

# AUDDORRA



<b>3. ETG.</b>	
Ammerom/Toaletter	
Dressmann	
H&M	
Jernia	
Panduro Hobby	
<b>2. ETG.</b>	
Backstube	Nille
Fredrik & Louisa	Page One
Funky Frozen Yogurt	Rituals
H&M	Skoringen
Kitch'n	Specsavers
Norli	
<b>1. ETG.</b>	
Apotek 1	Princess
Kremmerhuset	Sostrene Gren
La Baguette	To Små N
LEKIA	Vinnepolet
Mester Grønn	
Mye Moro	K Parkeringshus



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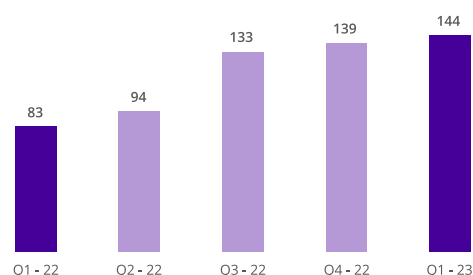
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HIGHLIGHTS AND SUMMARY OF THE

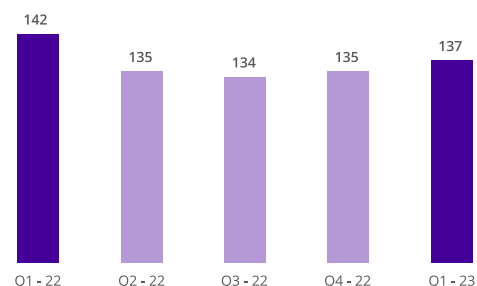
# First quarter of 2023

- Rental income in Q1 was NOK 144.5 million (NOK 83.1 million). The increase is mainly due to growth in the shopping center portfolio in 2022.
- The quarter's gross tenant turnover in our fully owned centers was NOK 1 813 million, which is a like-for-like growth of 6.3 % compared to Q1 2022. Restaurants and cafés along with clothing stores and shoe stores experienced positive development. Categories closely connected to sales of residential units and vacation homes have had a weaker quarter.
- In Q1 the occupancy rate was 93.5 %, close to unchanged from last quarter. Leases representing 4.0 % of the portfolio's gross lettable area were extended, maintaining the weighted average lease term of the portfolio at 3.3 years.
- Alti Forvaltning AS continued its growth announcing three new management contracts in the quarter: Amfi Eikunda, Amfi Flekkefjord and Røa Torg. This brings the total of centers managed by Alti Forvaltning to 41 centers.

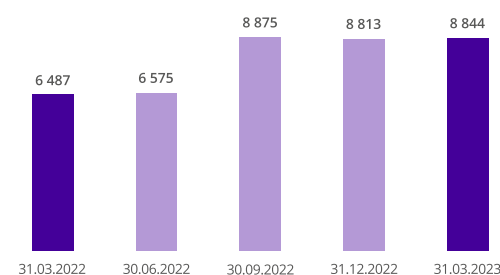
Gross rental income (NOK million)



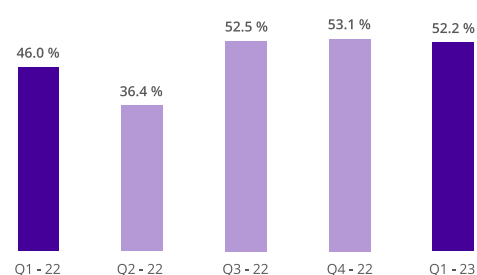
EPRA NRV per share (NOK)



Value of investment properties (NOK million)



Net Loan to value (LTV)



LETTER FROM THE CEO

# A good start



Contrary to our expectations, the year began with strong growth in tenant turnover. A low unemployment rate, high expectations for this year's wage growth and redistribution of spending from capital goods to consumer goods are contributing factors to the activity at the shopping centers. This is resulting in strong numbers despite increasing housing costs for consumers such as interest and electricity.

The shopping center portfolio had a tenant turnover in the quarter of NOK 1.8 billion, an increase of 6.3 per cent compared to last year. The development varies between the categories, and we see that categories closely connected to sales of residential units and vacation homes are lagging. Restaurants and cafés along with clothing stores and shoe stores are among the growth winners.

With tenant turnover remaining at good levels, we experience positivity among tenants with a view to upgrading stores and concepts and establishing new units. At the same time, although the number of bankruptcies is well below the levels before the pandemic, we are noticing an increase.

During the first quarter leases with a total of 2.161 square meters started and 2.213 square meters expired, which results in a close to unchanged occupancy rate. In the same period leases representing 4.0 per cent of the portfolio's gross lettable area were extended, maintaining the weighted average lease term of the portfolio at 3.3 years.

In the external valuation of the shopping center portfolio the continuing increase in interest rates led to an adjustment of the valuation yields of 0.15 percentage points. As countervailing effects, there are

increased expectations for inflation and market rent. This resulted in stable property values last quarter.

Most industries have had a taste of the impact of various macro factors in the last couple of years. The shopping center sector has proven strong so far and continued to do so in the first three months of 2023. Rarely has it been so interesting to follow the development of customer spending from week to week and the distribution between the industries.

We continuously work to adjust the tenant mix to be as relevant and interesting as possible to our visitors, and we are glad to be opening the second IKEA planning studio in our shopping center portfolio at Gulskogen Senter this summer. This is another step towards developing our strong shopping destinations to also be a hub of services.

All in all, we observe that our shopping centers are resilient in changing market conditions. Occupancy remains high, turnover develops positively, and our centers are attractive locations for new and existing tenants.

Lars Ove Løseth  
CEO

# Key figures

## Group Key Figures

		Q1 2023	Q1 2022	2022	2021
Rental Income	NOK	144 510 730	83 122 490	447 915 298	158 043 738
Net income from property management	NOK	124 980 973	71 321 160	377 828 438	129 008 000
		<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
Market value of property portfolio	NOK	8 844 200 000	6 487 100 000	8 813 000 000	5 222 900 000
Net interest bearing debt *	NOK	4 620 966 243	2 987 144 912	4 681 651 166	2 377 271 564
Outstanding shares		30 962 431	24 510 976	30 962 431	20 550 400
Equity per share	NOK	132.3	135.8	130.5	130.7

## Alternative performance measures\*

		Q1 2023	Q1 2022	2022	2021
Interest coverage ratio		2.0	2.6	2.2	3.2
Loan to Value (LTV)	%	52.2	46.0	53.1	45.5
EPRA earnings per share (EPS)	NOK	1.65	1.74	6.42	6.37
EPRA NRV per share	NOK	137	142	135	139
EPRA NTA per share	NOK	133	137	130	135
EPRA NDV per share	NOK	132	136	131	131
EPRA Net Initial Yield	%	5.72	5.24	5.76	5.36
EPRA Topped-Up Net Initial Yield	%	5.81	5.40	5.85	5.53
Fully Let Net Yield	%	5.98	5.62	6.01	5.64
EPRA Vacancy Rate	%	2.4	3.4	2.2	1.8

\* See Alternative Performance Measures for details.

## Leasing portfolio summary

		Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Properties fully owned	#	8	8	8	6	6
GLA	sqm	202 055	202 323	201 905	146 558	146 152
Occupancy*	%	93.5	93.4	93.6	91.8	91.2
WAULT	year	3.3	3.3	2.6	2.6	2.7
Annualised cash passing rental income	MNOK	573 429	576 207**	534 427	383 197	382 670

\* Occupied leasing area / GLA

\*\* Consumer price index adjusted to rental income per 01.01.2023

## Leasing activity

		Q1 2023
Change in GLA	sqm	(268)
Change in GLA	%	-0.1

## Leases started / ended

		Q1 2023	YTD 2023	Q1 2022	2022
Total area leases started	sqm	2 161	2 161	428	8 786
Total area leases expired	sqm	2 213	2 213	2 229	6 510
Net area leased	sqm	(52)	(52)	(1 801)	2 276
Net area leased	%	0.0	0.0	-1.2	1.1
Average lease term	year	5.9	5.9	3.1	6.6

## Leases extended

		Q1 2023	YTD 2023	Q1 2022	2022
Total area	sqm	8 079	8 079	4 192	24 743
Total area	%	4.0	4.0	2.9	12.3
Average extension	year	5.9	5.9	4.0	5.1

## Leases signed (not started)

		Q1 2023	Q1 2022
Total area	sqm	1 663	4 314
Total area	%	0.8	3.0
Average lease term	year	10.7	9.2

Change in GLA could be as a result of acquisition, sale or development of properties, or redefinition of areas from or to common areas or non-lettable areas.

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.

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 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.

Leasing portfolio summary and leasing activity key figures do not include Jærhagen Kjøpesenter or Maxi Storsenter.

# Real estate portfolio

## Shopping center portfolio



**Alti Amanda**  
Haugesund 100 %



**Alti Buskerud**  
Krokstadelva 100 %



**Alti Farmandstredet**  
Tønsberg 100 %



**Alti Nordbyen**  
Larvik 100 %



**Alti Vinterbro**  
Ås 100 %



**Arkaden Senter**  
Stavanger 100 %



**Gulskogen Senter**  
Drammen 100 %



**Nerstranda Senter**  
Tromsø 100 %

## Associated companies



**Alti Forvaltning**  
Surnadal 50 %



**Maxi Storsenter**  
Hamar 25 %



**Jærhagen Kjøpesenter**  
Kleppe 10 %

## Key figures

202 055  
sqm

Gross lettable area

NOK  
8.4bn

Tenant revenue

NOK  
573m

Annualised cash passing  
rental income

NOK  
8.8bn

Portfolio value

## Development projects



### Elveparken, Krokstadelva

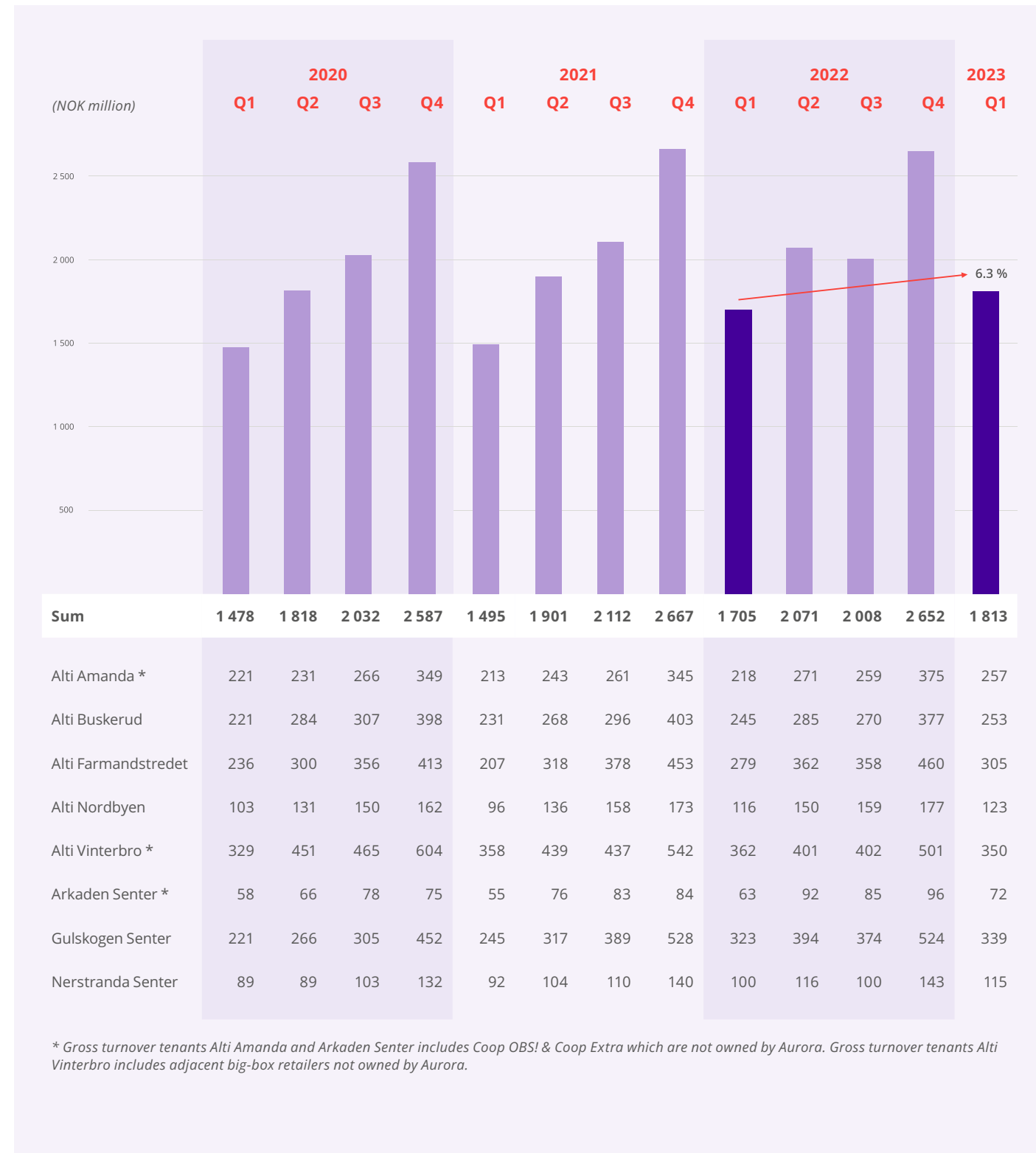
At Krokstad in Drammen, we have under development approx. 550 housing units with shoreline to the Drammen river. We are developing what will become a new residential area in Drammen next to Alti Buskerud. Part of the land lot will be developed to retail. Planning initiative submitted.



### Hovlandparken, 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. Planning initiative submitted.

## GROSS TENANT TURNOVER PER QUARTER



# Sustainability in Aurora Eiendom

- Aurora Eiendom has started its due diligence process in accordance with the national Transparency Act, in order to avoid negative impact regarding human rights in our supply chain.
- All assets have completed their evidence collection in order to be BREEAM In-Use certified. All asset under operational control will be certified in 2023. The long term goal is to have all controlled assets certified Very Good or better.
- First data set of sustainability performance measures was published in the annual report of 2022.
- As part of Aurora's energy strategy, the first shopping center to have solar panels installed on the roof is close to completing the planning stage.
- The process of establishing an integrated sustainability strategy for Aurora is well underway.



# Financial developments

## Rental income

Gross rental income in the quarter was NOK 144.5 million (NOK 83.1 million). Please note that Q1 2023 includes the full portfolio of eight shopping centers. Q1 2022 includes the five first centers acquired in 2021 and the financial figures for one month of Alti Buskerud (acquired on March 1<sup>st</sup> 2022).

## 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 11.0 million for the quarter (NOK 6.4 million). Please see note 5 for further information.

Administrative expenses were NOK 6.7 million (NOK 4.0 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 1.8 million (NOK 1.3 million).

## Net income from property management

Net income from property management amounted to NOK 125.0 million (NOK 71.3 million).

## Fair value adjustments of investment properties

The fair value of the investment properties was adjusted with NOK 16 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 external appraiser increased valuation yields by 15 bps. However, the valuer's view on market rent levels were increased. This, in addition to somewhat higher inflation expectations than per last valuation, resulted in an overall positive fair value adjustment.

## Share of results from associated companies

Aurora Eiendom AS has three associated companies:

- Alti Forvaltning AS – owned 50 %.
- 10 % indirect ownership in Jærhagen through JHG Invest AS.
- 25 % of Hamar Storsenter Holding AS.

The Group's share of profit in these companies amounted to NOK 1.3 million in Q1. This figure includes NOK 1.3 million of the excess book value on the shares in Alti Forvaltning.

### Financial income

Financial income is mainly interest on cash.

### 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 129.9 million by the end of the quarter. The market value of the swaptions amounted to NOK -15.6 million.

### Interest-swap agreements

Financial instrument	Principal amount	Remaining term in years	Swap rate	Start date	Maturity date
Interest rate swap 1	394 000 000	8.5	1.883 %	01.10.2021	01.10.2031
Interest rate swap 2	250 000 000	8.5	1.696 %	17.12.2021	01.10.2031
Interest rate swap 3	140 703 986	8.5	2.050 %	13.10.2021	01.10.2031
Interest rate swap 4	112 592 068	8.5	2.050 %	03.01.2022	01.10.2031
Interest rate swap 5	140 004 018	8.5	1.990 %	03.01.2022	01.10.2031
Interest rate swap 6	88 662 210	8.5	1.880 %	01.10.2021	01.10.2031
Interest rate swap 7	70 000 000	8.8	1.720 %	03.01.2022	02.01.2032
Interest rate swap 8	90 000 000	8.8	1.730 %	03.01.2022	02.01.2032
Interest rate swap 9	90 000 000	8.8	1.730 %	03.01.2022	02.01.2032
Interest rate swap 10	110 000 000	8.9	2.135 %	09.03.2022	09.03.2032
Interest rate swap 11	500 000 000	2.5	1.710 %	30.09.2022	30.09.2025
Interest rate swap 12	150 000 000	1.5	2.640 %	30.09.2022	30.09.2024
	<b>2 135 962 282</b>		<b>2.130 %</b>		
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 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, net of positive cash flow from swap agreements, amounted to NOK 62.9 million in the quarter. The expenses 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

(NOK million)	Nominal amount 31.03.2023	Repayment profile			Total
		2023	2024	2025	
Bank loan 1	3 063	30	3 033	0	3 063
Bank loan 2	266	2	264	0	266
Bank loan 3	1 437	33	44	1 360	1 437
Seller's credit	200	0	0	200	200
<b>Total long-term debt</b>	<b>4 966</b>	<b>65</b>	<b>3 341</b>	<b>1 560</b>	<b>4 966</b>

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 64.9 million.

Pre-tax profit, including fair value adjustments of investment properties and interest rate derivatives, was NOK 67.9 million.

### Balance sheet

The Group's assets amounted to NOK 9 516 million. Of this, investment properties amounted to NOK 8 844 million. Interest bearing debt was NOK 4 955 million (amortised) at the end of the quarter (NOK 4 966 million in nominal amounts). This includes a seller's credit of NOK 200 million. The equity totaled NOK 4 095 million (43 %).

### Financing

The Group's debt portfolio consists of long-term debt with Scandinavian banks, and a seller's credit. The average remaining term for the debt portfolio is 1.6 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 31.03.2023.

### Cash flow and liquidity

Net cash flow from operating activities was NOK 76 million. Net cash flow from investments was NOK -15 million and net cash flow from financing activities was NOK -43 million.

The net change in cash and cash equivalents was NOK 18 million, and cash and cash equivalents at the end of the period were NOK 345 million.



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Aurora Eiendom	Note	Q1 2023	Q1 2022	2022
Rental income		144 510 730	83 122 490	447 915 298
Property related operational expenses	4	-11 047 803	-6 447 658	-36 869 249
<b>Net rental income</b>		<b>133 462 927</b>	<b>76 674 832</b>	<b>411 046 049</b>
Other income		13 944	21 253	182 845
Other operating expenses	4	-1 766 642	-1 325 110	-10 830 266
Administrative expenses	4	-6 729 256	-4 049 815	-22 570 190
<b>Net income from property management</b>		<b>124 980 973</b>	<b>71 321 160</b>	<b>377 828 438</b>
Fair value adjustment, investment property	2	15 998 097	174 113 633	105 770 125
Share of profit from JV and associates		1 347 186	26 718	19 582 471
<b>Operating profit</b>		<b>142 326 256</b>	<b>245 461 511</b>	<b>503 181 034</b>
Financial income		1 492 223	19 228	8 863 984
Fair value adjustments, interest rate derivatives	1	-13 056 909	98 935 139	136 059 830
Financial expenses		-62 881 068	-27 308 224	-178 092 948
<b>Net financial items</b>		<b>-74 445 754</b>	<b>71 646 143</b>	<b>-33 169 134</b>
<b>Profit before income tax</b>		<b>67 880 502</b>	<b>317 107 654</b>	<b>470 011 900</b>
Change in deferred tax		-6 612 894	-69 757 806	-101 644 065
Income tax payable		-8 024 435	-5 204 844	-26 389 317
<b>Income tax</b>		<b>-14 637 329</b>	<b>-74 962 650</b>	<b>-128 033 382</b>
<b>Profit</b>		<b>53 243 173</b>	<b>242 145 004</b>	<b>341 978 518</b>
<b>Other Comprehensive income</b>				
<b>Total comprehensive income for the period / year</b>		<b>53 243 173</b>	<b>242 145 004</b>	<b>341 978 518</b>
<b>Profit attributable to:</b>				
Shareholders of the parent		53 243 173	242 145 004	341 978 518
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		53 243 173	242 145 004	341 978 518
<b>Basic = diluted earnings per share</b>		<b>1.72</b>	<b>10.98</b>	<b>13.36</b>

## CONSOLIDATED BALANCE SHEET – ASSETS

Non-current assets	Note	31.03.2023	31.03.2022	31.12.2022
Investment properties	2	8 844 200 000	6 487 100 000	8 813 000 000
Investment in joint ventures and associated companies		137 653 718	89 750 779	136 306 532
Receivables		7 775 723	2 411 063	6 795 922
Derivative financial instruments	3	129 946 943	90 224 547	143 629 940
<b>Total non-current assets</b>		<b>9 119 576 384</b>	<b>6 669 486 389</b>	<b>9 099 732 394</b>
<b>Current assets</b>				
Trade receivables	3	21 654 317	10 373 529	8 461 847
Other current asset		29 519 414	5 407 605	37 298 920
Cash and cash equivalents	3	345 425 387	404 841 718	327 025 464
<b>Total current assets</b>		<b>396 599 118</b>	<b>420 622 852</b>	<b>372 786 231</b>
<b>Total assets</b>		<b>9 516 175 502</b>	<b>7 090 109 241</b>	<b>9 472 518 625</b>

## CONSOLIDATED BALANCE SHEET – EQUITY & LIABILITIES

Equity	Note	31.03.2023	31.03.2022	31.12.2022
Share capital		2 322 182 325	1 838 309 700	2 322 182 325
Share premium		703 763 154	594 612 882	703 763 154
Retained earnings		1 069 256 760	894 940 081	1 016 013 587
<b>Total equity</b>		<b>4 095 202 239</b>	<b>3 327 862 663</b>	<b>4 041 959 066</b>
<b>Long-term liabilities</b>				
Loans	3	4 578 998 245	3 209 759 262	4 635 945 456
Derivative financial instruments	3	15 654 614	-	16 280 702
Lease liabilities		10 476 432	11 488 577	10 650 491
Deferred tax liabilities		257 025 270	239 766 110	250 412 376
<b>Total long-term liabilities</b>		<b>4 862 154 561</b>	<b>3 461 013 949</b>	<b>4 913 289 025</b>
<b>Short-term liabilities</b>				
Loans	3	376 486 432	169 495 439	359 543 176
Income tax payable		29 923 269	32 607 359	35 286 318
Trade payables	3	24 169 238	23 492 241	22 916 574
Current lease liabilities		1 011 320	1 483 408	1 109 889
Other current liabilities	3	127 228 442	74 154 182	98 414 576
<b>Total short-term liabilities</b>		<b>558 818 701</b>	<b>301 232 629</b>	<b>517 270 533</b>
<b>Total liabilities</b>		<b>5 420 973 262</b>	<b>3 762 246 578</b>	<b>5 430 559 558</b>
<b>Total liabilities and shareholders' equity</b>		<b>9 516 175 502</b>	<b>7 090 109 241</b>	<b>9 472 518 624</b>

## CHANGES IN EQUITY

	Share capital	Share premium	Retained earnings	Total equity
<b>Equity 31.12.2021</b>	<b>1 541 280 000</b>	<b>492 656 586</b>	<b>652 795 077</b>	<b>2 686 731 663</b>
Share issue	780 902 325	219 099 726	-	1 000 002 051
Transaction cost equity issue net of tax	-	-7 993 158	-	-7 993 158
Profit for period	-	-	363 218 510	363 218 510
<b>Equity 31.12.2022</b>	<b>2 322 182 325</b>	<b>703 763 154</b>	<b>1 016 013 587</b>	<b>4 041 959 066</b>
Profit for period	-	-	53 243 173	53 243 173
<b>Equity 31.03.2023</b>	<b>2 322 182 325</b>	<b>703 763 154</b>	<b>1 069 256 760</b>	<b>4 095 202 239</b>

## STATEMENT OF CASH FLOWS

	Q1 2023	Q1 2022	2022
Profit before tax	67 880 502	317 107 654	470 011 899
Income tax paid	-13 387 484	-	-23 561 936
Net expensed interest and fees on loans and leases	62 874 634	27 308 224	177 749 543
Net interest and fees paid on loans and leases	-60 274 173	-22 694 766	-153 779 450
Share of profit from associates and jointly controlled entities	-1 347 186	-26 718	-19 582 471
Changes in value of investment properties	-15 998 097	-174 113 633	-105 770 125
Changes in value of financial instruments	13 056 909	-98 935 139	-136 059 830
Change in working capital	23 354 349	18 517 253	436 594
<b>Net cash flow from operating activities</b>	<b>76 159 454</b>	<b>67 162 875</b>	<b>209 444 225</b>
Acquisitions of investment properties	-	-1 072 393 925	-3 428 414 590
Investment in and upgrades of investment properties	-15 201 903	-2 971 442	-42 831 193
Net payment of loans to associates and JVs	-	-	-3 750 000
Investments in associates and JVs	-	-	-31 250 000
Dividends from associates and JVs	-	-	4 250 000
<b>Net cash flow from investment activities</b>	<b>-15 201 903</b>	<b>-1 075 365 367</b>	<b>-3 501 995 783</b>
Proceeds interest bearing debt	-	750 000 000	2 420 000 000
Repayment interest bearing debt	-42 285 000	-24 000 000	-77 310 000
Repayment of lease liabilities	-272 628	-370 852	-1 582 456
Proceeds from issue of shares/repurchase of shares	-	398 699 996	989 754 412
<b>Net cash flow from financing activities</b>	<b>-42 557 628</b>	<b>1 124 329 144</b>	<b>3 330 861 956</b>
Change in cash and cash equivalents	18 399 923	116 126 652	38 310 398
Cash and cash equivalents at beginning of period	327 025 464	288 715 066	288 715 066
<b>Cash and cash equivalents at end of period</b>	<b>345 425 387</b>	<b>404 841 718</b>	<b>327 025 464</b>



# Notes

- 1** ACCOUNTING PRINCIPLES
- 2** FAIR VALUE
- 3** INVESTMENT PROPERTIES
- 4** FINANCIAL ASSETS AND LIABILITIES
- 5** COSTS

## NOTE 1 – ACCOUNTING PRINCIPLES

The financial statements for Q1 2023 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 2022. The interim financial statements for Q1 2023 have not been audited.

## NOTE 2 – FAIR VALUE

Fair value hierarchy:

Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities.

Level 2: Other techniques where all of the that have a significant impact on measuring fair value are either directly or indirectly observable.

Level 3: Valuation techniques that use parameters that significantly affect the valuation, but which are not observable.

*Aurora Eiendom AS has the following assets and liabilities measured at fair value*

	Level
Investment properties	3
Derivatives	2

## NOTE 3 – INVESTMENT PROPERTIES

	Q1 2023	Q1 2022	2022
Opening balance	8 813 000 000	5 222 900 000	5 222 900 000
Additions from acquisitions	0	1 087 114 925	3 441 498 682
Investment in the property portfolio	15 201 903	2 971 442	42 831 193
Net gain/loss on changes in fair value	15 998 097	174 113 633	105 770 125
<b>Closing balance</b>	<b>8 844 200 000</b>	<b>6 487 100 000</b>	<b>8 813 000 000</b>

Investment properties are valued at fair value (Level 3) based on independent external valuations. Latest valuation was carried out on 31<sup>st</sup> of March 2023.

Changes in fair value are recognised as through profit and loss.

## NOTE 4 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

### ASSETS AND LIABILITIES - FAIR VALUE

The Group uses derivatives to manage its interest rate risk.  
The financial derivatives are measured at fair value (Level 2) through profit and loss.

<b>Financial assets measured at fair value</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.12.2022</b>
Derivatives	129 946 943	90 224 547	143 629 940
<b>Financial liabilities measured at fair value</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.12.2022</b>
Derivatives	15 654 614	0	16 280 702

### ASSETS AND LIABILITIES - AMORTISED COST

The following of the financial assets and liabilities are measured at amortised cost.

<b>Assets</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.12.2022</b>
Accounts receivable	21 654 317	10 373 529	8 461 847
Cash and cash equivalents	345 425 387	404 841 718	327 025 464
<b>Total financial assets</b>	<b>367 079 704</b>	<b>415 215 247</b>	<b>335 487 311</b>

<b>Liabilities</b>	<b>31.03.2023</b>	<b>31.03.2022</b>	<b>31.12.2022</b>
Bank Loan 1	3 055 965 735	3 113 169 748	3 085 508 987
Bank Loan 2	265 896 999	266 084 952	265 897 861
Bank Loan 3	1 433 621 943	0	1 444 081 784
Seller's credit	200 000 000	0	200 000 000
Trade payables	24 169 238	23 492 241	22 916 574
<b>Total financial liabilities</b>	<b>4 979 653 915</b>	<b>3 402 746 941</b>	<b>5 018 405 206</b>

## NOTE 5 – COSTS

### REAL ESTATE RELATED COSTS

<b>Operating costs</b>	<b>Q1 2023</b>	<b>Q1 2022</b>	<b>2022</b>
Maintenance	2 374 975	411 261	8 167 416
Leasehold and property insurance	1 405 651	918 801	5 085 641
Other expenses / direct property costs	7 267 177	5 117 596	23 616 192
<b>Sum</b>	<b>11 047 803</b>	<b>6 447 658</b>	<b>36 869 249</b>

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

### OTHER COSTS

<b>Other operating expenses</b>	<b>Q1 2023</b>	<b>Q1 2022</b>	<b>2022</b>
Advertising	0	30 759	175 884
Consultancy fees and external personnel	238 375	971 210	3 655 320
Other operating costs	1 528 267	323 141	6 999 062
<b>Total operating expenses</b>	<b>1 766 642</b>	<b>1 325 110</b>	<b>10 830 266</b>

<b>Administrative expenses</b>	<b>Q1 2023</b>	<b>Q1 2022</b>	<b>2022</b>
Administrative expenses	6 729 256	4 049 815	21 532 790
Board remuneration	0	0	1 037 400
<b>Total</b>	<b>6 729 256</b>	<b>4 049 815</b>	<b>22 570 190</b>

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. Board remuneration was paid and invoiced by Alti Forvaltning AS and is thus classified under "Administrative expenses" by the Company.

# 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

- |  |   |
|--|---|
| <p><b>A.</b> EPRA Earnings<br/>EPRA Earnings per share (EPS)</p> <p><b>B.</b> EPRA Net Asset Value metrics<br/>EPRA Net Reinstatement Value (NRV)<br/>EPRA Net Tangible Assets (NTA)<br/>EPRA Net Disposal Value (NDV)</p> | <p><b>C.</b> EPRA Net Initial Yield<br/>EPRA Topped-Up Net Initial Yield</p> <p><b>D.</b> EPRA Vacancy Rate</p> |
|--|---|

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)	31.03.2023	31.03.2022	31.12.2022	31.12.2021
Fair value of investment properties	8 844 200 000	6 487 100 000	8 813 000 000	5 222 900 000
Nominal interest-bearing debt	4 966 391 630	3 391 986 630	5 008 676 630	2 665 986 630
Cash and bank deposits	345 425 387	404 841 718	327 025 464	288 715 066
Net interest-bearing debt	4 620 966 243	2 987 144 912	4 681 651 166	2 377 271 564
<b>Loan to value</b>	<b>52.2 %</b>	<b>46.0 %</b>	<b>53.1 %</b>	<b>45.5 %</b>

## 2. INTEREST COVERAGE RATIO (ICR)

	Q1 2023	Q1 2022	2022	2021
Net income from property management	124 980 973	71 321 160	377 828 348	129 008 000
Financial expenses*	61 388 845	27 288 996	169 228 964	40 003 678
<b>Interest coverage ratio</b>	<b>2.0</b>	<b>2.6</b>	<b>2.2</b>	<b>3.2</b>

\* Financial expenses = amortised interests less interest income for the period.

### 3. EPRA PERFORMANCE MEASURES

	Unit	Q1 2023	Q1 2022	2022	2021	
<b>A</b>	EPRA earnings per share (EPS)	NOK	1.65	1.74	6.42	6.37
<b>B</b>	EPRA NRV per share	NOK	137	142	135	139
	EPRA NTA per share	NOK	133	137	130	135
	EPRA NDV per share	NOK	132	136	131	131
<b>C</b>	EPRA Net Initial Yield	%	5.72	5.24	5.76	5.36
	EPRA Topped-Up Net Initial Yield	%	5.81	5.40	5.85	5.53
<b>D</b>	EPRA Vacancy Rate	%	2.4	3.4	2.2	1.8

#### A. EPRA EARNINGS QUARTERLY

All amounts in NOK million

	Q1 2023		
	IFRS reported	EPRA adjustments	EPRA Earnings
Rental income	145		145
Operating costs	-11		-11
<b>Net operating income</b>	<b>133</b>	<b>0</b>	<b>133</b>
Other revenue	0		0
Other costs	-2		-2
Administrative costs	-7		-7
Share of profit from associates and JVs	1		1
Net realised financials	-61		-61
<b>Net income</b>	<b>65</b>	<b>0</b>	<b>65</b>
Changes in value of investment properties	16	-16	0
Changes in value of financial instruments	-13	13	0
<b>Profit before tax/EPRA Earnings before tax</b>	<b>68</b>	<b>-3</b>	<b>65</b>
Tax payable	-8		-8
Change in deferred tax	-7	1	-6
<b>Profit for period/EPRA Earnings</b>	<b>53</b>	<b>-2</b>	<b>51</b>
Average outstanding shares (million)			31,0
EPRA Earnings per share (NOK)			1.65

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

All amounts in NOK million

	2022		
	IFRS reported	EPRA adjustments	EPRA Earnings
Rental income	448		448
Operating costs	-37		-37
<b>Net operating income</b>	<b>411</b>	<b>-</b>	<b>411</b>
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
<b>Net income</b>	<b>228</b>	<b>-</b>	<b>228</b>
Changes in value of investment properties	106	-106	-
Changes in value of financial instruments	136	-136	-
<b>Profit before tax / EPRA Earnings before tax</b>	<b>470</b>	<b>-242</b>	<b>228</b>
Tax payable	-26		-26
Change in deferred tax	-80	53	-27
<b>Profit for period/EPRA Earnings</b>	<b>363</b>	<b>-189</b>	<b>175</b>
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

	Q1 2023		
	NRV	NTA	NDV
IFRS Equity	4 095	4 095	4 095
<b>Net Asset Value (NAV) at fair value</b>	<b>4 095</b>	<b>4 095</b>	<b>4 095</b>
Deferred tax properties and financial instruments	257	257	
Estimated real tax liability		129	
Net fair value on financial derivatives	-114	-114	
<b>EPRA NAV</b>	<b>4 238</b>	<b>4 109</b>	<b>4 095</b>
Outstanding shares at period end (million)	31	31	31
<b>EPRA NAV per share (NOK)</b>	<b>137</b>	<b>133</b>	<b>132</b>

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 illustrate 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

		31.03.2023	31.03.2022	31.12.2022	31.12.2021
<i>(NOK million)</i>					
Investment property – wholly owned		8 844	6 487	8 813	5 224
<i>Less: developments</i>		-149	-169	-156	-92
Completed property portfolio		8 695	6 318	8 657	5 132
Allowance for estimated purchasers' costs		17	13	17	10
<b>Gross up completed property portfolio valuation</b>	<b>B</b>	<b>8 713</b>	<b>6 331</b>	<b>8 674</b>	<b>5 142</b>
Annualised cash passing rental income		573	383	576*	315
Property outgoings		-75	-51	-76	-40
<b>Annualised net rents</b>	<b>A</b>	<b>499</b>	<b>332</b>	<b>500</b>	<b>275</b>
<i>Add: notional rent expiration of rent free periods or other lease incentives</i>		8	10	8	9
<b>Topped-up net annualised rent</b>	<b>C</b>	<b>507</b>	<b>342</b>	<b>508</b>	<b>284</b>
<i>Add: market rent of vacant space</i>		14	14	13	6
<b>Fully let net annualised rent</b>	<b>D</b>	<b>521</b>	<b>356</b>	<b>521</b>	<b>290</b>
EPRA NIY	A/B	5.72 %	5.24 %	5.76 %	5.36 %
EPRA "topped-up" NIY	C/B	5.81 %	5.40 %	5.85 %	5.53 %
Fully let net yield	D/B	5.98 %	5.62 %	6.01 %	5.64 %
Exit yield		6.04 %	5.52 %	5.89 %	5.56 %

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 March 2023.

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

(NOK million)

		31.03.2023	31.03.2022	31.12.2022	31.12.2021
Estimated rental value of vacant space	A	14	14	13	6
Estimated rental value of the whole portfolio	B	595	407	597	330

<b>EPRA Vacancy Rate</b>	A/B	<b>2.4 %</b>	<b>3.4 %</b>	<b>2.2 %</b>	<b>1.8 %</b>
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The market rent of vacant space is based on the independent valuation.

EPRA vacancy rate does not include Jærhagen Kjøpesenter or Maxi Storsenter.

### GLOSSARY

EPRA	European Public Real Estate Association
EPRA NDV	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 illustrate shareholder value in a scenario of orderly sale of all the company's assets.
EPRA NRV	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 NTA	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 sBPR	EPRA sustainability best practice recommendations
Exit Yield	Valuation yield set by external appraiser, used in the valuation of investment properties
External / Independent Appraisers	Cushman & Wakefield Realkapital AS
GLA	Gross Lettable Area, areas exclusive to the tenant including storage units
ICR	Interest Coverage Ratio, Net income from property management divided by amortised interest less interest income for the period
LTV	Loan To Value, Nominal Interest-bearing debt minus cash and cash deposits divided by fair value of investment properties
WAULT	Weighted Average Unexpired Lease Term

# AURORA

## Contact information

### Lars Ove Løseth

CEO Aurora Eiendom AS

[lars.ove.loeseth@alti.no](mailto:lars.ove.loeseth@alti.no)  
+47 928 17 859

### Kathrine Maset

CFO Aurora Eiendom AS

[kathrine.maset@alti.no](mailto:kathrine.maset@alti.no)  
+47 464 48 411

## Financial calendar

### Date

Friday 18.08.2023

### Report

Q2 2023 Report

[www.aurora.no](http://www.aurora.no)