 %	45.5 %

2. INTEREST COVERAGE RATIO (ICR)

	Q4 2022	Q4 2021	2022	2021
Net income from property management	116 309 335	68 002 971	377 828 348	129 008 000
Financial expenses*	56 654 152	21 938 793	169 228 964	40 003 678
Interest coverage ratio	2.1	3.1	2.2	3.2

* Financial expeneses = amortised interests less interest income for the period

3. EPRA PERFORMANCE MEASURES

		Unit	Q4 2022	Q4 2021	2022	2021
A	EPRA earnings per share (EPS)	NOK	1.93	1.76	6.42	6.37
B	EPRA NRV per share	NOK	135	139	135	139
	EPRA NTA per share	NOK	130	135	130	135
	EPRA NDV per share	NOK	131	130	131	131
C	EPRA Net Initial Yield	%	5.76	5.36	5.76	5.36
	EPRA Topped-Up Net Initial Yield	%	5.85	5.53	5.85	5.53
D	EPRA Vacancy Rate	%	2.2	1.8	2.2	1.8

A. EPRA EARNINGS QUARTERLY	Q4 2022		
All amounts in NOK million	IFRS reported	EPRA adjustments	EPRA Earnings
Rental income	139		139
Operating costs	-12		-12
Net operating income	127	-	127
Other revenue	0		0
Other costs	-4		-4
Administrative costs	-7		-7
Share of profit from associates and JVs	17		17
Net realised financials	-57		-57
Net income	77	-	77
Changes in value of investment properties	-65	65	-
Changes in value of financial instruments	-31	31	-
Profit before tax / EPRA Earnings before tax	-19	96	77
Tax payable	-10		-10
Change in deferred tax	15	-21	-6
Profit for period/EPRA Earnings	-15	75	60
Average outstanding shares (million)			31.0
EPRA Earnings per share (NOK)			1.93

EPRA Earnings is a measure of operational performance and represents the net income generated from the company's operational activities.

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3. EPRA PERFORMANCE MEASURES

A. EPRA EARNINGS YEARLY		2022		
All amounts in NOK million		IFRS reported	EPRA adjustments	EPRA Earnings
Rental income		448		448
Operating costs		-37		-37
Net operating income		411	-	411
Other revenue		0		0
Other costs		-11		-11
Administrative costs		-23		-23
Share of profit from associates and JVs		20		20
Net realised financials		-169		-169
Net income		228	-	228
Changes in value of investment properties		106	-106	-
Changes in value of financial instruments		136	-136	-
Profit before tax / EPRA Earnings before tax		470	-242	228
Tax payable		-26		-26
Change in deferred tax		-80	53	-27
Profit for period/EPRA Earnings		363	-189	175
Average outstanding shares (million)				27.2
EPRA Earnings per share (NOK)				6.42
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3. EPRA PERFORMANCE MEASURES

B. EPRA NET ASSET VALUE METRICS	Q4 2022		
	NRV	NTA	NDV
IFRS Equity	4 042	4 042	4 042
Net Asset Value (NAV) at fair value	4 042	4 042	4 042
Deferred tax properties and financial instruments	250	250	
Estimated real tax liability		125	
Net fair value on financial derivatives	-127	-127	
EPRA NAV	4 165	4 040	4 042
Outstanding shares at period end (million)	31,0	31,0	31,0
EPRA NAV per share (NOK)	135	130	131
EPRA Net Reinstatement Value (NRV): the objective of this metric is to highlight the value of net assets on a long term-basis, assuming that no selling of assets takes place.			
EPRA Net Tangible Assets (NTA): the calculation assumes entities buy and sell assets, thereby crystallising certain levels of deferred tax liability. Aurora Eiendom has chosen option (iii) in the EPRA BPR Guidelines. In this calculation 50 % of the deferred taxes are added back.			
EPRA Net Disposal Value (NDV) provides the reader with a scenario where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax, this to illuatrate shareholder value in a scenario of orderly sale of all the company's assets.			

3. EPRA PERFORMANCE MEASURES

C. EPRA NIY AND 'TOPPED-UP' NIY		31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
(NOK million)							
Investment property – wholly owned		8 813	8 875	6 575	6 487	5 224	5 207
Less: developments		156	-156	-169	-169	-92	-94
Completed property portfolio		8 657	8 719	6 407	6 318	5 132	5 114
Allowance for estimated purchasers' costs		17	17	13	13	10	10
Gross up completed property portfolio valuation	B	8 674	8 737	6 419	6 331	5 142	5 124
Annualised cash passing rental income		576 *	534	383	383	315	314
Property outgoings		76	-71	-52	-51	-40	-39
Annualised net rents	A	500	463	331	332	275	275
Add: notional rent expiration of rent free periods or other lease incentives		8	13	10	10	9	9
Topped-up net annualised rent	C	508	476	342	342	284	284
Add: market rent of vacant space		13	13	10	14	6	6
Fully let net annualised rent	D	521	489	351	356	290	289
EPRA NIY	A/B	5,76 %	5,30 %	5,16 %	5,24 %	5,36 %	5,37 %
EPRA “topped-up” NIY	C/B	5,85 %	5,45 %	5,32 %	5,40 %	5,53 %	5,54 %
Fully let net yield	D/B	6,01 %	5,60 %	5,48 %	5,62 %	5,64 %	5,63 %
Exit yield		5,89 %	5,84 %	5,56 %	5,52 %	5,56 %	5,51 %
EPRA initial yields do not include Jærhagen Kjøpesenter or Maxi Storsenter.							
Market value of investment properties and development projects are independently valued by Cushman & Wakefield Realkapital. The latest valuation was carried out 31 December 2022.							
The allowance for estimated purchaser's costs is an estimate based on the company's experiences.							
The property outgoings are based on the owner's costs estimated in the independent valuation.							
The market rent of vacant space is based on the independent valuation.							
The exit yield is set by the independent valuer, based on reference transactions and adjusted for conditions specific to the individual properties.							
* Consumer price index adjusted to rental income per 01.01.2023							

3. EPRA PERFORMANCE MEASURES

D. EPRA VACANCY RATE		31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021
(NOK million)							
Estimated Rental Value of vacant space	A	13	13	10	14	6	5
Estimated rental value of the whole portfolio	B	597	560	403	407	330	327
EPRA Vacancy Rate	A/B	2.2 %	2.3 %	2.4 %	3.4 %	1.8 %	1.4 %

The market rent of vacant space is based on the independent valuation.
EPRA vacancy rate does not include Jærhagen Kjøpesenter or Maxi Storsenter.



AURORA

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Financial calendar

Date

Friday 24.03.2023

Report

Annual report 2022

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