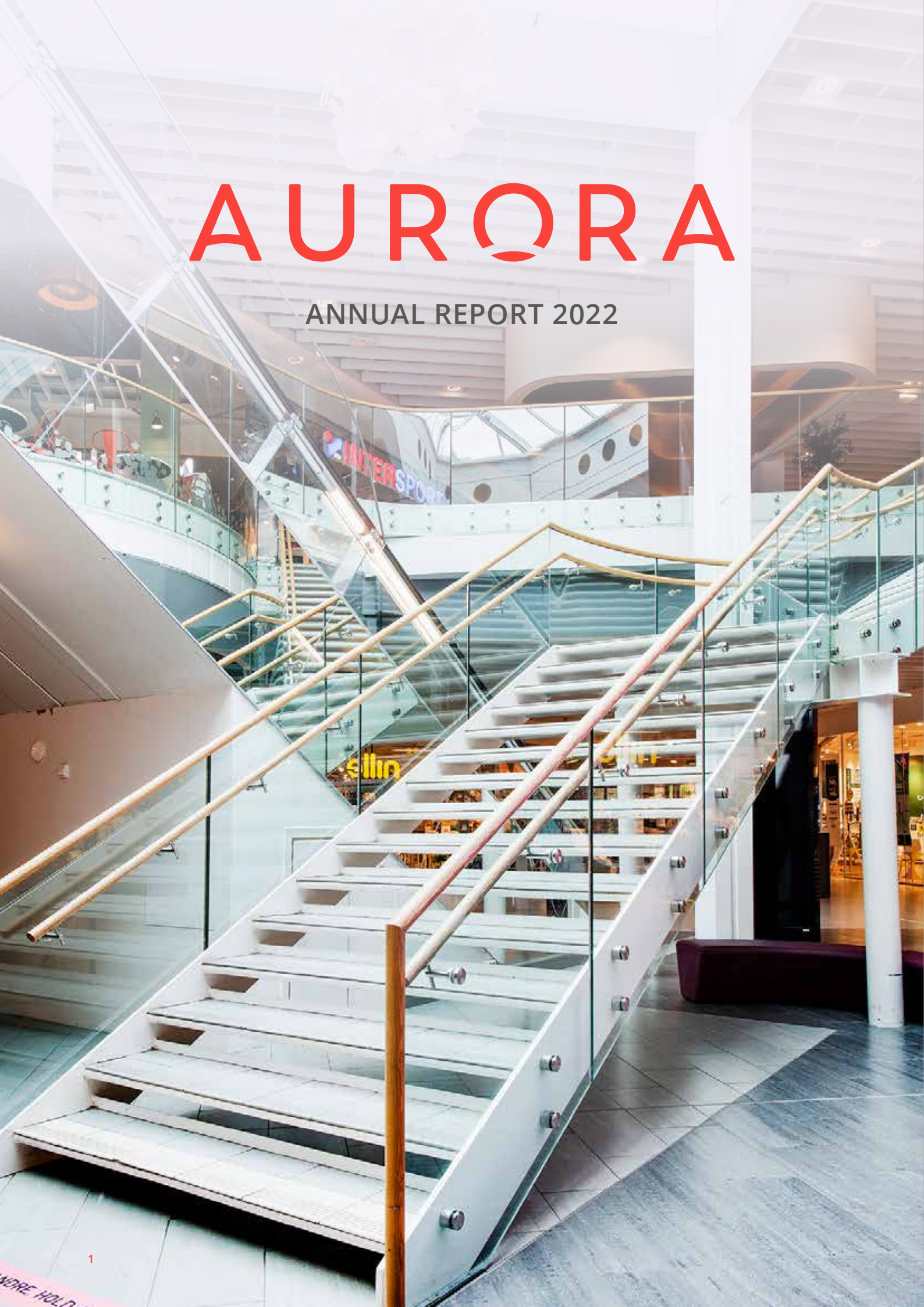


AURORA

ANNUAL REPORT 2022



Aurora Eiendom

The shopping center plays an important role in society. With shops and services easily accessible under one roof, the busy lives of most people are made easier. For many the shopping center is also a nice and safe place to be with friends and family.

Shopping habits are changing rapidly, but the need for people to meet and connect is a constant. Aurora Eiendom believes the shopping center will continue to play an important role in peoples' lives whether they need to have a suit cleaned or buy a new TV, bring the grandchildren along for Saturday shopping or pick up something ordered online.

Aurora Eiendom owns eight shopping centers in Norway: Alti Vinterbro in Ås municipality near Oslo, Alti Amanda in Haugesund, Nerstranda in Tromsø, Alti Farmandstredet in Tønsberg, Alti Nordbyen in Larvik, Arkaden Senter in Stavanger as well as Alti Buskerud and Gulsbogen Senter – both in Drammen. We will continue to invest in strongly positioned shopping centers with attractive locations and an exciting offering of shops and services.

Through our partly owned real estate management company Alti Forvaltning, Aurora Eiendom has access to the best management team in the market. Aurora Eiendom's and Alti Forvaltning's common mission is to simplify and improve peoples' lives.

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Aurora Eiendom 2022

Aurora Eiendom is a Norwegian real estate company listed on Euronext Growth Oslo. The company started its operations in July 2021 by acquiring five shopping centers, as well as 50 % of Alti Forvaltning AS.

LETTER FROM THE CEO

Robust in stormy conditions



Following two years of various challenges linked to the pandemic and the associated government restrictions, the year 2022 began by gradual lifting of most restrictions and all within the first half of February. For a few moments we believed we were facing a year where things were going back to normal before this changed abruptly as a result of the war in Ukraine.

2022 was characterized by inflation, galloping electricity costs, increased interest rates and general uncertainty in most industries. Despite the preceding factors we are pleased that the shopping centers still delivered strong numbers in tenant turnover.

Overall, for the year, the portfolio had a tenant turnover of NOK 8,4 billion, which corresponds to a development of 3,2 % compared to the previous year and 8.6 % above 2019. Arkaden Senter (+13 %) is the growth winner, closely followed by Gulsbogen Senter (+9 %) and Alti Farmandstredet (+8 %). The weakest development is at Alti Vinterbro (-6 %) and Alti Buskerud (-2 %), both of which are coming down from high pandemic levels.

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.

As a result of a year in the wake of the pandemic, high price growth and increased costs for consumers, the development in tenant turnover has varied greatly through the year. The strongest growth was in March and April, when there were pandemic restrictions in play the year before, while we find the steepest decline during the summer, as a result of the fact that many Norwegians were again on holiday abroad.

The three categories with the greatest growth were coffee and tea bars, bag and travel shops and shoe stores. On the opposite side liquor stores, hardware stores and kiosks were the categories with the greatest decline in turnover.

Although we are pleased to see tenant turnover performing above the expected level, given the macroeconomic factors at play, it is a reality that the cost level for our tenants has risen throughout the year. This means that we are dependent on tenant turnover remaining at good levels, and it is therefore reassuring to

see that 2023 has gotten off to a good start with 6 % YoY growth in January and 5,9 % in February.

The pandemic has been a stress test of several industries, among these shopping centers and retailers. It has forced many of us to rethink and innovate the operations of our businesses, and I believe that the industry now is stronger and more prepared for increased costs and other challenges that may come going forward.

Our co-owned management company Alti Forvaltning continued their growth in number of centers during the year with seven new centers under management, totalling 38 centers in the shopping center portfolio. This strengthens the company's position as the second largest shopping center operator in the country, and the increased volume under management gives the company the opportunity to further sharpen its expertise and elevate the property management product. With the growth also comes an improved operating profit, resulting in an EBIT of NOK 19,5 million for 2022.

We continue to work with our tenant mix on a daily basis, to keep our shopping centers relevant to our customers and to further strengthen our positions as the local engines in the retail market. We still work according to the opinion that food and beverage will be an important piece in an attractive shopping center going forward and are happy to have opened several new restaurants over the course of the year. During 2022 we had new leases starting on a total area of 8 786 sqm, while 6 510 expired, corresponding to a net leased area of 1,1 %. Leases with a total area of 24 743 sqm were extended.

Increased interest rates forced the valuation yields upwards, and the external appraisers have increased the valuation yield for the portfolio during the second half of the year. We note that even though increased interest rates have added a damper on the real estate transaction market, the interest in shopping centers is increasing

and the scepticism that investors have had towards the segment is descending as a result of shopping centers having proved their robustness through a few turbulent years. The positive development in leasing activities and increased inflation have had a countervailing effect on the property value effect of increased valuation yields.

Sustainability is becoming a greater focus in our industry, and we notice increased expectations from both banks, tenants and customers. Although we are still a young company, we are happy to elevate the span of the section concerning sustainability this year. As it is an ever growing and already major focus area of both Aurora Eiendom and Alti Forvaltning, it is only natural that it makes up a larger part of our annual report. The information we provide in ESG section should be of interest to everyone involved in our company, in one way or another.

We have now passed the one and a half year mark since we completed our first transaction, acquiring four shopping centers with a total property value of NOK 3 billion. Our intention was to exploit the window of opportunity that the skepticism in the investor community towards shopping centers as an investment provided, by acquiring quality assets before price expectations in the segment would increase again. We set our short-term goal to increase our shopping center portfolio to NOK 8 - 10 billion within 12 to 24 months. During 2022 we were excited to complete the acquisition of Buskerud Storsenter, Gulsbogen Senter, Arkaden Senter and a 25 % share of Maxi Storsenter. These transactions took our property portfolio up to the next level, reaching our short-term growth ambitions.

The acquisitions have contributed to growth in annualised cash passing rental income in Aurora, NOK 576 million against NOK 390 million at the end of 2021. Rental income was NOK 448 million for the full year 2022 (NOK 158 million in 2021 – with operations starting in July). Profit before tax for the full year 2022 was NOK 470 million, including fair value adjustments on investment properties and interest rate derivatives, and NOK 228 million excluding value adjustments. In total, we are pleased to have delivered a strong 2022 both in terms of portfolio growth and operating results.

Going forward, Aurora will continue to strengthen the value of our shopping centers as meeting places for local communities. We will ensure that we have a wide range of attractive offers gathered in one place, contributing to efficient everyday life for our visitors. The shopping centers are the natural place where we can meet family and friends to share experiences from activities, happenings, inspiration, and shopping.

The shopping center segment is and will continue to be a special category in the real estate industry, requiring expertise in many sub-disciplines. I would like to thank the management of Aurora and all the employees in Alti Forvaltning, who have contributed to a year filled with many memorable moments and strong results.



Lars Ove Løseth
CEO Aurora Eiendom AS



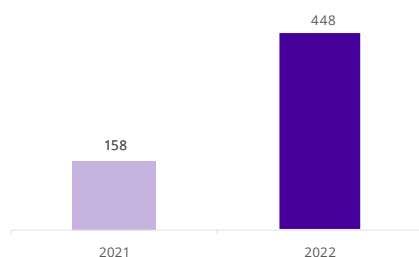
HIGHLIGHTS AND SUMMARY OF THE

Year 2022

- Rental income in 2022 was NOK 448 million (NOK 158 million in 2021).
 - Profit before tax was NOK 470 million (NOK 835 million).
 - Profit before tax excluding value adjustments was NOK 228 million (NOK 89 million).
 - EPRA Earnings per share was NOK 6,39 (NOK 6,37).
- Aurora Eiendom increased its portfolio of shopping centers in 2022:
 - Buskerud Senter was acquired in March.
 - In July, the Group acquired Gulsbogen Senter in Drammen, Arkaden Senter in Stavanger and 25 % of Maxi Storsenter in Hamar.
 - Aurora Eiendom increased its indirect ownership in Jærhagen Kjøpesenter from 8,75 % to 10 % in December.
- 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 %. Compared to 2019, before the pandemic, turnover growth is 8,6 %.
- Alti Forvaltning, owned 50 % by Aurora Eiendom, currently manages 38 shopping centers including Aurora's portfolio. This is an increase of 7 centers during last year.
- Aurora Eiendom's portfolio has a WAULT of 3,3 years and an occupancy rate of 93,4 %.

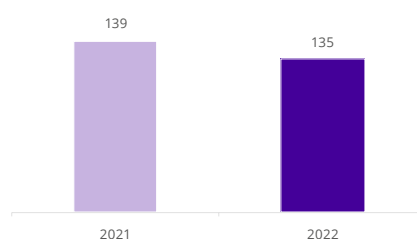
Rental income

(NOK million)



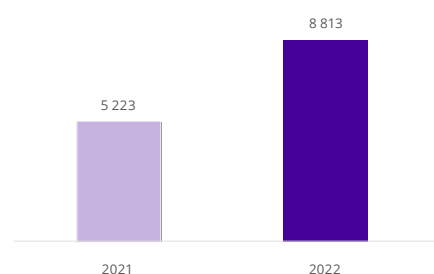
EPRA NRV per share

(NOK)



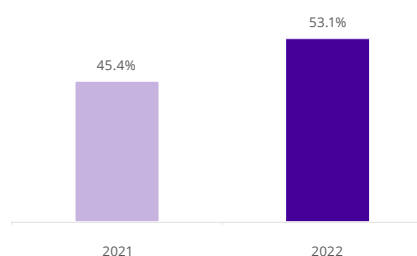
Value of investment properties

(NOK million)



Loan to value

(LTV)



Key figures

Group Key Figures

	Unit	2022	2021
Rental Income	NOK	447 915 298	158 043 738
Net income from property management	NOK	377 828 438	129 008 000

		31.12.2022	31.12.2021
Market value of property portfolio	NOK	8 813 000 000	5 222 900 000
Net interest bearing debt*	NOK	4 681 651 166	2 377 271 564
Outstanding shares	#	30 962 431	20 550 400
Equity per share	NOK	130,5	130,7

Alternative Performance Measures*

		2022	2021
Interest coverage ratio		2,2	3,2
Loan to value (LTV)	%	53,1	45,5
EPRA earnings per share (EPS)	NOK	6,39	6,37
EPRA NRV per share	NOK	135	139
EPRA NTA per share	NOK	130	135
EPRA NDV per share	NOK	131	131
EPRA Net Initial Yield	%	5,76	5,36
EPRA Topped-Up Net Initial Yield	%	5,85	5,53
Net Initial Yield Fully Let	%	6,01	5,64
EPRA Vacancy Rate	%	2,2	1,8

Leasing activity

		2022	2021
Total area leases started	sqm	8 786	1 685
Total area leases expired	sqm	6 510	1 145
Net area leased	sqm	2 276	540
Net area leased	%	1,1	0,5
Average lease term	year	6,6	5,3
Total area of leases extended	sqm	24 743	11 111
Total area of leases extended	%	12,3	9,8
Average extension for extended leases	year	5,1	3,6

Leasing portfolio summary

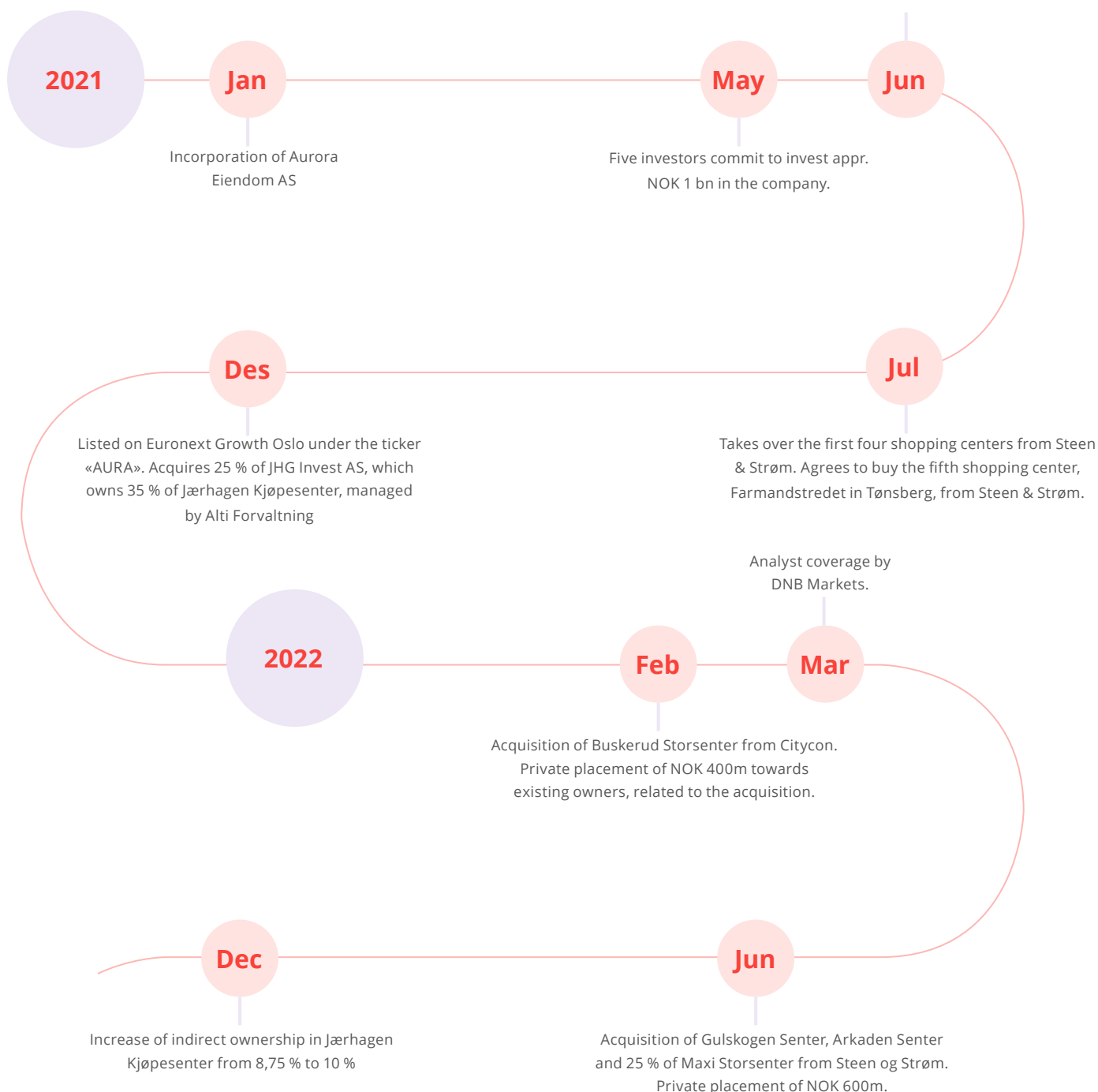
		31.12.2022	31.12.2021
Properties fully owned	#	8	5
GLA	sqm	202 323	113 113
Occupancy**	%	93,4	93,9
WAULT	year	3,3	3,0
Annualised cash passing rental income	MNOK	576	315

* See Alternative Performance Measures for details.

** Development from 2021 to 2022 does not correspond to net leased area as a result of growth in the real estate portfolio during 2022.

History

Private placement of NOK 2.0bn in new share capital.
Aurora Eiendom acquires 50 % of the shares in Alti Forvaltning AS, to ensure long-term partnership with an industry-leading operator of shopping centers.



Real estate portfolio

Shopping center portfolio:



HAUGESUND
Alti Amanda
100 %



KROKSTADELVA
Alti Buskerud
100 %



TØNSBERG
Alti Farmandstredet
100 %



LARVIK
Alti Nordbyen
100 %



ÅS
Alti Vinterbro
100 %



STAVANGER
Arkaden Senter
100 %



DRAMMEN
Gulsbogen Senter
100 %



TROMSØ
Nerstranda Senter
100 %

Associated companies:



Alti Forvaltning
50 %



HAMAR
Maxi Storsenter
25 %



KLEPP
Jærhagen Kjøpesenter
10 %

SUMMARY

Portfolio key figures

Shopping center	Alti Amanda	Alti Buskerud	Alti Farmandstredet	Alti Nordbyen	Alti Vinterbro	Arkaden Senter	Gulskogen Senter	Nerstranda Senter	TOTAL AURORA
Location	Haugesund	Drammen	Tønsberg	Larvik	Ås	Stavanger	Drammen	Tromsø	SUM
Gross lettable area (sqm)	15 064	31 915	37 944	15 885	33 793	15 165	40 603	11 953	202 323
Retail area (sqm)	13 965	28 465	27 779	14 465	30 028	8 719	37 551	8 605	169 577
Footfall - 2022 (millions)*	2,3	2,1	4,1	1,6	3,2	1,7	2,7	2,1	19,8
Footfall per retail area **	114,0	73,8	147,6	110,6	106,6	171,4	71,9	244,1	111,9
Gross turnover tenants - 2022 (MNOK)*	1 123	1 177	1 459	602	1 666	336	1 615	458	8 436
Turnover per retail area**	55 692	41 349	52 540	41 590	50 639	33 868	42 998	53 240	46 844
Turnover per visitor **	488	560	356	376	475	198	598	218	419
Gross rental income 2022 (MNOK)	50,0	63,7	112,8	39,2	80,9	27,5	123,7	36,9	534,7

* Gross turnover tenants and footfall Alti Amanda and Arkaden Senter includes Coop OBS! & Coop Extra which are not owned by Aurora. Gross turnover tenants Alti Vinterbro includes adjacent big-box retailers not owned by Aurora.

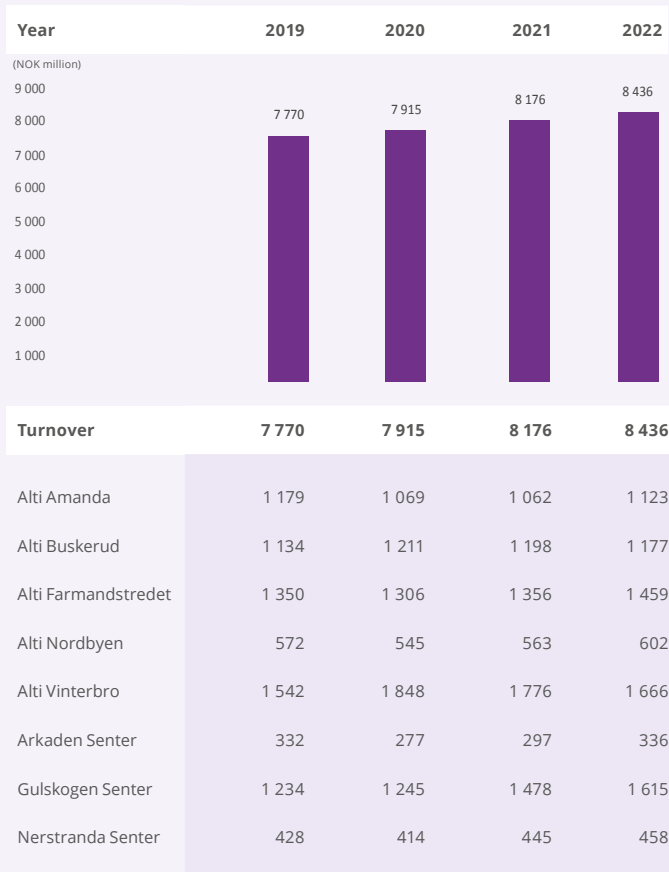
** Key figures corrected to include Coop OBS! at Alti Amanda, Coop Extra at Arkaden Senter and exclude big-box retailers at Alti Vinterbro.

Shopping center	Jærhagen Kjøpesenter	Maxi Storsenter
Location	Kleppe	Hamar
Gross lettable area (sqm)	46 817	21 790
Retail area (sqm)	36 717	20 669
Footfall - 2022 (millions)	2,4	1,4
Footfall per retail area	65,4	67,7
Gross turnover tenants - 2022 (MNOK)	1 480	571
Turnover per retail area	40 308	27 626
Turnover per visitor	617	408
Gross rental income 2022 (MNOK)	67,1	34,7



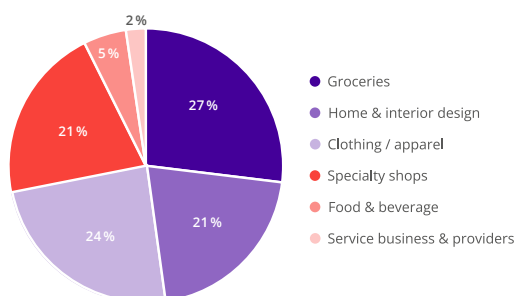
Tenant Turnover

Gross Tenant Turnover full portfolio

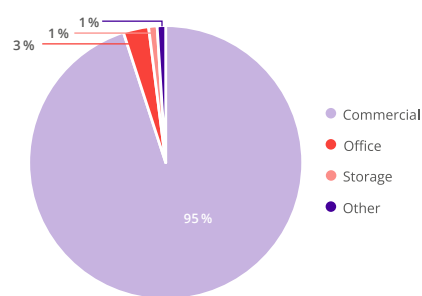


- Aurora Eiendom's shopping centers had a turnover of NOK 8,4 billion in 2022, an increase of 3,2 percent compared to the previous year. Compared to 2019, before the pandemic, turnover growth is 8,6 percent.
- The stores in the food and drink category came down somewhat from high levels in the pandemic years. If this category is excluded, the remaining categories had a total turnover growth of 7,5 percent last year.

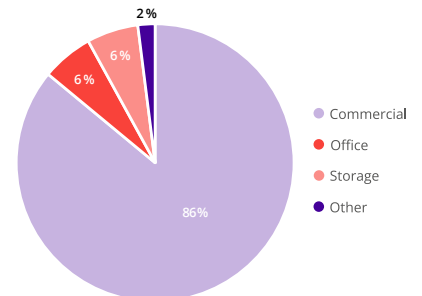
Share of tenant turnover



Share of GRI



Share of GLA



All tenant turnover data represents the fully owned portfolio (excluding Maxi Storsenter and Jærhagen Kjøpesenter). Tenant turnover includes Coop OBS! at Alti Amanda, Coop Extra at Arkaden Senter and big-box retailers at Alti Vinterbro not owned by Aurora.

Alti Amanda

THE LEADING SHOPPING CENTER IN HAUGESUND

Haugesund's leading shopping center, located in an attractive retail cluster in an area with strong population growth.

Easily accessible center with direct access to the rail road and public transportation terminal.

Complete shopping destination, complemented by several big-box retailers like Elkjøp, Biltema and Skeidar. From 2022, the tenant mix includes the restaurant concepts Kompis and Sabrura as well as H&M Home and Sprell.

Gross tenant turnover of NOK 1 123¹ million in 2022, equivalent to NOK 56 000 pr sqm of retail. Ample parking coverage, with 1 600 spots available to customers free of charge.

Gross Tenant Turnover



RETAIL AREA (SQM) / STORES (#)

13 965 / 60



ANNUAL FOOTFALL 2022

2.3m



GROSS TENANT TURNOVER 2022

MNOK 1 123¹



GROSS RENTAL INCOME 2022

MNOK 50.0

¹ Gross turnover tenants at Alti Amanda includes Coop OBS! which is not owned by Aurora.



Alti Buskerud

REGIONAL SHOPPING CENTER WITH A GROWING CATCHMENT AREA POPULATION

More than 80 000 people within 15 minutes' drive, and a growing population within the catchment area.

Alti Buskerud comprises of 60 stores and 28 465 sqm of retail space over two floors.

Completely renovated in 2017, the center is anchored by well-known retailers like Coop Obs!, Clas Ohlson, Vinmonopolet, Cubus and H&M.

Alti Buskerud is easily accessible with ample free parking (1 200 spaces).

Gross tenant turnover of NOK 1 177 million in 2022, equivalent to NOK 41 000 per sqm of retail.

The property comprises a large freehold lot with significant development potential.



RETAIL AREA (SQM) / STORES (#)

28 465 / 60



ANNUAL FOOTFALL 2022

2.1m



GROSS TENANT TURNOVER 2022

MNOK 1 177



GROSS RENTAL INCOME 2022

MNOK 63.7



Alti Farmandstredet

ONE OF SOUTH-EASTERN NORWAY'S PREMIERE SHOPPING CENTERS

One of south-eastern Norway's premiere shopping centers with prime city center location. Vibrant shopping destination, especially during the summer tourist season. Easily accessible center with strong local presence and no immediate competitors.

Good overall layout for shopping and anchored by renowned retailers such as Meny, Clas Ohlson and Vinmonopolet.

Gross tenant turnover of NOK 1 459 million in 2022, equivalent to NOK 53 000 per sqm of retail.

Significant development potential, including plans to replace an underutilized part of the center with a new entrance and extension.



RETAIL AREA (SQM) / STORES (#)

27 779 / 84



ANNUAL FOOTFALL 2022

4.1m



GROSS TENANT TURNOVER 2022

MNOK 1 459



GROSS RENTAL INCOME 2022

MNOK 112.8



Alti Nordbyen

STRONGLY POSITIONED AS THE NUMBER ONE SHOPPING CENTER IN THE LARVIK REGION

Strongly positioned as the number one shopping center in the Larvik region. Highly popular region for vacation, attracting + 70 000 visitors every summer, which increases the customer base.

The center is anchored by a large grocery store (Meny), and has good parking coverage with 620 spots.

Gross tenant turnover of NOK 602 million in 2022, equivalent to NOK 42 000 per sqm of retail. Alti Nordbyen experienced all-time high footfall and tenant turnover in 2022.

Significant development potential related to Hovlandbanen with plans to transform the area alongside the shopping center.



RETAIL AREA (SQM) / STORES (#)

14 465 / 50



ANNUAL FOOTFALL 2022

1.6m



GROSS TENANT TURNOVER 2022

MNOK 602



GROSS RENTAL INCOME 2022

MNOK 39.2



Alti Vinterbro

A COMPLETE SHOPPING DESTINATION AT THE JUNCTION
OF TWO MAIN HIGHWAYS

Situated at the junction between highway E6 and E18,
approximately 25 minutes by car from Oslo city center.

Car-based shopping center with more than 240 000 people
within 20 minutes' drive and 60 000 vehicles passing every
day.

Catchment area with strong expected population growth
and gross income well above the national average.

Gross tenant turnover of NOK 1 666¹ million in 2022,
equivalent to NOK 51 000 per sqm of retail.

Anchored by well-known retailers like Coop, Elkjøp, Clas
Ohlson and Vinmonopolet.



RETAIL AREA (SQM) / STORES (#)

30 028 / 80



ANNUAL FOOTFALL 2022

3.2m



GROSS TENANT TURNOVER 2022

MNOK 1 666¹



GROSS RENTAL INCOME 2022

MNOK 80.9

¹ Gross turnover tenants at Alti Vinterbro includes adjacent big-box retailers not owned by Aurora.



Arkaden Senter

ONE OF THE MOST CENTRAL SHOPPING CENTERS IN STAVANGER

The shopping center benefits from very good visibility down-town in an area with lots of other retail and store options. Easily accessible by public transportation with bus or train.

Arkaden Senter comprises 14 stores and 8 719 sqm of retail space in several buildings, and is anchored by well-known retailers like H&M, Cubus and Starbucks.

Parking on the property (70 spaces) with additional 500 parking spaces located on Jorenholmen.

Gross tenant turnover of NOK 336¹ million in 2022, equivalent to NOK 34 000 per sqm of retail.



RETAIL AREA (SQM) / STORES (#)

8 719 / 14



ANNUAL FOOTFALL 2022

1.7m



GROSS TENANT TURNOVER 2022

MNOK 336¹



GROSS RENTAL INCOME 2022

MNOK 27.5

¹ Gross turnover tenants at Arkaden Senter includes Coop Extra not owned by Aurora.



Gulskogen Senter

REGIONAL SHOPPING CENTER AND THE LARGEST SHOPPING CENTER IN DRAMMEN

More than 300 000 people living within a 30-minute drive – a growing population with increasing purchasing power.

Located in a well-established retail cluster, where a completely new district with around 1 500 residential units will be developed in the coming years.

Gulskogen Senter comprises 112 stores and 37 551 sqm of retail space:

- Anchored by well-known retailers like Elkjøp, Meny, Clas Ohlson, XXL and H&M.
- Easily accessible center with ample free parking (1 100 spaces).
- Gross tenant turnover of NOK 1 615 million in 2022, equivalent to NOK 43 000 per retail sqm.



RETAIL AREA (SQM) / STORES (#)

37 551 / 112



ANNUAL FOOTFALL 2022

2.7m



GROSS TENANT TURNOVER 2022

MNOK 1 615



GROSS RENTAL INCOME 2022

MNOK 123.7



Nerstranda Senter

FULL-SCALE SHOPPING CENTER IN THE HEART OF TROMSØ

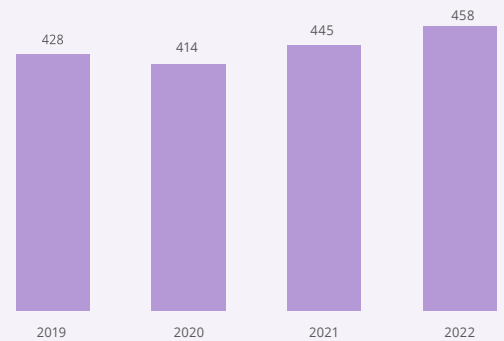
Nerstranda center with excellent location by the main high street in the city center of Tromsø. Great access to tourist flow with immediate vicinity to the cruise ship terminal and Clarion Hotel The Edge.

Anchored by well-known retailers and central Tromsø's only Vinmonopolet. In 2022, the sushi concept Sabrura opened and the center's facade was refurbished.

Gross tenant turnover of NOK 458 million in 2022, equivalent to NOK 53 000 per sqm of retail.

Ample parking coverage in basement, with 220 paid spots available to customers.

Gross Tenant Turnover



RETAIL AREA (SQM) / STORES (#)

8 605 / 34



ANNUAL FOOTFALL 2022

2.1m



GROSS TENANT TURNOVER 2022

MNOK 458



GROSS RENTAL INCOME 2022

MNOK 36.9



Jærhagen

A COMPLETE SHOPPING DESTINATION ANCHORED WITH BIG-BOX TENANTS



Ideally located in the junction of the main regional roads Fv 44 and Fv 510 offering tremendous accessibility by car.

Eco-lighthouse certified and energy efficient asset with solar roof-top panels and electric vehicle chargers.

Ample parking coverage with 1 200 spaces available to customers free of charge (700 outdoor and 500 indoor).

Completely renovated in 2018, with large expansion of retail space. Gross tenant turnover of NOK 1 480 million in 2022, equivalent to NOK 40 000 per sqm of retail.



RETAIL AREA (SQM) / STORES (#)

36 717 / 62



ANNUAL FOOTFALL 2022

2.4m



GROSS TENANT TURNOVER 2022

MNOK 1 480



GROSS RENTAL INCOME 2022

MNOK 67.1



Maxi Storsenter

REGIONAL SHOPPING CENTER LOCATED IN HAMAR

Regional shopping center located in Hamar with more than 60 000 people living within 15 minutes' drive. The center is located in a well-established residential area with strong population growth.

Maxi Storsenter comprises of 39 stores and 20 669 sqm of retail space:

- Anchored by well-known retailers like McDonald's, Coop Extra, Princess and Nille.
- Easily accessible center with ample free parking (1 050 spaces) and excellent public transportation.
- Gross tenant turnover of NOK 571 million in 2022, equivalent to NOK 28 000 per sqm of retail.
- Large freehold lot with significant development potential.



RETAIL AREA (SQM) / STORES (#)

20 669 / 39



ANNUAL FOOTFALL 2022

1.4m



GROSS TENANT TURNOVER 2022

MNOK 571



GROSS RENTAL INCOME 2022

MNOK 34.7



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 approximately 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. The plans include the establishment of 10 000 sqm of retail space.



Alti Nordbyen, Larvik

At Hovland in Larvik, we have under development approximately 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.





Organization & management

Alti Forvaltning AS works as a full-service manager for Aurora Eiendom, managing the portfolio of shopping centers as well as providing the day-to-day management of the parent company.

Alti Forvaltning AS is a full-service manager with leading expertise in shopping center management

- Alti was established by Lars Løseth in 2017 (founder of AMFI)
- Full-service manager with extensive experience
- Leading expertise in management of shopping centers
- Aurora Eiendom owns 50 % of Alti Forvaltning AS

Alti Forvaltning AS is a professional property manager, and currently manages 38 shopping centers, among these the centers owned by Aurora Eiendom.

Alti Forvaltning AS is owned 50 % by Aurora Eiendom AS and 50 % by Alti AS (LL Holding AS 80 % and Sørco Holding AS 20 %).

The head office is located in Surnadal, Nordmøre region, with branch offices in Oslo, Trondheim, Arendal and Ålesund. Alti Forvaltning AS has around 58 employees in administration, as well as employees out in the shopping centers (approx 100). All management resources dedicated to Aurora Eiendom AS are employed in Alti Forvaltning AS.

Alti Forvaltning AS



PORTFOLIO AREA / PROPERTIES

922 000 sqm / 113



GROSS TENANT TURNOVER (SHOPPING CENTERS)

MNOK +24bn



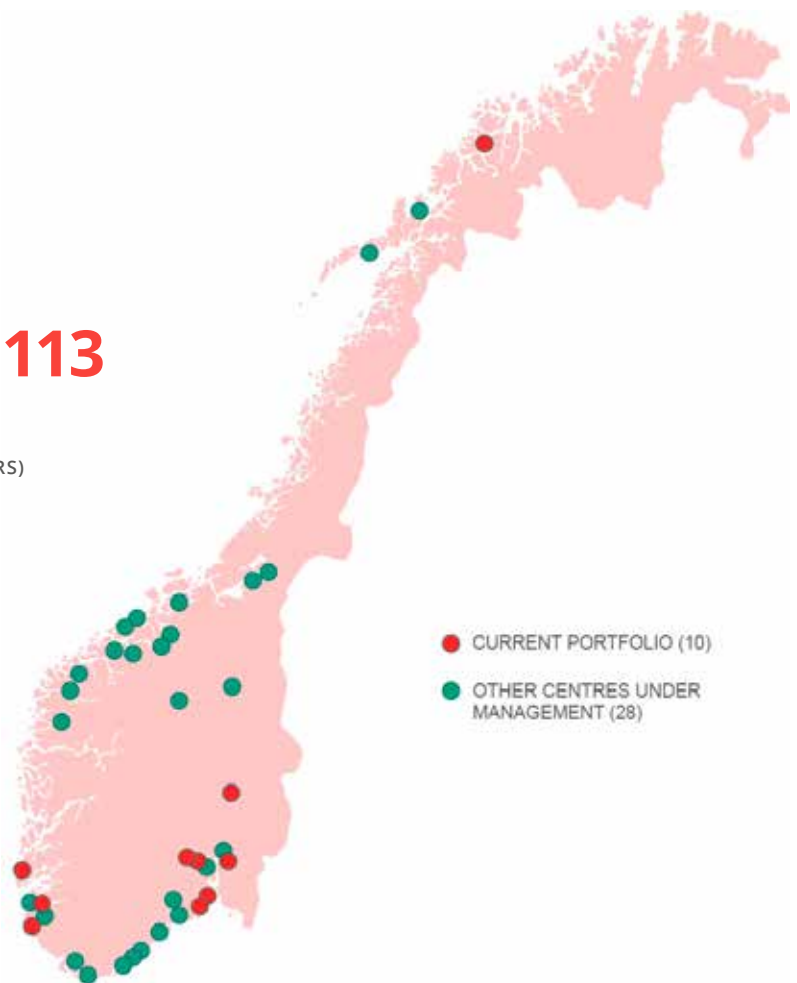
RENTAL INCOME

MNOK +1.5bn



EMPLOYEES

158 (58 in the administration and 100 at the managed properties)



Board of Directors



Petter A. Stordalen

CHAIRMAN

Profiled investor and businessman best known for his ownership in Nordic Choice. Extensive experience with retail – helped rebuild Steen & Strøm in 1991 and was one of the cornerstone investors in Sektor Gruppen before it was sold to Citycon in 2015.



Johan Johansson

BOARD MEMBER

Majority owner of the largest grocery chain in Norway, Norgesgruppen. Significant real estate owner and one of the cornerstone investors in Sektor Gruppen (31 %) before the company was sold in 2015.



Lars Løseth

BOARD MEMBER

Lars Løseth is regarded as one of the leading shopping center experts in Norway. Best known as the founder of AMFI, a significant owner and the largest operator of shopping centers in Norway.



Marius Varner

BOARD MEMBER

Marius is the CEO and Chairman of Varner, one of Norway's largest retail companies. Cornerstone investor in Sektor Gruppen (27 %) before the company was sold to Citycon in 2015.



Sigurd Stray

BOARD MEMBER

Sigurd is COO in Eiendomsspar, which is one of the leading real estate companies in Norway. Prior to Eiendomsspar, he worked 7 years at Olav Thon Gruppen, and 2 years in DnB Asset Management. Sigurd holds an MSc Economics with specialisation in Finance from BI Norwegian Business School.

Morten Nordheim is observer to the Board of Directors.

Management



Lars Ove Løseth

CEO

Lars Ove holds a BSc in Retail Management from BI Norwegian Business School and a MSc in Real Estate Development from NMBU. He has extensive experience in shopping center management, and has been CEO of Alti Forvaltning since 2018. Prior to Alti, Lars Ove was trainee at Olav Thon Gruppen, leasing manager at LL Holding and retail consultant at BigBlue & Company.



Aage Lilleberg

COO

Before joining Alti Forvaltning in September 2021, Aage was Regional Director at Olav Thon Gruppen for 9 years. Aage has previously worked as Leasing Manager and Regional Director at Amfi Drift AS. Before starting his career in shopping center management, Aage worked in retail, production and wholesale. Aage holds degrees at Norsk Kjøpmannsinstitutt and BI.

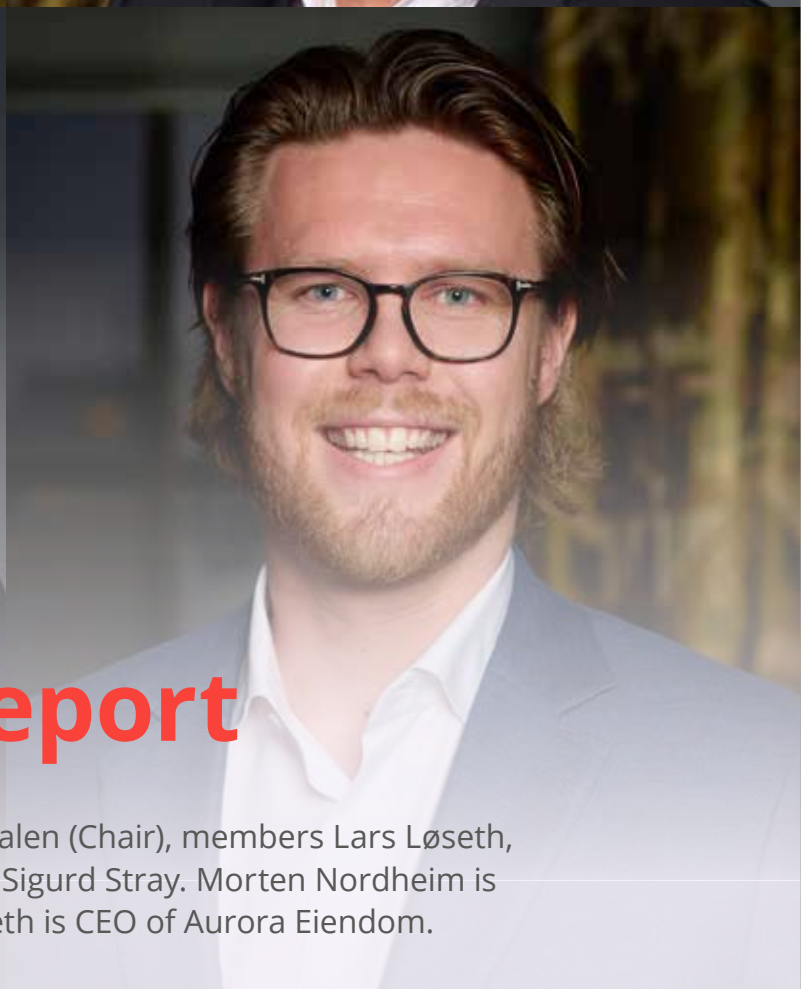


Kathrine Maset

CFO

Kathrine holds an MSc in Economics and Finance from Université Toulouse 1 Capitole in France. She has work experience from IBM, Danske Markets Corporate Finance, Amfi Eiendom AS and SpareBank 1 Nordmøre. Kathrine joined Alti Forvaltning in July 2021.





Board of Directors' report

The Board consists of Petter A. Stordalen (Chair), members Lars Løseth, Johan Johannson, Marius Varner and Sigurd Stray. Morten Nordheim is observer to the board. Lars Ove Løseth is CEO of Aurora Eiendom.

Overview of the business

Aurora Eiendom is a Norwegian real estate company listed on Euronext Growth Oslo. Aurora Eiendom was founded with the vision to build the future of retail by converging digital and physical retail and create an ideal environment for both tenants and customers. The company will own, operate, and develop leading shopping destinations.

Investment criteria and strategy

Aurora Eiendom seeks out and invests in shopping centers that are carefully selected. Aurora Eiendom, together with Alti Forvaltning, carries out a thorough analysis of rental income, costs, tenants, competition as part of the investment decision. The company actively opts out of deals that do not fit our strategy and portfolio, the focus is on proper growth.



Real estate segment

Shopping centers and adjacent assets and projects that will enhance the retail destination.



Strategic fit

Opt out of deals that do not fit Aurora Eiendom's strategy and portfolio (proper growth).



Geographical exposure

Large and medium-sized cities in Norway with good catchment area.



Leading position

Shopping centers that are leading or have the potential to become leading in their local markets.

We believe that by selecting assets that fit our investment criteria, together with hands-on shopping center management, Aurora will develop and optimise operations of our shopping destinations so that they respond to changing consumer patterns. This will demand regular investments to assure an optimised tenant base in each center, which is key to continuously attract customers.

Current portfolio

Aurora Eiendom owns eight shopping centers:

- Alti Amanda in Haugesund
- Alti Buskerud in Drammen
- Alti Farmandstredet in Tønsberg
- Alti Nordbyen in Larvik
- Alti Vinterbro in Ås municipality near Oslo
- Arkaden Senter in Stavanger
- Gulsbogen Senter in Drammen
- Nerstranda Senter in Tromsø

In addition, Aurora owns the following stakes in other centers:

- 10 % indirectly in Jærhagen Kjøpesenter outside Stavanger
- 25 % in Maxi Storsenter in Hamar

For full description of the portfolio and key figures, refer to the portfolio presentation on page 10-11.

Development in 2022

2022 was a year of activity and positive development for Aurora Eiendom. The portfolio increased by three shopping centers during the year, which meant that the target the board had set for the company's short-term growth was reached. Aurora now has a portfolio of attractive shopping centers that are well positioned for further development and growth. Our partly owned management company Alti Forvaltning also experienced strong growth in 2022, with 7 new centers under management. Four centers acquired in 2021 have been rebranded to the Alti logo and are part of Alti's marketing concept. This has been well received at the centers and in the local communities.

We entered 2022 with somewhat rising interest rates and market turmoil, which escalated as a result of Russia's invasion of Ukraine.

The macroeconomic ripple effects resulted in rapidly increasing interest rates and strong inflation in Norway. Inflation was 7 % and 3-month NIBOR rose from 0,95 % to 3,26 % in 2022.

For Aurora Eiendom, the consequences of this can be summarized in the following points:

- Increased interest has resulted in higher interest costs. Interest expenses as a proportion of gross rental income increased from 25 % in 2021 to 40 % in 2022. Aurora Eiendom has addressed this interest rate risk by hedging 46,7 % of its floating interest debt portfolio.
- Increased interest rates, inflation and market turmoil have led to increased yield requirements for our properties, and the external valuers have increased valuation yields on the properties by

33 bps during the year. Aurora has nevertheless written up the value of its portfolio this year. This is due to positive rental activity, CPI adjustment of our contracts and the fact that the portfolio was purchased on good terms.

- Inflation, increased prices and interest rates have led to weakened consumer purchasing power and created uncertainty in the outlook for retail. Aurora Eiendom closely follows turnover in the centers and compares the figures over time. Our shopping centers had a 3,2 % increase in turnover last year. We observe that some categories, such as food and drink (convenience, Vinmonopolet) came down from high pandemic levels, while categories such as restaurants and clothing have increased in volume. In all we are very satisfied with the turnover development in the portfolio.

The board of Aurora Eiendom is satisfied with the year 2022. We have increased the portfolio of shopping centers and activity in the centers has been good. Alti Forvaltning has worked well with the centers with new and existing tenants to ensure an attractive store mix that addresses consumer needs and preferences.

The board has decided not to propose a dividend payment this year. The board considers that Aurora Eiendom is best served by having a solid cash position in order to stand strong in the current market conditions.

Development projects

There is substantial development potential at land lots adjacent to Alti Buskerud and Alti Nordbyen. These are greenfield projects, where the early phase development plans were made public in December 2022. Both projects include the development of a combination of residential and retail areas, and these projects will further strengthen the centers' attractiveness.

Please see page 23 for a closer presentation of our development projects.

Alti Forvaltning AS

In-house management from day one is key to Aurora's vision of creating excellent shopping destinations for the future. Alti Forvaltning currently manages 38 shopping centers across Norway and has built substantial experience since it was founded by the Løseth family in 2018. All employees operating the shopping centers, employees in supporting roles as well as management dedicated Aurora Eiendom are employed in Alti Forvaltning. This allows for Aurora Eiendom to deliver to the acquired shopping centers a large range of top specialized resources to manage the centers. Alti Forvaltning delivers the following services to the centers:

- Day-to-day management (center managers and technical staff)
- Leasing and property management
- Technical and IT

- Human Resources
- Development and construction projects
- Accounting
- Marketing

Alti Forvaltning offers centers to join the Alti common profile with high quality affordable campaigns and marketing. The chain concept preserves local identity and belonging, as Alti strongly believes that "business is local".

Alti Forvaltning's head office is in Surnadal, Norway. Aurora Eiendom's day-to-day management is also operated from Surnadal. The shopping centers each have dedicated staff (management, marketing and technical) that are based at the center. In addition, Alti Forvaltning has a team of leasing managers that are located at Alti Forvaltning's offices in Trondheim, Ålesund, Oslo and Arendal.

Financial review

Financial developments for the year are presented and compared to 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. The reported figures for Aurora Eiendom in 2021 thus represent the half year the company was in operation. 2022 shows full-year figures for the centers purchased in 2021, and they include the effects of the acquired centers. The centers that were acquired were financed by a mix of equity and long-term interest-bearing debt.

Rental income

Gross rental income for the year 2022 was NOK 448 million (NOK 158 million). Of this, 92 % represented minimum lease payments from the tenants. No individual customer accounts for more than 10 % of the Group's revenue. The income for 2022 is significantly higher than the income in 2021. This is due to two factors. Firstly, Aurora Eiendom's operations began in July 2021, thus the rental income represents the half-year of operations. Secondly, three shopping centers were bought in 2022 which contributed to higher income.

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 36,9 million (NOK 15,1 million). The increase is due to the larger shopping center portfolio in 2022.

Administrative expenses were NOK 22,6 million (NOK 7,5 million). This represents the fee paid to Alti Forvaltning AS for managing the 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 provisions, consultancy and auditing fees.

Other operating expenses amounted to NOK 10,8 million (NOK 6,6 million). Some of these costs are one-offs due to legal and advisory fees due to changes in the group structure on company level, as well as expenses connected to acquisitions.

Net income from property management

Net income from property management amounted to NOK 377,8 million (NOK 129 million).

Fair value adjustments of investment properties

The fair value of the investment properties was adjusted with NOK 105 million in 2022. The Group's investment property portfolio consists of eight 100 % owned shopping centers which are valued by an external appraiser on a quarterly basis.

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 % in December 2022.
- 25 % of Hamar Storsenter Holding AS.

The Group's share of profit in these companies amounted to NOK 19,5 million (NOK -166 251). This figure includes amortisation of NOK 5,2 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 an external 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.

Financial expenses

Financial expenses amounted to NOK 178 million (NOK 40,1 million) and are mainly related to interest and fees on interest-bearing debt. Financial expenses are recognised using the amortised cost method. Nominal interest-bearing debt amounted to NOK 5,0 bn (NOK 2,8 bn). The increase in interest-bearing debt, the increase in market interest rates and the full-year effect of debt (in 2021 the company had debt for half a year) explain the increase.

Summary

Pre-tax profit, **including** fair value adjustments of investment properties and interest rate derivatives, was NOK 470 million (NOK 835 million). The fair value of the investment properties was adjusted by NOK 755 million in 2021 and adjusted by NOK 106 million in 2022. Per December 31st, the Group portfolio consisted of five shopping centers, acquired in July 2021. The investment properties are measured initially at cost, including transaction costs such as consultant fees. After their initial measurement investment properties are valued at fair value at the end of the quarter following the acquisition. Fair value of the investment properties is based on the valuation conducted by external appraiser. Pre-tax profit, **excluding** fair value adjustments of investment properties and interest rate derivatives, was NOK 228 million (NOK 89 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 year (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 %). Financial lease liabilities amounted to NOK 10,6 million (NOK 11,9 million).

Financing

The Group's debt portfolio consists of long-term debt with Scandinavian banks and a seller's credit. The remaining term for the debt portfolio is 1,8 years. The Group's assets 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 activities was NOK 189 million. Net cash flow from investments was NOK -3 481 million and net cash flow from financing activities was NOK 3 331 million. The net change in cash and cash equivalents was NOK 38 million, and cash and cash equivalents at the end of the period were NOK 327 million.

Allocation of net income

The Board of Directors proposes that the net profit of NOK 363 218 510 to be allocated to retained earnings.

Financial result of the parent company Aurora Eiendom AS

The parent company Aurora Eiendom AS had revenues of NOK 2 940 (NOK 0) in 2022. Net financial items, mainly due to income from subsidiaries and interest income from Group companies, amounted to NOK 134 million (NOK 33 million). Profit for the year was NOK 103 million (NOK 27 million). For the full financial report of the parent company, please see page 89.

Risk factors and risk management

Aurora Eiendom is exposed to several risks, including market, operational and financial risks.

Market risk

Aurora Eiendom is exposed to the risk of a reduction in general rent levels. Rent levels are affected by a number of factors, many of which are outside the Group's control, such as macroeconomic fluctuations, changes in consumer patterns and consumer confidence, availability, and development of competing shopping facilities in the vicinity of Aurora Eiendom's centers and changes in law and regulations. Rental income constitutes substantially all of the Group's revenue and any fall in rent levels may have a material negative effect on the Group's results of operations and financial positions.

Operational risk

Aurora Eiendom AS currently owns eight shopping centers and has a minority interest in two shopping centers. All shopping centers and Aurora Eiendom are managed by resources employed in Alti Forvaltning AS, which is 50 % owned by Aurora Eiendom. The Company is dependent on competent management and employees, both employed and consultants, through its management agreement with Alti Forvaltning AS. On December 31st, 2022, the remaining lease term for the properties was 3,3 years. Aurora Eiendom has approximately 700+ tenants, and this implies that contracts must be renegotiated on a regular basis. In the event that the shopping centers are unable to let vacant area and lease agreements are terminated, or not re-let on acceptable terms, the Group may experience a reduction in rental income. The Group may also suffer additional reduction in income because it may have to cover the common costs of vacant areas. Aurora Eiendom also faces the risk that anchor tenants could potentially choose to terminate their contracts, and thus making the center less attractive as a shopping destination. The Group faces the overall risk of tenants not meeting their obligations to pay lease obligations, which in turn can have negative effect on the Group's cash flow and earnings. In general, Aurora Eiendom is exposed to property risks – which includes a variety of risks associated with owning real property, such as the risk of landslides, fire, and construction defects.

Financial risks

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating rates. To adjust the exposure to the change in interest rates for the interest-bearing debt, the Group has entered into interest rate swap agreements with a notional amount of NOK 2,1 bn, whereby it receives a variable rate equal to three-month NIBOR and pays a fixed rate of interest on the notional amount. All interest rate swaps are designated as hedging instruments, and the Group will not apply hedge accounting to interest rate swaps. The Board will monitor the development in swap rates and will consider further hedging of interest-rate risks in connection with increases in the Group's interest-bearing debt. Per 31.12.22, 46,7 % of the Group's debt was hedged with interest rate swaps or at fixed interest rate.

Credit risk / counterparty risk

The main credit risk relates to lease payments according to contractual obligations. Aurora Eiendom AS has a large number of tenants, and the standard rent payment regime is quarterly in advance. The standard provided security for contractual obligations from tenants is a bank guarantee that sums equivalent to 6 months rent including VAT. However, security for each lease agreement is rated based on the lease agreements total value, associated investments and the tenants' creditworthiness. Overall, the concentration of credit risk relating to lease payments is assessed to be low.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to fulfill its financial obligation as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management uses cash flow simulations to monitor financing required for its business and ensure that commitments are met. Bank deposits as of balance date amounted to 327 MNOK. The Group has an overdraft facility of 30 MNOK. Debt repayments (instalments) for the coming rolling 12 months period are covered by operating cash flow. There is also financing risk, which is the risk that the Group will be unable to meet its financial obligations when they are due, and that financing will not be available at a reasonable price. The Group will seek to limit this risk by having a diversified maturity structure for the Group's financing going forward. The Group also wishes to maintain good credit rating with finance institutions and generate a healthy cash flow in order to be an attractive borrower.

Environmental report

Aurora Eiendom's shopping centers are included in Altı Forvaltning's work on sustainability and environmental reporting. Please refer to page 36 for Aurora's sustainability report.

Going Concern

We confirm that the financial statements have been prepared under the assumption of going concern. This assumption is based on profit forecasts for the year 2023 and the Group's long-term strategic forecasts. The Group's economic and financial position is sound.

The working environment and the employees / equal pay

Aurora Eiendom AS does not have employees. All human resources, including management of Aurora Eiendom are employed in Altı Forvaltning AS. Aurora Eiendom is headquartered from Surnadal, Norway, where Altı Forvaltning has its headquarters. Aurora Eiendom has included data regarding the employees of Altı Forvaltning in the Social Performance Measures section of the Sustainability chapter.

Share and shareholders

Aurora Eiendom's shares are listed on Euronext Growth Oslo under the ticker "AURA" As of 31.12.2022, the company had issued 30 962 431 shares each with a nominal value of NOK 75. Aurora Eiendom has one share class, and all shares have equal rights. The shares are registered in the Norwegian Central Securities Depository (VPS). The shares carry the securities number ISIN NO0011032310.

Per December 31st, 2022, the 20 largest shareholders were:

Investor / SPV	Number of shares:	Ownership interest:
Joh Johansson Eiendom AS	6 022 733	19,45 %
Eiendomsspar AS	6 002 462	19,39 %
Altı Invest AS	3 200 014	10,34 %
NSF IV Norway Holding 10 AS (NREP)	2 000 000	6,46 %
Varner Invest AS	1 730 351	5,59 %
AS Clipper	1 700 215	5,49 %
Strawberry Shopping AS	1 553 763	5,02 %
Stokke Industri Eiendom AS	1 522 581	4,92 %
Verdipapirfondet Nordea Norge	797 962	2,58 %
Byggtteknikk Invest AS	509 942	1,65 %
Kverva Eiendom AS	497 524	1,61 %
Uthalden Eiendom AS	400 000	1,29 %
Peak Invest AS	313 811	1,01 %
Brødrene Johanssen Eiendom AS	300 000	0,97 %
Carucel Invest AS	272 979	0,88 %
Ligna AS	208 049	0,67 %
Oviv AS	201 653	0,65 %
Næringslivets Hovedorganisasjon	200 475	0,65 %
Tretindanibba AS	198 663	0,64 %
Fine Line Direct AS	186 683	0,60 %
Other	3 142 571	10,15 %
Total (284 investors as of 31-12-2022)	30 962 431	100,00 %

Authorisation for the Board to increase the share capital

On February 18th 2022, the Board was authorised to increase the share capital by one or more occasions with maximum NOK 919 154 775 by issuance of maximum 12 255 397 new shares, each with a nominal value of NOK 75. The authorisation will expire at the latest on 30th June 2023. The board has made use of the authorisation on two occasions in 2022:

- On February 8th 2022, Aurora Eiendom AS announced a private placement of new shares, raising NOK 400 million in gross proceeds, through allocation of 3 960 396 new shares. The net proceeds of the private placement were used to partly finance the acquisition of Buskerud Storsenter, as well as for general corporate purposes.
- On June 26th, 2022, the share capital was increased by issuance of 6 451 635 new shares, in relation to the private placement raising NOK 600 million in gross proceeds. The net proceeds of the private placement were used to partly finance Aurora's acquisition of the two shopping centers Gulskogen Senter and Arkaden Senter, in addition to 25 percent of Maxi Hamar, in line with Aurora's strategy for expansion, as well as for general corporate purposes.

Authorisation for the Board to acquire shares in Aurora Eiendom AS

On February 10th, 2023, the general meeting granted the board of directors an authorisation to in one or more occasions to acquire shares in Aurora Eiendom AS with a nominal value of up to NOK 232 200 000, divided into up to 3 096 000 shares. The authorisation is until 10th February 2024 and shares acquired pursuant to this authorisation may either be deleted in connection with a reduction of the share capital, and/or be used as consideration in connection with transactions, and/or be used in connection with incentives, and/or be used in connection with general corporate purposes.

Insurance for board members and general manager

The company has insurance for board members and general management. The insurance covers executives, directors and officers from liability arising from their decisions and actions taken on behalf of the organization.

Outlook

The start of 2023 has been positive in terms of tenant turnover, and we are pleased to see that there is good activity in our shopping centers.

Consumer purchasing power may deteriorate further in 2023 as result of ongoing inflation and interest rate hikes. Nevertheless, there is high employment in Norway and a good wage settlement is expected. Combined with the fact that our shopping centers offer everyday goods and services, we expect stable outlook for the retail sector.

We continue to observe good interest from tenants to invest in their concepts. Aurora will focus on creating the best possible store mix and facilitating our tenants so that they can succeed. Aurora Eiendom has high occupancy rate in our centers and the centers offer attractive locations for new concepts to establish themselves. Alti Forvaltning is fully focused on efficient operation of the centers with cost control to contribute to the tenants' profitability.

Aurora will continue to create pleasant meeting places for the local community and satisfy both those who come in for a quick errand and those who want a longer stay, socializing and spending time with friends and family. The focus will be on continuous renewal and improvement of the offering in the centers, to stay relevant and respond to consumer needs.

Aurora Eiendom is also facing exciting times with an increased focus on sustainability. All our centers are to be BREEAM In-use re-certified in 2023, and the company has an ambition for the centers to be certified to a minimum of "Very Good". Furthermore, Aurora has now started extensive reporting according to EPRA standard on ESG metrics. We also take into account the new national Transparency Act*, and will implement the necessary means to meet its standards, and further more ensure that Aurora Eiendom conducts its business in accordance with the OECD guidelines for responsible due diligence. This gives us a very good starting point for taking measures within all aspects of sustainability.

* Full disclosure and information about Transparency Act will be published on www.aurora.no within 30th of June 2023





Responsibility statement by the Board of Directors and CEO

To the best of our knowledge, we declare that:

- The Aurora Eiendom AS consolidated financial statements for 2022 have been prepared in accordance with IFRS.
- The financial statements for the parent company, Aurora Eiendom AS, have been prepared in accordance with the Norwegian Accounting Act.
- 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 and for Aurora Eiendom AS.
- The Board of Directors' report provides a true and fair view of the development and performance of the business and the position of the group, together with a description of the key risks and uncertainty factors that the group is facing.

Surnadal, March 23rd 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

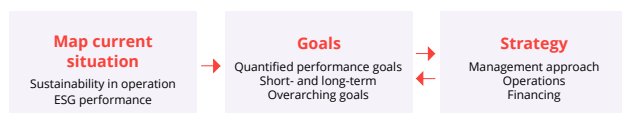


Sustainability

Aurora Eiendom AS is the owner of a portfolio of shopping centers that are all managed by Alti Forvaltning AS. Aurora's goals and general approach towards sustainability are therefore closely intertwined with that of Alti Forvaltning. While the direction, strategy and goals will be set by Aurora Eiendom, it will be the role of Alti Forvaltning to apply sustainability measures in the everyday operation of the properties. Equally, the strategies and management approach established in Alti Forvaltning will put its mark on the shopping centers owned by Aurora.

Aurora Eiendom

In last year's annual report, we preceded the sustainability chapter noting that Aurora through Alti Forvaltning has started a three-step process to improve the company's sustainability performance. This process involved mapping the current sustainability work in the organization today, set and define short- and long-term goals, and to implement a strategy to reach those goals with a system to continually follow up the work being done in the process. Systematic collection and reporting of ESG data will play a key role in all these three steps.



We are therefore happy to present Aurora's first set of sustainability performance measures here in the second annual report. As we start to get a broader overview of our current situation, we now have a crucial part of the foundation needed to set our goals and implement a strategy to reach them, all in line with the three-step plan set out one year ago.

During the year of 2023 we expect to further expand on Aurora's approach towards sustainable real estate. It will be necessary to perform a stakeholder and materiality analysis to ensure we take a relevant approach and lay out a strategy with the correct measures to reach short- and long-term goals that are appropriate and of importance with respect to UN's sustainability goals.

Alti Forvaltning

In the same way as Aurora Eiendom, Alti Forvaltning has started the process of implementing an official sustainability strategy for its real estate management services, aligning its work with the relevant parts of UN's sustainability goals. While the official sustainability strategy is yet not published, several actions towards sustainable real estate management are already being taken and have been part of the operations for several years. Sustainability is high up on the company's agenda, and in 2022 Alti Forvaltning hired a designated sustainability manager in order to put additional focus on this area.

As sustainability is a broad concept, it has to be implemented in all parts of the management organization, touching both environmental and social topics within real estate operations, while also considering the governance aspects of the company. To elaborate on this topic, we present Alti Forvaltning's approach towards some relevant areas within environmental and social sustainability.

Energy management

Buildings are responsible for a major part of the total energy consumption in Europe, so one should aim to have buildings run as energy efficiently as possible, and

at the same time seek to utilize energy sources that are renewable. To this end Alti Forvaltning focuses on digital energy control systems in order to optimize consumption so that as little energy as possible is wasted or used for unnecessary operations. The local management team at each asset monitors the energy use and implement measures to have the systems run as efficiently as possible.

In 2022, Alti Forvaltning decided to implement additional measures towards more energy efficient buildings. Through a collaboration with the Norwegian real estate management company Kjeldsberg Eiendomsforvaltning AS, Alti has set out a plan to assess all shopping centers under its management with regards to energy efficiency. As a part of this process the potential of solar panels on the roof of the different shopping centers will be considered. As of today, two of the shopping centers are well on their way to establish solar panels on the roof, in order to supply the common areas and potentially their tenants with renewable energy.

Marketing strategies

In marketing, Alti possess a unique possibility to reach a very large crowd and thinks of it as a responsibility to use this opportunity to spread information about the sustainable choices you can make as a customer. An increasing number of tenants provide sustainable options as part of their product range, and Alti Forvaltning wants to contribute by distributing this information through its marketing channels.

To this end the different marketing departments are instructed that a part of all marketing content in social media should be focused on sustainable options. The percentage of content dedicated to sustainability is as of today set by each local marketing department. In addition, we seek to intensify this message during certain periods throughout the year.

The head marketing department also look to themselves when taking responsibility. As of today, all marketing material that is being purchased is chosen with sustainability taken into consideration. For example, balloons made of plastic are no longer used as marketing material from the head marketing department, and all posters/printed material are being delivered with specifications concerning materials. Information about the sustainable position being taken at the head department is distributed and encouraged at each local department to increase the volume and quality of work towards sustainability.

Purchases and suppliers

Alti Forvaltning will seek to favour suppliers that in their specific markets focus on sustainability and offers sustainable products. The distance the purchased product or service travels to our properties will also be taken into

consideration, and Alti will strive to choose local suppliers in different categories where such offers exist, in order to contribute to reducing CO₂-emissions.

There are several decisions regarding suppliers that have been made in compliance with the strategy described above. As an example, we mention that Alti Forvaltning has made a deal with the company N3, who delivers entrance floor mats made of recycled material to our properties. These do also not require to be transported to a different location to be cleaned (unlike most floor mats). Both these factors contribute to floor mats requiring less resources both in the production process and the maintaining process, compared to the alternatives.

Concerning suppliers, new measures will be carried out during 2023. With an increasing emphasis on the environmental effects and issues concerning human rights in the supplier chain, Alti will implement measures to secure that all suppliers are compliant with all laws and regulations, in addition to Alti's own expectations towards its suppliers. This will also be necessary for Alti to meet the demands of the new national Transparency Act, which refers to the due diligence guidance for responsible business from OECD.

With regards to sustainable transportation, Alti Forvaltning has teamed up with Eviny, who install and operate EV charging stations. They share the ambition of rapidly expanding the opportunities for electric vehicles nationwide and wish to provide the customers the opportunity to make sustainable choices. As a result of this partnership, 6 of the 10 shopping centers in the portfolio of Aurora have a well-developed EV charging station in their parking area at the end of 2022, and the last four are set to have their stations ready during 2023. Furthermore, of the remaining 28 centers under the management of Alti Forvaltning, 17 have established EV charging stations since the start of June 2020.

Health and safety

With an increasing focus on sustainability comes an increasing focus on health and safety, both with regards to the assets and to the wellbeing of the people that use them as well as Alti's own employees. Alti Forvaltning has several routines and procedures in place to meet the demands of a well-organized H&S approach. The overarching goals of the organization is stated in the H&S handbook:

The overarching goal states that it shall be safe and good to work at our company, and that we will facilitate and run our business in a way that causes no harm to personnel, material, or the environment. This will be achieved through:

- ensuring all employees have sufficient knowledge of H&S,
- conducting regular employee surveys,



- annual review of the H&S systems,
- safety inspections,
- fire safety inspections,
- maintenance of work-related equipment, electrical installations, etc., in compliance with authority requirements,
- facilitate physical activity
- facilitate social interaction through different types of events,
- available, functional, and safe buildings.

The H&S work is reviewed and documented at the end of each calendar year, and specific goals and measures for the following year are listed. These procedures are documented, reviewed, and signed by the CEO to ensure that the H&S work is rooted at the top of the management. To live up to these goals, the work is organized in different groups, with a H&S group consisting of four members of the administration, including the leader of HR and the sustainability leader. There is also a Work Environment Committee put in place, meeting up once a quarter to address the relevant aspects of the ongoing H&S work. This committee consists of three members representing the employer, and three members representing the employees. The executive responsibility of the H&S work for the individual assets is on the local management team. Reporting on asset level H&S incidents and compliance is carried out by the local management team through the company's digital MOM (management, operation, and maintenance) system. Furthermore, the H&S handbook of Alti Forvaltning sets out the goals and guidelines and provides documents for application within the following subjects:

- Risk assessments.
- Action plans and management of deviations/ incidents.
- Routines for notification of objectionable circumstances.
- Facilitation of physical activity.
- Instructions on employee surveys.
- Annual assessments of the workplace.
- A list of annual activities within the H&S work.

It is important to make sure the employees have a safe work environment and a positive experience of being an employee at Alti Forvaltning. Several measures are being taken to ensure a good physical and psychosocial work environment, both at the head office and at the branch offices/shopping centers. In addition, Alti wishes to be a contributor to the education of its employees and ensure the proper training for all employees in the different positions. The internal e-learning platform Altiakademiet introduces new employees to an e-learning program put in place to ensure the employees gets the necessary introductory training at the beginning of their employment. It also contains more comprehensive courses addressing fire security and overarching H&S work. Beyond internal training, Alti Forvaltning contributes to the formal education of its employees. When employees take on education that is considered relevant for their position in the company, Alti Forvaltning covers 50 % of the expenses associated with the education. During the reporting year of 2022, five employees have been given such contributions.

With regards to the H&S of the different assets, the responsibility is rooted at the top of the management, but transferred down to each asset's local management team, who possess the executive responsibility of the H&S work. The company has put in place procedure considering the following aspects of asset level H&S work:

- Handling of asbestos
- Fire security
 - Overarching goals, operative systems, revisions of the overarching fire security work and the procedures on reporting incidents, list of documentation, fire preparedness, fire instructions, learning/courses and procedures of fire drills.
- Construction sites and construction projects
 - HSE-plans, H&S cards, high risk work, hot works, high altitude work, work with lifting equipment, excavation work.
- Handling of chemicals.
- Use of personal protective equipment.
- Indoor climate, temperature, and noise.

Systems are put in place to control and report on the continuous H&S measures and assessments. The procedure of reporting incidents of non-compliance is set an internal note distributed through the H&S handbook. Incidents are reported on two levels; incidents that are considered to be of less severity are reported through Facilit, Alti Forvaltning's MOM system, and are treated locally by the management team. More severe incidents are to be reported in the quarterly reports, as part of a broader assessment of the assets technical condition.



Sustainability Performance Measures

In order to continually assess the actions taken to ensure a sustainable real estate management, we need to be systematic in our approach towards gathering and organizing ESG (environmental, social, governance) data. This way we will be able to identify the effect of implemented measures, and continually adjust our approach. Reporting key sustainability indicators will also give Aurora a status quo, be part of a basis for setting quantified short- and long-term sustainability goals and help to decide where to put the main focus.

Furthermore, reporting on ESG data allows for Aurora to disclose information of key interest for our stakeholders. By adopting the method of EPRA sBPR we ensure that the reporting is set up in a standard and acknowledged format, ensuring relevant information that is easy to utilize.

Reporting methodology

The approach taken when collecting, organizing, and disclosing ESG data is based on EPRAs sustainability best practices recommendations (sBPR). This lays out which performance measures should be reported for all three categories of ESG. It also gives best practice recommendations for the general approach towards reporting in overarching recommendations, covering the topics of organizational boundaries, coverage, estimations, third party assurance, boundaries, normalization, segmental analysis, disclosure of own offices, narrative on performance, reporting period and materiality. The specific adaption of these recommendations taken by Aurora Eiendom in this report is described below.

Organizational boundaries

For asset-level performance measures we take the same approach as for the financial reporting, including the assets of which Aurora has operational control. This includes eight assets, all of which are shopping centers. These are Alti Amanda, Alti Buskerud, Alti Farmandstredet, Alti Nordbyen, Alti Vinterbro, Arkaden Senter, Gulsbogen Senter and Nerstranda Senter. In addition to these eight shopping centers, Aurora has ownership in two additional shopping centers which are Maxi Storsenter and Jærhagen Kjøpesenter. Aurora owns 25 % and 10 % of these two shopping centers respectively and does not as such have the full authority to introduce and implement its operating policies. Therefore, they are not included in any of the asset-level performance measures. Effectively, out the ten shopping centers in Aurora's portfolio, eight of the assets are included in the approach taken.

In addition, Aurora holds 50 % of the shares in Alti Forvaltning AS. Alti Forvaltning manage all the shopping centers owned by Aurora, among 28 others. As Aurora Eiendom AS has no individuals in direct employment,

the corporate-level performance measures considering employees would not be applicable. However, after direct dialog with EPRA, and with an ambition of disclosing as comprehensive and meaningful ESG data as possible, it has been decided that Aurora Eiendom will include data regarding the employees of Alti Forvaltning AS in this report. See section *Social Performance Measures* for a more comprehensive narrative on this topic.

Coverage

For all asset-level performance measures in this report, all eight assets (8/8) within the organizational boundaries approach are included. The exception is for the part of energy intensity where we disclose both energy intensity of tenant obtained energy consumption, and for total obtained energy consumption, including tenant obtained energy. The tenant obtained energy consumption, hence the total energy consumption of the building, is accessible for six out of eight (6/8) assets. It will be the ambition of the company to access the total energy consumption for all assets within the organizational boundaries in the future.

Estimations

No estimations are used for utility consumption data for asset-level performance measures.

Third party assurance

The sustainability performance measures disclosed in this report have not undergone third party assurance. The exception is the disclosed data regarding greenhouse gases, which comes with an assurance statement by the advisor who has carried out the calculations, stating that the calculations are carried out in line with the GHG protocol. In order to increase the credibility of all our sustainability data, Aurora will aim to incorporate third party assurance being carried out as a part of its sustainability reporting in the future.

Boundaries

It is complicated to determine the best approach towards disclosing landlord- and tenant-obtained utility consumption for shopping centers. In the case of obtained electricity in particular, the system in place at each individual asset may differ, as well as the availability of the data.

For energy utilities we report on the landlord obtained consumption, which is supplying the common areas and, in part, the tenant areas. For six out of eight assets, the energy obtained directly by the tenants is accessible for the landlord. While accessible, it is not considered landlord obtained because of the direct purchase agreements in place between the tenants and the suppliers. For intensity performance measures we differ between landlord obtained energy consumption, and, where accessible, total energy consumption including the tenant obtained energy (see *Coverage* and *Normalization* for further elaboration on this topic).

For water-absolutes and intensity measures the total consumption of the building is accessible. The totals are landlord obtained, but not submetered to the tenants by litres/cubic meters. The proportion of the landlord obtained water consumed by the tenants can therefore not be reported separately but is included in the totals and intensity measures.

Normalization

As all assets are shopping centers, floor area (sqm) is deemed the most appropriate denominator for the intensity measures. For floor area we use the term Gross Productive Area (GPA), which includes both areas exclusive to the tenant including storage units (GLA), and the common areas. Technical rooms and parking lots (whether inside or outside) are excluded. On that note it should be mentioned that the energy consumption from lighting and HVAC in technical rooms and parking lots, and general outdoor lighting will be included in the energy totals, but not accounted for in the GPA.

For all assets within the organizational boundaries the landlord obtained energy supplies both the common areas and the tenant demises with heating, ventilation, and air conditioning (HVAC). In some individual cases, part of the HVAC-services will be obtained by the tenant itself, while still influencing the total landlord obtained consumption. There is no system in place that allows to precisely retract the proper amount of floor area from the GPA used for normalization in these particular cases, meaning they are still included in the GPA for intensity measures.

For calculations of intensity measures we disclose two different figures. Energy-Int Landlord Obtained will be the totals calculated from the data disclosed in Elec-Abs, DH&C-Abs and Fuels-Abs divided with the GPA covering eight out of eight assets. For this figure it needs to be recognized that the intensity indicator is affected due to the mismatch between the numerator and denominator, as tenant-obtained energy is not included. It is still deemed as a relevant disclosure because

- 1) it gives an intensity indicator based on the energy consumption directly controlled by the landlord, and
- 2) it is considered a standard approach for calculating energy intensity within the shopping center segment, making it an indicator suitable for comparison.

To give an intensity indicator with a better match between numerator and denominator we also calculate Energy-Int Whole Building, using the sum of landlord and tenant obtained energy consumption for the nominator and GPA as the denominator, covering six out of eight assets.

Segmental analysis

No segmental analysis of the assets has been carried out, neither by property type, geography or other. This is in line with the approach taken in the financial reporting. As all assets are of the same property type (shopping

centers) and are located in the same country (Norway) segmental analysis has not been considered to give greater insight into asset-level performance measures.

Disclosure of own offices

Aurora Eiendom has no direct employees, and consequently no own offices.

Narrative on performance

Where appropriate, additional information and commentary or explanation will be provided in addition to the data. This way we aim to enhance stakeholders' understanding of the data and add context to the performance measure in question.

Reporting period

The numbers presented are from the calendar year of 2022. The asset-level utility measures are accumulated annual totals. The performance measures with unit of total number, percentage of total or rate, like those considering certified assets and employees, present the situation as it was of 31.12.2022. This is in line with EPRA's recommendations.

Only data from 2022 is given in this report. The portfolio of shopping centers has developed at a fast pace since the first five were purchased in July 2021. The year of 2022 will therefore be the baseline of Aurora Eiendoms ESG data. Effectively, like-for-like performance measures will not be applicable in this year's report but will be include where possible in the years to come.

Materiality

At this time, Aurora Eiendom has not conducted a complete materiality review with regards to sustainability performance measures. On the other hand, the different performance measures have been given due consideration, and are considered to be of importance both for optimisation of operations, and of interest for our stakeholders and others seeking relevant information about Aurora Eiendom.

About data collection

Data for energy, water and waste are extracted from the data platform Energinet, a digital energy surveillance system implemented for all eight assets. The system gives access to data extracted digitally from the water and power meters of the building, and data from the digital platform of our waste management suppliers. For waste management, some additional data is put in manually by the local operational staff, that are not included in the platform of our supplier. All volumes of waste are the aggregated totals leaving the assets. This means we use meter reading data, as opposed to invoices.

The reliability of the metered data has been given due consideration. The data system and meter system were established at the assets before they were acquired

by Aurora Eiendom and operations were handed over to Alti Forvaltning. Samples have been extracted to compare the metered energy consumption to the invoiced energy consumption in order to test the reliability of the numbers. The suppliers of waste management used are well established professional actors with a solid reporting system in place. Even though the data have been considered reasonably reliable, we wish to further map the situation to make sure all meters are included in the reading. Alti Forvaltning has an ongoing process together with a third-party consultant to ensure reliability of metered data for all shopping centers under its management, including the assets of Aurora Eiendom.

Direct and indirect emissions of green-house gases are calculated based on the disclosed energy data. The calculations have been carried out by Kjeldsberg Eiendomsforvaltning in line with the GHG-protocol. A statement from Kjeldsberg regarding the calculations is found at the end of the Sustainability chapter.

For social performance measures the data has been extracted from the data systems of Alti Forvaltning by HR. This includes the gender distribution of the employees, gender pay ratio and the different absentee rates. The turnover and retention numbers are based on the number of onboarding and off-boarding schemes. Employee performance appraisals data have been collected by a questionnaire survey, where each employee was asked whether they had completed the appraisal or not. Based on the answers of those who completed the survey (52 %) the percentage of total participation have been estimated, assuming the distribution of those who participated, and their reported results are representative for the workforce as a whole.



Environmental sustainability performance measures

Energy

This section includes Aurora Eiendom's total electricity, district heating and cooling and fuel consumption for the year of 2022. In accordance with the reporting boundaries, the absolutes include all landlord-obtained utilities, supplying both common areas and tenant demises.

Electricity

Electricity is the primary sources of energy for the assets of Aurora Eiendom. Total landlord obtained electricity consumption is given in the table below. The proportion from renewable sources is calculated by Kjeldsberg Eiendomsforvaltning AS. None of the assets have self-generated renewable energy sources and therefore the purchased energy is the counting factor. NVEs ("Norges Vassdrag- og energidirektorat"/The Norwegian Water Resources and Energy Directorate) residual mix states a percentage of 15 % of renewable sources for the purchased energy when no Guarantees of Origin are purchased. See Kjeldsberg's statement after the Sustainability chapter for elaboration on this topic.

Indicator (EPRA Code)	Unit of measure	2022
Electricity (Elec-Abs)	kWh	12 409 986
Proportion from renewable sources	Percent	15 %
Coverage: 8/8 shopping centers.		

District heating and cooling

Total landlord obtained district heating and cooling consumption is given in the table below. Only one of the eight assets utilize energy obtained through district heating and cooling. The proportion from renewable sources is calculated by Kjeldsberg Eiendomsforvaltning AS, who have been in direct contact with the local supplier of district heating and cooling. See Kjeldsberg's statement after the Sustainability chapter for elaboration on this topic.

Indicator (EPRA Code)	Unit of measure	2022
District heating and cooling (DH&C-Abs)	kWh	357 450
Proportion from renewable sources	Percent	98,6 %
Coverage: 8/8 shopping centers.		

Fuels

Total landlord obtained fuels is given in the table below. Three of Aurora's assets utilize energy obtained through local burning of fuels. The proportion from renewable sources is calculated by Kjeldsberg Eiendomsforvaltning AS and is based on the list given by EPRA as to which fuels are to be considered renewable. See Kjeldsberg's statement after the Sustainability chapter for elaboration on this topic.

Indicator (EPRA Code)	Unit of measure	2022
Fuels (Fuels-Abs)	kWh	300 035
Proportion from renewable sources	Percent	10 %
Coverage: 8/8 shopping centers.		

Energy Intensity

We present two different figures for energy intensity; one based on the total landlord obtained consumption, and one based on the total energy consumption of the whole building, tenant obtained energy included. The same denominator (GPA) is used for both calculations. For energy intensity total, naturally, the GPA of the two shopping centers outside the coverage is not included when summing up the total GPA for the denominator. See section *Normalization* for elaboration on this topic.

Indicator (EPRA Code)	Unit of measure	2022
Energy intensity landlord obtained (Energy-Int) ¹	kWh/sqm/year	53
Energy intensity total (Energy-Int) ²	kWh/sqm/year	150

¹ Coverage: 8/8 shopping centers.
² Coverage: 6/8 shopping centers

As mentioned in section *Normalization* the energy totals (numerator) include outdoor lighting, lighting of parking areas (both outdoor and indoor), ventilation of indoor parking areas and other electronic devices installed in these areas. These floor areas are not included in the denominator, making the disclosed intensity figures larger than reality in this regard.

Greenhouse Gas Emissions

As a part of the real estate business, it is natural for Aurora Eiendom to put focus on its GHG emissions, as buildings are responsible for a substantial part of the total emissions within the EU, and shopping centers are complex buildings utilizing large quantities of energy and generating large amounts of waste. Also, operating a shopping center requires a wide range of goods and services, generating emissions through its value chain. Therefore, it is important for Aurora Eiendom to have knowledge of its GHG footprint, so that we can set goals and implement actions accordingly and contribute to the reduction of total emissions across all categories.

As mentioned in section *About the data collection*, all calculations of GHG emissions have been carried out by Kjeldsberg Eiendomsforvaltning on behalf of Alti Forvaltning AS. The calculations have been done in accordance with the GHG protocol. A narrative and verification of the calculation process is given by Kjeldsberg following the Sustainability chapter.

Direct GHG emissions (scope 1)

The total direct GHG emission within scope 1 is given in the table below. The calculations are based on the data given under Fuel-Abs.

Indicator (EPRA Code)	Unit of measure	2022
Direct GHG emissions (GHG-Dir-Abs)	Annual metric tonnes CO ₂ e	62,8

Coverage: 8/8 shopping centers.

Indirect GHG emissions (scopes 2 and 3)

For the indirect GHG emissions two different approaches have been applied for calculations; both location-based, and market based. As none of the shopping centers of Aurora Eiendom have a contractual agreement with the external energy suppliers for the purchase of energy from renewable sources, the market-based emissions are considerably higher than the location based. The calculations are based on the data given under Elec-Abs and DH&C-Abs. As all data from Elec-Abs and DH&C-Abs are landlord obtained energy, emission arising from this consumption falls under scope 2.

Indicator (EPRA Code)	Unit of measure	2022
Indirect GHG emissions location-based (GHG-Indir-Abs)	Annual metric tonnes CO ₂ e	224,8
Indirect GHG emissions market-based (GHG-Indir-Abs)	Annual metric tonnes CO ₂ e	5 026,0

Coverage: 8/8 shopping centers.

For scope 3, no calculations have been carried out in this year's report. To be able to give a meaningful disclosure of the company's emissions under scope 3, it is considered necessary to obtain a more detailed overview of the applicable data already available in some extent and conduct a more comprehensive review regarding which approach to take for all other emission sources that potentially fall under scope 3. That being said, as reporting on scope 3 emissions is a complex task, Aurora will not stall for perfection in order to start reporting on this performance measure and expect to do so in next year's report.

GHG emissions intensity from building energy consumption

In the same way as for energy intensity, we present two different figures for GHG emissions intensity; one based on the total landlord obtained energy consumption (scope 1 and 2), and one based on the total energy consumption of the whole building, tenant obtained energy included. The same denominator (GPA) is used for both calculations. For GHG emissions intensity total, naturally, the GPA of the two shopping centers outside the coverage is not included when summing up the total GPA for the denominator. See section *Normalization* for elaboration on this topic.

Only location-based calculations of GHG-emissions are used for this performance measure. This is because the EPRA sBPR does not mention market-based calculations as an additional performance measure for GHG-Int, and Aurora Eiendom does not have knowledge of the contractual agreements considering renewable sources for the tenant obtained energy consumption.

Indicator (EPRA Code)	Unit of measure	2022
GHG emissions intensity landlord obtained (GHG-Int) ¹	kgCO ₂ e/sqm/year	1,17
GHG emissions intensity total (GHG-Int) ²	kgCO ₂ e/sqm/year	2,94

¹ Coverage: 8/8 shopping centers.
² Coverage: 6/8 shopping centers

Commentary on the GHG emissions

It is clear that there is a big difference in Aurora Eiendom's emissions dependent on whether one considers the location-based or market-based approach. Considering these differences, it is natural to consider procurement of energy from external energy suppliers that are guaranteed to be from renewable sources. It is also natural to consider the potential of the assets producing its own energy from renewable sources, such as solar panels. Also, while fuels make up for a small portion of the total landlord obtained energy consumption (2,3 %), it makes up a considerable portion of the total emissions under scope 1 and 2 when applying the location-based approach (22 %). This is due to the fact that 90 % of the fuels are considered non-renewable, and consequently comes with relatively high emission factors. Despite the fact that fuels only make up for 2,3 % of the total energy consumption, it should still be considered a potential effective measure to reduce emissions. The general approach towards reducing scope 1 and 2 emissions will be to reduce the overall energy consumption of the assets.

Water

This section includes Aurora Eiendom's total water consumption for the year of 2022. In accordance with the reporting boundaries the absolutes include all landlord-obtained utilities. This includes water consumed by tenants. As of 2022, no comprehensive submetering of water consumption is in place, and the tenant consumption is therefore not disclosed separately. The water intensity is calculated using the same denominator as for energy intensity.

Indicator (EPRA Code)	Unit of measure	2022
Water (Water-Abs)	m ³	59 908
Water intensity (Water-Int)	m ³ /sqm/year	0,24

Coverage: 8/8 shopping centers.

Waste

This section includes Aurora Eiendom's total waste produced and disposed of via various disposal routes for the year of 2022. This is primarily waste produced by the tenants but disposed of by the shopping centers and their waste management supplier. There will be some variations between the different assets regarding which fractions waste will be sorted by. This depends on the size of the shopping center and its geographic location.

Indicator (EPRA Code)	Unit of measure	2022
Waste (Waste-Abs)		
Non-hazardous waste	Metric tonnes	2 388
Hazardous waste	Metric tonnes	17,2
Total waste	Metric tonnes	2 405
Proportion of waste sorted for recycling	Percent	71 %
Proportion of waste disposed of by materials recovery	Percent	60 %
Proportion of waste disposed of by incineration with energy recovery	Percent	38 %
Proportion of waste disposed of by landfill	Percent	2 %

Coverage: 8/8 shopping centers.

Certified Assets

Aurora Eiendom aims to have all its shopping centers BREEAM In-Use certified as Very Good or higher. At the time of purchase, all shopping centers within the organizational boundaries were certified Very Good, except Gulskogen Senter which was certified Excellent. All certificates were of the BREEAM In-Use 2016 manual and expired during the period of August to September 2022. Aurora Eiendom started the process of getting all assets recertified in line with the new BREEAM In-Use manual (V6) at the beginning of the year. As of 31st December 2022, the recertification-process was not yet concluded, and the new certificates not yet obtained. With the old certificates (2016 manual) expired, this means that none of the assets are BREEAM In-Use certified as of the end of 2022.

All assets are set to be certified during 2023, in line with the new manual. Regarding the new scores they are not guaranteed to be the same as the for the expired certificates, as the new manual has an adjusted take on the assessment criteria. When the new certificates are in place, Aurora Eiendom will implement the actions necessary to achieve the scores desired by 2024, and further address actions to continuously improve the score, as an implemented part of the overarching sustainability strategy.

Indicator (EPRA Code)	Unit of measure	2022
Certified assets BREEAM In-Use (Cert-Tot)	Percent	0 %

Coverage: 8/8 shopping centers.

Social sustainability performance measures

As mentioned in section *Organizational boundaries* Aurora Eiendom has no individuals in direct employment. Effectively, all corporate-level performance measures, except those considering the board of directors, would be considered not applicable for the company. Through a process involving third party consultants and direct dialog with EPRA, it was rendered relevant for Aurora Eiendom to disclose corporate-level data for the employees of Alti Forvaltning AS. As this information is not part of Alti Forvaltning's annual statement as of 2022, and so not publicly available for referencing, the data is disclosed directly in this report. It should be pointed out that Aurora has no direct influence or control over the employees of Alti Forvaltning, and that the availability of data is dependent on the systems of the administration of Alti Forvaltning.

Alti Forvaltning AS has at the end of 2022, 158 individuals in direct employment. Others are also involved in the day-to-day operations of the company, but are hired through external companies, and therefore excluded from the data. The total of 158 is used for all disclosed corporate-level performance measures.

Among the 158 employees of Alti Forvaltning there will be individuals working exclusively with the assets of Aurora, individuals working with the assets of Aurora among other assets, and individuals who have no tasks in direct connection with the assets of Aurora. However, all employees are part of a common work community influencing each other. Alti Forvaltning is one corporation with all its employees in one way or another taking part in the same exchange of experience and development. Also, Aurora does not only have an operational agreement with Alti Forvaltning for management of its assets, but also holds 50 % of the company's shares. Therefore, it has been deemed relevant to include all employees in the reporting, instead of attempting to retract a proportion of the employees who are more or less dedicated only to Aurora.

Employees

Alti Forvaltning has a total of 158 individuals in direct employment. For the purpose of reporting these are divided into two categories: managers and non-managers. "Managers" include the corporate management team, middle management and first line management. These are employee categories who are considered to have responsibility for planning, directing, or controlling the activities of the entities. Data is also summarized to disclose the different performance measure for the workforce as a whole (labelled "all employees").

Board of directors refers to the board of Aurora Eiendom, not Alti Forvaltning.

Diversity

Employee diversity and composition of board of directors by gender.

Indicator (EPRA Code)	Unit of measure	2022
Diversity (Diversity-Emp)		
Women in board of directors	Percent	0 %
Women in manager positions	Percent	53 %
Women in non-manager positions	Percent	36 %
Women among all employees	Percent	42 %

Pay-ratio

Employee pay-ratio given as the average pay of female employees divided by average pay of male employees according to the different categories. "All employees" refer to the employees in manager and non-manager positions summarized.

Indicator (EPRA Code)	Unit of measure	2022
Pay-ratio (Diversity-Pay)		
Pay-ratio women to men in manager positions	Ratio [women/men]	0,91
Pay-ratio women to men in non-manager positions	Ratio [women/men]	0,98
Pay-ratio women to men for all employees	Ratio [women/men]	1,02

Alti Forvaltning is dedicated to being compliant with national regulations regarding discrimination based on gender and offers equal pay for equal work for men and women. Differences in pay between men and women found across different categories will be as a consequence of differences in tenure/seniority or responsibilities of the different positions.

Performance appraisals

This section discloses the percentage of employees who have received performance appraisals during the year of 2022. The performance review is scheduled once a year, schematized and documented. Each employee goes through the process with his or her direct superior. The performance review includes an appraisal of the employee's performance, and the performance of the direct superior and other superiors in relation to the employee. In addition, anonymous performance appraisals are carried out through employee surveys monthly.

Indicator (EPRA Code)	Unit of measure	2022
Employee performance appraisals (Emp-Dev)	Percent	93 %

See section *Data collection* for elaboration on the data collection for this performance measure.

Turnover and retention

Totals and rates of new hires and turnover within the organization for 2022 is given in the table below.

Indicator (EPRA Code)	Unit of measure	2022
Employee turnover and retention (Emp-Turnover)		
Total number of new employees	#	44
Rate of new employees	Percent	28 %
Total number of employee turnover	#	8
Rate of employee turnover	Percent	5 %

Alti Forvaltning is, like Aurora Eiendom, a relatively young company who has seen rapid growth over the last couple of years. As the number of shopping centers acquired for management assignments has increased, so has the need for more employees, reflected by a rate of new employees of 28 % for 2022.

Health and safety

This section includes rates of different types of absence and injury of Alti Forvaltning's employees. The percentages are calculated by dividing the total number of hours lost by the total number of hours scheduled to be worked by employees for the same period (year of 2022).

Indicator (EPRA Code)	Unit of measure	2022
Employee health and safety (H&S-Emp)		
Injury rate	Percent	0 %
Lost day rate	Percent	0 %
Absentee rate	Percent	2,95 %
Work related fatalities	#	0

Community engagement

All asset management teams are encouraged to implement local community engagement and take part in local initiatives. While encouraged to do so, there is no detailed corporate policy that applies across all activities. The activities reported on is to be considered an individual asset-level programme.

Indicator (EPRA Code)	Unit of measure	2022
Community engagement (Comty-Eng)	Percentage of assets	100 %

The individual asset-levels programmes vary across a number of activities and different measures. These include

- Contributions to different non-profit organizations such as the Church City Mission (“Kirkens Bymisjon”).
- Contributions to fundraisers for disadvantaged local individuals and families, or fundraisers for fugitives initiated by local charities.
- Making parts of the common or lettable area available for local initiatives (Red Cross, “Frelsesarmeen”, local artists, etc.).
- Contributions to local leisure facilities.
- Contributions to local sport teams who facilitate happenings generating physical activity for the general public.
- Arranging activities contributing to physical activity for local children and families.
- Arranging free music concerts for the elderly.
- Initiating programs where local management and tenants take part in cleaning up outdoor waste.
- Initiating programmes for sale and reuse of used clothes and objects.
- Cooperation programs with local police for preventive measures towards juvenile delinquency.

Undisclosed performance measures

As for the performance measures Emp-Training, H&S-Asset and H&S-Comp, no reliable quantitative data is available. Alti Forvaltning does not systematize the hours undertaken by employees for training. This does not mean that the employees of Alti Forvaltning do not undertake such training, or that training of employees is not a focus area of Alti Forvaltning. See page 38-39 for a narrative on this performance measure.

For H&S-Asset and H&S-Comp, there are systems in place within the management of Alti Forvaltning to assure the assets are compliant with respect to health and safety. Health and safety management policy and goals are reviewed annually. However, the systems do not generate data that are considered to be in line with the core description found for these performance measures in EPRA’s sBPR. To this end some adjustments would have to be made, and it is reasonable to consider adapting the systems to automatically generate the data requested for reporting. For a narrative on these performance measures and elaboration on the health and safety work of Alti Forvaltning, see page 38-39.

Governance sustainability performance measures

The highest governance body of Aurora Eiendom AS is its board of directors. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the company's business ensuring proper organization, preparing plans and budgets for its activities, ensuring that the company's activities, accounts, and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties. Aurora Eiendom is not listed on a regulated market and thus not subject to mandatory corporate governance codes. Trading at Euronext Growth Oslo does not require implementation of a specific corporate governance code, such as the Norwegian Code of Practice for Corporate Governance.

Composition of the highest governance body

The board consists of five members and one observer. Four members have had their position as board member since March 2021. The fifth had the position of observer from March 2021 and became the fifth board member in February 2022. See page 26 for more information about each member. The composition of the board of directors with regard to gender is given in section *Diversity*. Further disclosure of its composition is given in the table below.

Indicator (EPRA Code)	Unit of measure	2022
Composition of the highest governance body (Gov-Board)		
Executive board members	#	5
Independent board members	#	0
Independent board members with competencies relating to environmental or social topics	#	0
Average tenure on the governance body	Years	1,6

Selecting the highest governance body (Gov-Select)

The board is elected by the company's shareholders through the General Meeting of shareholders. All shareholders in the company are entitled to attend or be presented by proxy and vote at General Meetings of the company and to table draft resolutions for items to be included on the agenda for a General Meeting. Each share carries one vote. In general, decisions shareholders are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast.

Aurora Eiendom is a private limited liability company incorporated under the laws of Norway and does as such have no legal demands regarding the composition of the board. Neither does the company's by-laws set out any limitations considering the composition of the board. The criteria for the current composition of the board are to ensure broad competence and experience within the real estate, retail, and shopping center segment. The board members are obliged to ensure the common interests of all shareholders.

Managing conflicts of interest (Gov-Col)

Aurora Eiendom have assessed potential conflict of interests among the board members. Stakeholders are disclosed with information about the board of directors' financial interests in the company through direct or indirect shareholdings in note 6 to the annual report. In addition, a member of the Board of Directors (Lars Løseth) and a member of the executive management, CFO Lars Ove Løseth (Alti Forvaltning), have a family relationship. Except such interest, no members of the Board of Directors or the management has any private interest which may conflict with the interests of the Company. Regarding the existence of a controlling shareholder, no shareholder is as of the end of 2022 in such a position.

The members of the board have extensive experience from companies associated with property and trade. The experience and network the board members possess gives Aurora Eiendom an advantage. At the same time, the board members also have financial interests in companies within trade and property. This means that conflicts of interest can potentially arise in matters dealt with by Aurora Eiendom's board. If a board member is considered unfit to handle a case due to a potential conflict of interest, the board member refrains from participating in the processing and decision in the case. This is recorded in the board protocols. Assessment of potential conflict of interest is done on a case-to-case basis.

EPRA Sustainability Performance Measure (Environment)						Total portfolio	
Impact area	EPRA Code	Units of measure	Indicator	Absolute performance (Abs) 2022	Like-for-like (Lfl)		
Energy	Elec-Abs	kWh	Electricity	For landlord shared services	12 409 986	n/a	
				(Sub)metered exclusively to tenants	0	n/a	
				Total landlord-obtained electricity	12 409 986	n/a	
				Proportion of landlord obtained electricity from renewable sources	15 %	n/a	
	DH&C-Abs	kWh	District heating and cooling	For landlord shared services	357 450	n/a	
				(Sub)metered exclusively to tenants	0	n/a	
				Total landlord-obtained district heating and cooling	357 450	n/a	
				Proportion of landlord obtained district heating and cooling from renewable sources	98,6 %	n/a	
	Fuels-Abs	kWh	Fuels	for landlord shared services	300 035	n/a	
				(sub)metered exclusively to tenants	0	n/a	
Total landlord-obtained fuels				300 035	n/a		
Proportion of landlord obtained fuels from renewable sources				10 %	n/a		
Greenhouse gas emissions	Energy-Int	kWh / m² / year	Energy intensity	Landlord-obtained energy	53		
				Total building energy	150		
	Number of applicable properties			Energy and associated GHG disclosure coverage	8/8 ¹		
	Estimations			Proportion of energy consumption and associated GHG emissions estimated	0 %		
	GHG-Dir-Abs	tonnes CO ₂ e	Direct	Scope 1	62,8		
Water	GHG-Indir-Abs	tonnes CO ₂ e	Indirect Location-based	Scope 2 (Location-based)	224,8		
			Indirect Market-based	Scope 2 (Market-based)	5026,0		
			Indirect	Scope 3	No data		
	GHG-Int	kg CO ₂ e / m² / year	GHG emissions intensity	Scope 1 and 2 emissions	1,17		
				Emissions arising from energy for whole building including tenant obtained energy	2,94		
Water	Water-Abs	m³	Water	Total landlord-obtained water	59 908	n/a	
	Water -Int	m³ / m² / year	Water intensity	Landlord-obtained water	0,24		
	Number of applicable properties			Water disclosure coverage	8/8		
	Estimations			Proportion of water consumption estimated	0 %		
	Waste	Waste-Abs	tonnes	Waste	Total amount of non-hazardous waste	2 388	n/a
Total amount of hazardous waste					17,2	n/a	
Percent			Total amount of waste		2 405	n/a	
			Proportion of total waste sorted for recycling		71 %	n/a	
			Proportion of waste disposed of by materials recovery		60 %	n/a	
			Proportion of waste disposed of by incineration with energy recovery		38 %	n/a	
Certified assets	Cert-Tot	Number of applicable properties	Voluntary (BREAM In-Use)	Proportion of waste disposed of by landfill	2 %	n/a	
				Waste disclosure coverage			8/8
				Proportion of portfolio certified by floor area	0 %		
			Certified assets disclosure coverage	8/8			

¹As mentioned in section Coverage, for the energy intensity performance measure based on total building energy, the coverage is 6/8 assets.

EPRA Sustainability Performance Measure (Social)						Corporate performance (Aiti Forvaltning)	
Impact area	EPRA Code	Units of measure	Indicator			Absolute performance (Abs) 2022	
Diversity	Diversity-Emp	%	Diversity	Proportion of women in board of executives		0 %	
				Proportion of women in manager positions		53 %	
				Proportion of women in non-managers		36 %	
				Proportion of women all employees		42 %	
	Diversity-Pay	Ratio	Gender pay ratio	Ratio of pay of women to men in manager positions		0,91	
Employees	Emp-Training	Narrative	Training and development	Ratio of pay of women to men in non-manager positions		0,98	
				Ratio of pay of women to men for all employees		1,02	
	Emp-Dev	%	Employee performance appraisals	Training and education of employees		See page 38-39	
				Percentage of total workforce		93 %	
	Emp-Turnover	%	Employee turnover and retention	Total number of new employee hires		44	
				Rate of new employee hires		28 %	
				Total number of employee turnover		8	
				Rate of employee turnover		5 %	
	H&S-Emp	Ratio	Employee health and safety	Injury rate		0 %	
				Lost day rate		0 %	
				Absentee rate		2,95 %	
Assets	H&S-Assets	Narrative	Asset health and safety	Work related fatalities		0	
				Health and safety assessments		See page 38-39	
	H&S-Comp	Narrative		Health and safety compliance		See page 38-39	
				Assets engaging in local community		100 %	
	Comty-Eng	Percentage of assets	Community engagement				
EPRA Sustainability Performance Measure (Governance)						Corporate performance	
Impact area	EPRA Code	Units of measure	Indicator			Absolute performance (Abs) 2022	
Governance	Gov-Board	Total number	Composition of highest governance body	Executive board members		5	
		Total number	Composition of highest governance body	Independent board members		0	
		Total number	Composition of highest governance body	Independent board members with competence relating to environmental or social topics		0	
		Years	Composition of highest governance body	Average tenure on the governance body		1,6	
	Gov-Select	Narrative	Process for highest governance body	Process of nominating and selection the highest governance body		See page 50	
	Gov-Col	Narrative	Process for highest governance body	Process for managing conflict of interest		See page 50	

2023.02.23

NOTE – Aurora Eiendom AS emission calculations energy 2022

The emission calculations for the 2022 climate accounting concerning energy and fuel consumption are performed by Kjeldsberg Eiendomsforvaltning AS on behalf of Aurora Eiendom AS by Alti Forvaltning AS. EPRA Sustainability Best Practices Recommendations Guidelines, built on the GHG-protocol, is used as a guidance combined with standards as GRI and NS3720.

Energy

For the energy, the GHG-protocol suggests dividing the reporting into two categories; marked-based and local based. Where the marked-based factor, 405 g/kWh, is calculated by NVE (Norges Vassdrag- og energidirektorat). NVE does an annual calculation of the energy disclosure for electricity sold without Guarantees of Origin (GOs) the previous year. NVE states, on their website: <https://www.nve.no/energy-supply/electricity-disclosure/>, "By combining the known energy sources with the amount of electricity from the European Attribute Mix we find the basis for the calculation of the distribution of energy sources that is included in the electricity disclosure. The electricity disclosure for power suppliers shows the distribution of the different energy sources and the corresponding CO2 emission and radioactive waste". According to the GHG-protocol the local-based perspective should include: "Average emission factors representing all electricity production information from geographic boundaries that are not necessarily related to dispatch region, such as state or national boundaries." The local-based factor, 18 g/kWh, originate from the GHG-factors given in NS 3720 and is based on an average in the period 2015-2075 and calculated based on Norwegian production today and assumed inclusion of water, wind and thermal power as a share of total energy production in 2050.

The proportion of landlord obtained electricity from renewable sources is calculated by identifying the amount of electricity purchased and consumed from external utility suppliers from non-renewable sources and do the same for renewable sources and then calculate the proportion of electricity consumption from renewable sources as a percentage of the total electricity consumption. None of the shopping malls have self-generated renewable energy sources and therefore the purchased energy is the counting factor. NVEs residual mix states a percentage of 15% of renewable sources for the purchased energy when no Guarantees of Origin are purchased.

Fuel

As stated by EPRA and the GRI Standard, the proportion of landlord obtained fuels from renewable sources is calculated as the proportion of fuels purchased or obtained and consumed within the organization from renewable sources as a percentage of the amount of fuel purchased, obtained, and consumed. Three of Aurora's shopping malls are using fuel on site. The fuel used are Propane gas, Natural gas and Biofuel, whereby the only renewable source is Biofuel.

The United Nations Framework Convention, according to Articles 4 and 12, states that Parties are required to develop, and submit to the UNFCCC, national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol on an annual basis. In the National Inventory Report (NIR), published by the Norwegian Environment Agency, the emission factors for fuel are given. For Bio-oil the given factor is 0,26 kg/kWh (no fossil emissions), for Natural gas 0,2 kg/kWh and for Propane 0,23 kg/kWh.

District heating

One of Aurora's malls is using district heating. Fjernkontrollen.no is a service provided by the business organization Norsk Fjernvarme. The purpose is to provide customers, builders and other interested parties with up-to-date information on which energy sources are used in district heating systems around Norway. In this case, using <https://www.fjernkontrollen.no/tonsberg/>, it is given a percentage of renewable sources to 98,6% and emission factor to 4,02 g/kWh.



Kristine Fagerheim

Energy and sustainability consultant
Kjeldsberg Eiendomsforvaltning AS



Financial performance

Gross rental income in 2022 was NOK 448 million (NOK 158 million).
The Group's assets amounted to NOK 9 473 million (NOK 5 623 million).
2021 was Aurora Eiendom's first year of operation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	2022	2021
Aurora Eiendom			
Rental income	4	447 915 298	158 043 738
Property related operational expenses	5	-36 869 249	-15 161 419
Net rental income		411 046 049	142 882 319
Other income		182 845	275 602
Other operating expenses	7	-10 830 266	-6 635 017
Administrative expenses	3,7	-22 570 190	-7 514 904
Net income from property management		377 828 438	129 008 000
Fair value adjustment, investment property	12	105 770 125	754 614 898
Share of profit from JVs and associates	13	19 582 471	-166 251
Operating profit		503 181 034	883 456 647
Financial income	8	8 863 984	160 768
Fair value adjustments, interest rate derivatives	14	136 059 830	-8 710 592
Financial expenses	8	-178 092 948	-40 164 446
Net financial items		-33 169 134	-48 714 270
Profit before income tax		470 011 900	834 742 377
Change in deferred tax	9	-80 404 072	-170 008 304
Income tax payable	9	-26 389 317	-11 938 996
Income tax	9	-106 793 389	-181 947 300
Profit		363 218 510	652 795 077
Other Comprehensive income			
<i>Items to be reclassified to P&L in subsequent periods:</i>			
Currency translation differences from foreign operations		-	-
Hedging of net investment in foreign operations		-	-
Income taxes on other comprehensive income		-	-
Total comprehensive income for the period/year		363 218 510	652 795 077
Profit attributable to:			
		2022	2021
Shareholders of the parent		363 218 510	652 795 077
Total comprehensive income attributable to:			
Equity holders of the Company		363 218 510	652 795 077
Basic and diluted earnings per share	10	13,36	59,18

CONSOLIDATED BALANCE SHEET – ASSETS

	Note	31.12.2022	31.12.2021
Non-current assets			
Investment properties	1, 12	8 813 000 000	5 222 900 000
Investment in joint ventures and associated companies	2, 13	136 306 532	89 724 061
Receivables		6 795 922	1 256 126
Derivative financial instruments	14	143 629 940	4 428 480
Total non-current assets		9 099 732 394	5 318 308 667
Current assets			
Trade receivables	15, 16	8 461 847	2 340 358
Other current asset	17	37 298 920	13 198 657
Cash and cash equivalents	15, 18	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 AND LIABILITIES

Equity	Note	31.12.2022	31.12.2021
Share capital	19	2 322 182 325	1 541 280 000
Share premium	19	703 763 154	492 656 586
Retained earnings		1 016 013 587	652 795 077
Total equity		4 041 959 066	2 686 731 663
Long-term liabilities			
Loans	14, 15, 20	4 635 945 456	2 524 568 870
Derivative financial instruments	14	16 280 702	13 139 072
Lease liabilities	11, 20	10 650 491	11 859 429
Deferred tax liabilities	9	250 412 376	170 008 304
Total long-term liabilities		4 913 289 025	2 719 575 675
Short-term liabilities			
Loans	12, 14, 15, 20	359 543 176	129 830 681
Income tax payable	9	35 286 318	17 169 515
Trade payables	15, 21	22 916 574	15 532 464
Current lease liabilities	11, 20	1 109 889	1 483 407
Other current liabilities	21	98 414 576	52 239 343
Total short-term liabilities		517 270 533	216 255 410
Total liabilities		5 430 559 558	2 935 831 085
Total liabilities and shareholders' equity		9 472 518 625	5 622 562 748

Surnadal, March 23rd 2023



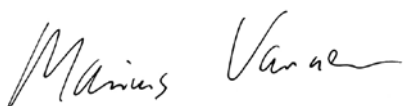
Petter A. Stordalen
Chairman of the Board



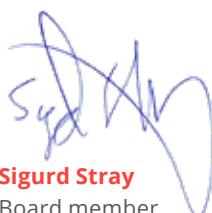
Lars Løseth
Board member



Johan Johannson
Board member



Marius Varner
Board member



Sigurd Stray
Board member



Lars Ove Løseth
CEO

CHANGES IN EQUITY

	Note	Share capital	Share premium	Retained earnings	Total equity
Equity at 31.12.2020		-	-	-	-
Share issue		1 541 280 000	513 750 000	-	2 055 030 000
Transaction cost of equity issue net of tax			-21 093 414		-21 093 414
Profit for period				652 795 077	652 795 077
Total equity 31.12.2021		1 541 280 000	492 656 586	652 795 077	2 686 731 663
Share issue		780 902 325	219 099 726	-	1 000 002 051
Transaction cost of equity issue net of tax		-	-7 993 158		-7 993 158
Profit for period		-	-	363 218 510	363 218 510
Total equity 31.12.2022		2 322 182 325	703 763 154	1 016 013 587	4 041 959 066

STATEMENT OF CASH FLOWS

	Note	2022	2021
Profit before tax		470 011 899	834 742 376
Income tax paid		-23 561 936	-
Net expensed interest and fees on loans and leases	8, 14	177 749 543	39 436 819
Net interest and fees paid on loans and leases	8, 14	-153 779 450	-31 794 110
Share of profit from associates and jointly controlled entities	2, 13	-19 582 471	166 251
Changes in value of investment properties	1, 12	-105 770 125	-754 614 898
Changes in value of financial instruments		-136 059 830	8 710 592
Change in working capital	11, 15, 22	436 594	-326 264
Net cash flow from operating activities		188 938 477	96 320 767
Acquisitions of investment properties	2	-3 428 414 590	-4 405 106 502
Investment in and upgrades of investment properties	12	-42 831 193	-5 887 158
Net payment of loans to associates and JVs		-3 750 000	-
Investments in associates and JVs	2, 3	-31 250 000	-89 890 313
Dividends from associates and JVs		4 250 000	-
Net cash flow from investment activities		-3 501 995 783	-4 500 883 973
Proceeds interest bearing debt	14, 15, 20	2 420 000 000	2 665 986 630
Repayment interest bearing debt (note 20)		-77 310 000	-
Repayment of lease liabilities	11, 20	-1 582 456	-732 788
Proceeds from issue of shares/repurchase of shares	19	989 754 412	2 028 024 430
Net cash flow from financing activities		3 330 861 956	4 693 279 272
Change in cash and cash equivalents	19	38 310 398	288 715 066
Cash and cash equivalents at beginning of period		288 715 066	
Cash and cash equivalents at end of period		327 025 464	288 715 066

General information and summary of significant accounting policies

Aurora Eiendom AS is a private limited company, incorporated in Norway, headquartered in Surnadal and listed on Euronext Growth Oslo. Address headquarters: Øravegen 4, 6650 Surnadal. The consolidated financial statements of Aurora Eiendom AS for 2022 were approved in the board meeting on March 23rd, 2023.

Aurora Eiendom AS was incorporated on January 1st 2021. These financial statements include the parent company from incorporation and subsidiaries from the date of acquisition. Until the acquisitions of the subsidiaries the activities in the Group were limited.

Aurora Eiendom intends to own shopping centres that are leading or have the potential to become leading in their local markets.

Basis for preparation of the 2022 annual accounts

The Aurora Eiendom AS' consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) which have been adopted by the EU and are mandatory for financial years beginning on or after 1st January 2022.

The consolidated financial statements are based on historical cost, with the exception of the following:

- Investment properties which are measured at fair value.
- Financial derivatives are measured at fair value.

The consolidated financial statements have been prepared on the basis of uniform accounting principles for similar transactions and events under otherwise similar circumstances.

Application of new and revised International Financial Reporting Standards (IFRSs) in 2022

New and amended standards adopted by the Group:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).
- The following amendments are effective for the period beginning 1st January 2023:
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and

- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

New standards, interpretations and amendments not yet effective:

None of the new accounting standards or interpretations that have not yet come into effect are expected to have a significant impact on the Group's consolidated financial statements.

Currency

The Group's presentation currency is NOK. This is also the functional currency of the parent company and all the subsidiaries.

Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Group entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the exchange rate on that date. Foreign exchange translation differences are recognized as part of financial items in profit or loss.

Segments

For management reporting purposes, the Group is organised as one business unit with one reportable segment. The Groups CEO is identified as the chief operating decision maker.

The properties that are the basis for the revenue in the Group are geographically located in Norway. Hence, all revenue is allocated to Norway and all non-current assets of the group are located in Norway.

No individual customers account for more than 10 % of the Group's revenue.

Consolidation principles

The Group's consolidated financial statements comprise the parent company and its subsidiaries as of December 31st, 2022. An entity has been assessed as being controlled by the Group when the Group is exposed for or have the rights to variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the Group's returns.

Thus, the Group controls an entity if and only if the Group has all the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of the Group's returns.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary. To support this presumption the Group considers all relevant facts and circumstances in assessing whether it has power over an entity, including ownership interests, voting rights, ownership structure and relative power, as well as options controlled by the Group and shareholder's agreement or other contractual agreements.

The assessments are done for each individual investment. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Investment in associates

The Group has investment in three associates – Alti Forvaltning AS, JHG Invest AS and Hamar Storsenter Holding AS. Associates are entities over which the Group has significant influence, but not control over the financial and operating management.

Associates are accounted for using the equity method from the date when significant influence is achieved until such influence ceases.

Investments in an associate are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, with the exception of:

- temporary differences that arise from the initial recognition of goodwill.
- temporary differences that arise from the initial recognition of an asset or liability in a transaction that is not a business combination, and which do not affect the accounting or taxable profit at the time of the transaction.
- temporary differences related to investments in subsidiaries, associates or joint ventures when the Group controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognised when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The companies recognise previously unrecognised deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilise the deferred tax asset.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the Group where temporary differences have arisen.

Deferred tax and deferred tax assets are recognised at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Pursuant to the exception in IAS 12, deferred tax is not recognised when buying a company which is not a business. A provision for deferred tax is made after subsequent increases in the value beyond initial cost, while a fall in value below initial cost will only reverse previous provisions for deferred tax. Furthermore, an increase in temporary differences related to tax depreciation will give grounds for a recognition of deferred tax.

Tangible assets

Tangible assets, with the exception of investment property, are valued at their cost less accumulated depreciation and impairment losses. When assets are sold or disposed of, the carrying amount is derecognised and any gain or loss is recognised in the statement of comprehensive income.

Leases

Identifying a lease

At the inception of a contract, The Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

Recognition of leases and exemptions

At the lease commencement date, the Group recognises a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Group recognises the lease payments as other operating expenses in the statement of profit or loss when they incur.

Lease liabilities

The lease liability is recognised at the commencement date of the lease. The Group measures the lease liability at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date. The lease term represents the non-cancellable period of the lease, together with periods covered by an option either to extend or to terminate the lease when the Group is reasonably certain to exercise this option.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

Right-of-use assets

The main assets leased by the Group are building plots covered by long term leasehold contracts. The leased properties meet the definition of investment properties, and the fair value model is applied to the right-of-use asset. The right-of-use assets are presented as part of investment properties in the statement of financial position. The Group measures other right-of use assets at cost, less any accumulated depreciation and impairment losses, adjusted for any remeasurement of lease liabilities.

The Group as a lessor / Revenue recognition

Recognition of leases and income

For contracts where the Group acts as a lessor, it classifies each of its leases as either an operating lease or a finance

lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The group as a lessor does not have any finance leases.

Operating leases

The Group enters into lease agreements as a lessor with respect to its investment properties. Lease contracts where a significant proportion of the risks and benefits of ownership remain with Aurora Eiendom's subsidiaries are classified as operating leases. Revenue recognition under a lease commences at the inception of the lease.

Aurora Eiendom's lease agreements typically contain a minimum rent and a turnover-based rent. The minimum rent is recognized as revenue on a straight line basis over the lease term. Additional revenue from the turnover-linked rent is recognized based on an estimate over the period of which the turnover-linked rent is calculated. Costs for shared services ("Common costs") provided to the tenants by external parties do not affect the result. Common costs are charged to tenants and recognised in the balance sheet together with payments on account of tenants. Common costs are settled after the balance sheet date.

The Group adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognises those costs as an expense over the lease term on the same basis as the rental income.

Investment property

Property held with the purpose of achieving rental income, increase in value, or both are classified as investment property.

Measurement at recognition

Investment property is initially recognized at cost including transaction costs. Transaction costs includes legal fees and due diligence costs. Investment property is normally acquired through the purchase of shares in a company that owns the property. When shares are acquired there is no change in the tax base of the property, resulting in lower tax deductions for depreciations for the acquirer. The purchase price in these transactions normally includes a discount for the reduced future tax deductions. The effect of this is that the property acquired will initially be recorded at a cost lower than the fair value.

Measurement after recognition

After initial recognition investment property is measured at fair value, which reflects market conditions at the reporting date. Gains or losses from changes in fair value are presented in profit and loss when they arise, under the line item "Changes in fair value of investment property". Subsequent capital expenditure relating to investment property is included in the carrying amount of the investment property. The cost of day-to-day servicing of investment property is expensed when incurred. Tax discount and transaction costs relating to the acquisition of an investment property (single purpose entities) are recognized in profit or loss as part of the changes in fair value of investment property in the period after the acquisition.

Derecognition

Investment properties are derecognized when sold or permanently out of operation and no future economic benefit is expected. All gains or losses related to sales or disposals are presented in the income statement in the same year as the disposal. Gains or losses from the disposal of investment property is the difference between net selling price and the carrying amount of the asset. Gains or losses are included in the line item "Changes in fair value of investment property".

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

The Group's financial assets are trade receivables and cash. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial liabilities

The Group's financial liabilities are loans and borrowings or payables.

Loans, borrowings and payables

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. Payables are measured at their nominal amount when the effect of discounting is not material.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial Derivatives

The Group uses derivatives to manage its interest rate risk. Derivatives are initially recognised at fair value on the date on which the contract was signed, and subsequently at fair value. Gains or losses on remeasurement at fair value are recognised in the income statement. Regular payments are presented as interest and other finance expenses. Changes in the value of the derivatives are presented under "Fair value adjustments, interest rate derivatives".

The fair value of interest rate swaps is the estimated amount the Group would receive or pay to redeem the contracts on the balance sheet date. This amount will depend on interest rates and the contracts' remaining term to maturity. The derivatives are classified on the balance sheet as current or non-current, depending on whether they are expected to be redeemed under or over 12 months from the balance sheet date.

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach to measure the expected loss on these assets.

The Group considers trade receivable to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The consideration of impairment of trade receivables is done at the end of each reporting period.

Cash and cash equivalents

Cash consists of cash at bank.

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NOTE 1 – ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies in according to IFRS, management has made several judgements and estimates. All estimates are assessed to the most probable outcome based on management's best knowledge. Changes in key assumptions may have significant effect and may cause material adjustments to the carrying amounts of assets and liabilities, equity and the profit for the year.

The company's most important accounting estimates are linked to fair value of investment properties.

Fair value of investment properties

Fair value of Aurora Eiendom's investment properties have been assessed by an independent, external valuer, Cushman & Wakefield Realkapital AS. A number of different assumptions must be made when calculating fair value of the investment properties. Each property is valued individually, and many aspects are considered, such as: development in rental income, ownership costs, vacancy levels, market position, and need for alterations and upgrades.

Assumptions are made on development of economic parameters, such as CPI, yields and inflation.

The table below shows the sensitivity on the value of key drivers for fair value, yield and market rent.

Aurora Eiendom AS - investment properties

Value change

% diff yield

(NOK)

% diff market rent

	-0,5 %	-0,25 %	0	0,25 %	0,5 %
-10 %	(172 100 000)	(528 900 000)	(855 000 000)	(1 154 500 000)	(1 430 400 000)
-5 %	299 200 000	(80 400 000)	(427 600 000)	(746 300 000)	(1 039 900 000)
0	770 500 000	368 000 000	-	(338 000 000)	(649 300 000)
5 %	1 241 800 000	816 500 000	427 600 000	70 300 000	(258 800 000)
10 %	1 713 300 000	1 264 900 000	855 000 000	478 600 000	132 000 000

NOTE 2 – LIST OF SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The following subsidiaries are included in the consolidated financial statements:

Company	Country of incorporation	Main operations	Ownership held by	Ownership interest 01.01.2022	Voting power 01.01.2022	Ownership interest 31.12.2022	Voting power 31.12.2022
Aurora Kjøpesenter AS	Norway	Holding Company	Aurora Eiendom AS	100 %	100 %	100 %	100 %
Amanda Storsenter AS	Norway	Amanda, property owning	Aurora Kjøpesenter AS	100 %	100 %	100 %	100 %
Nordbyen Senter AS	Norway	Nordbyen, property owning	Aurora Kjøpesenter AS	100 %	100 %	100 %	100 %
Vinterbro Senter AS	Norway	Vinterbo, property owning	Aurora Kjøpesenter AS	100 %	100 %	100 %	100 %
Farmandstredet Eiendom AS	Norway	Farmandstredet, property owning	Aurora Kjøpesenter AS	100 %	100 %	100 %	100 %
Slagenveien 2 AS	Norway	Farmandstredet, property owning and leasehold	Aurora Kjøpesenter AS	100 %	100 %	100 %	100 %
Buskerud Senter AS	Norway	Buskerud, property owning	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Nerstranda Holding AS	Norway	Holding Company	Aurora Eiendom AS	100 %	100 %	100 %	100 %
Nerstranda AS	Norway	Nerstranda, property owning	Nerstranda Holding AS	100 %	100 %	100 %	100 %
Aurora Kjøpesenter II AS	Norway	Holding Company	Aurora Eiendom AS	100 %	100 %	100 %	100 %
Gulskogen Senter AS	Norway	Gulskogen, property owning	Aurora Kjøpesenter II AS	0 %	0 %	100 %	100 %
Stavanger Storsenter AS	Norway	Stavanger, property owning	Aurora Kjøpesenter II AS	0 %	0 %	100 %	100 %

Buskerud Senter AS was acquired 1st of March 2022 while Gulskogen Senter AS and Stavanger Storsenter AS were acquired 1st of July 2022.

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NOTE 2 – LIST OF SUBSIDIARIES AND ASSOCIATES

Associates

Aurora Eiendom AS has the following investments in associates:

Entity	Country	Industry	Ownership interest 01.01.2022	Voting power 01.01.2022	Ownership interest 31.12.2022	Voting power 31.12.2022
Alti Forvaltning AS	Norway	Property management	50 %	50 %	50 %	50 %
JHG Invest AS	Norway	Holding Company	25 %	25 %	25 %	25 %
Hamar Storsenter Holding AS	Norway	Holding Company	0 %	0 %	25 %	25 %

Changes in group structure

Aurora Eiendom AS acquired Buskerud Senter from Citycon OYJ 1st of March 2022 and acquired two additional centers from Steen & Strøm, Gulskogen Senter and Arkaden Storsenter, 1st of July 2022. Simultaneously, Aurora Eiendom AS, invested in a 25 % stake in Hamar Storsenter Holding AS. Hamar Storsenter Holding AS acquired Maxi Hamar from Steen & Strøm 1st of July 2022. JHG Invest AS has increased its stake in Jærhagen Eiendomsinvest AS by 5 % in 2022 which in turn makes Aurora Eiendom AS indirect ownership in Jærhagen Kjøpesenter 10 % (8,75 %).

From 01.01.22 Nerstranda Holding AS is owned directly by Aurora Eiendom AS. In 2021 the ownership was held by Aurora Kjøpesenter AS.

Effective from 01.01.22 the following changes in group structure have been implemented:

- The operations of Hovlandparken DA (Alti Nordbyen) have been transferred to Nordbyen Senter AS. Hovlandparken AS is merged with Nordbyen Senter AS.
- The operations of Vinterbro Senter DA (Alti Vinterbro) have transferred to Vinterbro Senter AS.
- Hovlandparken DA and Vinterbro Senter DA, have both been dissolved.
- Aurora Andelseier AS, previous co-owner of Hovlandparken DA and Vinterbro Senter DA, has been dissolved.

	2022	2021
Cash consideration	3 428 414 590	4 468 410 853
Total consideration for shares	3 428 414 590	4 468 410 853

Net cash payment

Cash consideration including transaction costs	3 428 414 590	4 468 410 853
Cash received	9 211 969	53 415 657
Net cash payment	3 419 202 621	4 414 995 196

Allocation of purchase price

Investment property	3 441 498 682	4 468 285 102
Working capital items	-22 296 061	-53 289 906
Cash	9 211 969	53 415 657
Total allocated	3 428 414 590	4 468 410 853

The acquired companies have contributed with the total of the Group's revenues per 31.12.2022 as stated in the profit & loss statement.

The acquired companies have contributed with the following of the total of the Group's revenues per 31.12.2022:

Total income (ex. FV adjustments)	128 259 975
Profit before tax (inc. FV adjustments)	234 990 770

If the acquired companies have been acquired 01.01.2022 they would have contributed with the following in the Group's revenues per 31.12.2022:

Total income (ex. FV adjustments)	214 968 268
Profit before tax (inc. FV adjustments)	72 048 329

NOTE 3 – TRANSACTIONS WITH RELATED PARTIES

Name of company	Country	Ownership interest	
		01.01.2022	31.12.2022
Alti Forvaltning AS	Norway	50 %	50 %

Transactions with associated companies

The Group has transactions with Alti Forvaltning AS because the associate manages Aurora Eiendom's shopping centers. All the transactions have been carried out as part of the ordinary operations and at arms-length prices. The most significant transactions are as follows:

		Sales to related parties	Purchases from related parties	Amounts owed to related parties
Alti Forvaltning AS	2022	0	22 570 190	0
Alti Forvaltning AS	2021	0	7 514 904	0

The balance sheet includes the following receivables and payables resulting from transactions with associated companies:

	31.12.2022	31.12.2021
Account receivables	2 990	0
Account payables	126 316	154 357
Total	129 306	154 357

See note 6 for more information on loans and remuneration to management and the board.

NOTE 4 – RENTAL INCOME

The Group as a lessor

Operating leases

Aurora Eiendom AS enters into lease contracts with tenants at owned shopping centers - the investment properties. The lease agreements typically consist of a base rent that depends on CPI and a revenue-linked rent, and are normally agreed on 5 year terms.

The Group's lease income from operating leases is presented in the table below:

Lease income from operating leases	2022	2021
Minimum lease payments	412 165 872	141 881 603
Variable lease revenue	35 749 427	16 162 135
Total income from operating leases	447 915 298	158 043 738

No individual customer account for more than 10 % of the Group's revenue.

The Group's undiscounted lease payments to be received after the reporting date is presented in the table below:

NOK	31.12.2022	31.12.2021
Less than 1 year	488 203 095	305 513 454
1-2 years	382 730 591	250 718 765
2-3 years	273 289 753	183 515 662
3-4 years	181 959 985	105 549 671
4-5 years	123 662 370	86 013 781
More than 5 years	394 848 505	202 454 797
Total undiscounted operating lease payments to be received as of 31.12	1 844 694 299	1 133 766 130

	31.12.2022	31.12.2021
WAULT* of total portfolio (in years)	3.3	3.0

*WAULT is weighted average unexpired lease term.

NOTE 5 – REAL ESTATE RELATED COSTS

Operating costs	2022	2021
Maintenance	8 167 416	4 513 453
Leasehold and property insurance	5 085 641	2 060 509
Owner`s share of common costs of investment properties	18 411 727	7 665 141
Other expenses / direct property costs	5 204 465	922 316
SUM	36 869 249	15 161 419

Expenses directly related to the operation of existing properties are presented as real estate related costs. Other operating expenses are included as administrative expenses disclosed in note 7.

NOTE 6 – SALARY AND PERSONNEL EXPENSE AND MANAGEMENT REMUNERATION

Aurora Eiendom AS does not have any employees. Alti Forvaltning AS provides management resources to Aurora Eiendom and its subsidiaries. There are, however, employees that are for the most part dedicated Aurora Eiendom and hence constitute the Group's Management Team.

These are:

Lars Ove Løseth (CEO)
 Kathrine Mause (CFO)
 Aage Lilleberg (COO)
 Olav Smevoll (CFO Alti Forvaltning AS)
 Bjørnar Skralthaug (Business Controller)

	Board remuneration
Members of the Board	300 000
Petter A Stordalen (Chairman)	150 000
Lars Løseth (Member)	150 000
Marius Varner (Member)	150 000
Johan Johansson (Member)	150 000
Sigurd Stray (Member)	150 000
Morten Nordheim (Observer)	75 000
Total remuneration	975 000

Management remuneration

Group Management is remunerated through their employment contracts in Alti Forvaltning AS. The CEO, Lars Ove Løseth, has through his employment in Alti Forvaltning AS received a total remuneration of NOK 1 361 607 including pension and other benefits. For more information about administrative expenses see note 3 and 7.

No loans or guarantees have been given to any members of the Group Management or the Board of directors.

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NOTE 6 – SALARY AND PERSONNEL EXPENSE AND MANAGEMENT REMUNERATION

Shares held by Group Management and board members:

Number of shares:

Petter A Stordalen (Chairman)	1 553 763	Shares owned by Strawberry Shopping AS, directly and/or indirectly controlled by Petter A. Stordalen.
Lars Løseth (Member)	31 162	Shares owned by LLH 2 AS, directly and/or indirectly controlled by Lars Løseth with family.
Marius Varner (Member)	1 730 351	Shares owned by Varner Invest AS, directly and/or indirectly controlled by Marius Varner with family.
Johan Johannson (Member)	6 022 733	Shares owned by Joh Johannson Eiendom AS, directly and/or indirectly controlled by Johan Johannson.
Sigurd Stray (Member)	29 957	Shares owned by Solstråle AS, directly and/or indirectly controlled by Sigurd Stray.
Lars Ove Løseth (CEO)	3 200 014	Shares owned by Alti Invest AS and LL Medinvest AS, directly and/or indirectly controlled by Lars Ove Løseth.
Kathrine Maset (CFO)	4 792	Shares owned by KWM Rådgivning AS, directly and/or indirectly controlled by Kathrine Maset.
Aage Lilleberg (COO)	3 000	Shares owned by AGL Holding AS, directly and/or indirectly controlled by Aage Lilleberg.
Olav Smevoll (CFO Alti Forvaltning AS)	100	
Bjørnar Skralthaug (Business Controller)	1 000	

Total	12 576 872
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NOTE 7 – ADMINISTRATIVE AND OTHER COSTS

Other operating expenses	2022	2021
Advertising	175 884	630 250
Consultancy fees and external personnel	3 655 320	2 364 740
Other operating costs	6 999 062	3 640 027
Total operating expenses	10 830 266	6 635 017

Specification auditor's fee	2022	2021
Statutory audit	757 134	519 598
Other assurance services	150 875	658 024
Total	908 009	1 177 622

Auditor's fees have been included in the initial recognised cost of the investment properties, as the fees are related to the acquisition of these properties.

Administrative expenses	2022	2021
Administrative expenses	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.

NOTE 8 – FINANCIAL INCOME AND EXPENSES

Financial income	2022	2021
Gain on loans and receivables	467 482	8 584
Interest income	8 386 774	145 423
Foreign exchange gains	9 728	6 761
Total financial income	8 863 984	160 768

Financial expenses	2022	2021
Interest on debts and borrowings	171 630 444	38 688 038
Foreign exchange losses	91 544	10 084
Other financial expenses	6 370 960	1 466 324
Total financial expenses	178 092 948	40 164 446

NOTE 9 – INCOME TAX AND DEFERRED TAX

Income tax

	31.12.2022	31.12.2021
Tax payable	26 389 317	11 938 996
Change in deferred tax	80 404 072	170 008 304
Income tax expense	106 793 389	181 947 300
Profit/loss before income tax	470 011 900	834 742 377
Income tax expense calculated at 22 %	103 402 618	183 643 323
Changes in deferred tax not recognized at intital recognition	0	0
Expenses not deductible for tax purposes	74 917	166 251
Other	3 315 854	-1 862 274
Income tax expense	106 793 389	181 947 300

Deferred tax liabilities

	Loss carried forward	Financial derivative instruments	Investment property	Other items	Total
01.01.2022		-1 916 330	730 295 500		728 379 170
Change related to new acquisitions			222 323 149		222 323 149
Changes in deferred tax recognized in income statement		23 269 428	57 134 645		80 404 072
Effect of changes in tax rate					0
Deferred tax as of 31.12.2022	0	21 353 098	1 009 753 294	0	1 031 106 391

Temporary differences not included in the calculation of deferred tax

	2022	2021
01.01.	558 370 866	0
Change related to new acquisitions	222 323 149	558 370 866
Reversals	0	0
Effect of changed tax rate	0	0
31.12.	780 694 015	558 370 866

Recognized deferred tax assets	0	0
Recognized deferred tax liability	250 412 376	558 370 866

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NOTE 9 – INCOME TAX AND DEFERRED TAX

Movement in deferred tax liabilities

	2022	2021
01.01.	170 008 304	0
Changes not recognized in income statement (mainly acquired tax losses)	0	0
Changes in deferred tax recognized in income statement	80 404 072	170 008 304
31.12.	250 412 376	170 008 304

According to IFRS a deferred tax liability is not recognized on initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit. The exception is generally referred to as the “initial recognition exception”. The acquisition of investment properties through single purpose entities that are not viewed as business combinations fall under the initial recognition exception. As a consequence, deferred tax liability of NOK 558.4 million was not recognized at the balance sheet date.

Current income tax liabilities

	31.12.2022	31.12.2021
Current income tax charge through profit or loss*	26 389 317	11 938 996
Correction**	1 500 096	-
Current income tax from acquisitions	7 396 905	5 230 519
Total current income tax liabilities*	35 286 318	17 169 515

* Aurora Eiendom AS had two share capital increases during 2022. The income tax effect of these transaction costs on equity transaction amounted to NOK 2 254 480.

** Correction stems from a correction of profit from companies with divided liability in 2021 corrected ultimo 2022.

Loss carried forward

	31.12.2022	31.12.2021
Indefinite	0	0
Total loss carried forward as 31st December	0	0

NOTE 10 – EARNINGS PER SHARE

The basic earnings per share is calculated as the ratio of the profit for the year that is due to the shareholders of the parent of NOK 363 218 510 divided by the weighted average number of ordinary shares outstanding.

	2022	2021
Profit for the year/period	363 218 510	652 795 077
Average number of shares	27 190 856	11 030 945
Earnings per share for the period	13.36	59,18

	2022	2021
Profit for the year due to holders of ordinary shares	0	0
Profit for the year from continuing operations	363 218 510	652 795 077
Loss from discontinued operations	0	0
Profit for the year due to the holders of ordinary shares	363 218 510	652 795 077

NOTE 11 – LEASES

Lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	2022	2021
Less than 1 year	1 325 072	1 736 144
1-2 years	914 000	1 325 072
2-3 years	914 000	914 000
3-4 years	914 000	914 000
4-5 years	914 000	914 000
More than 5 years	9 140 000	10 054 000
Total undiscounted lease liabilities at 31st December	14 121 072	15 857 216
Summary of the lease liabilities	2022	2021
At initial application 01.01.	13 342 836	0
New lease liabilities recognised in the year (from acquired companies)	0	14 075 625
Cash payments for the principal portion of the lease liability	-1 582 456	-732 789
Cash payments for the interest portion of the lease liability	-252 734	-137 254
Interest expense on lease liabilities	252 734	137 254
Currency exchange differences	0	0
Total lease liabilities at 31st December	11 760 380	13 342 836
Current lease liabilities	1 109 889	1 483 407
Non-current lease liabilities	10 650 491	11 859 429
Total cash outflows for leases	-1 835 190	-870 043

The leases do not contain any restrictions on the Group's dividend policy or financing. The Group does not have significant residual value guarantees related to its leases to disclose. The leases relate to building plots covered by long term leasehold contracts.

NOTE 12 – INVESTMENT PROPERTIES

NOK	2022	2021
Opening balance as of 1 st January	5 222 900 000	0
Additions from acquisitions	3 441 498 682	4 468 285 102
Investments in the property portfolio	42 831 193	-
Net gain/loss on changes in fair value	105 770 125	754 614 898
As of 31st December	8 813 000 000	5 222 900 000

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).

The investment properties are valued at its fair value based on a valuation carried out by the independent appraisers Cushman & Wakefield Realkapital AS. The method used follows International Valuation Standard Council's (IVSC) guidelines. The value is calculated using the discounted cash flow method, which involves discounting future cash flows over a specified time period using an estimated discount rate. Future cash flows are calculated on the basis of cash flows from signed leases, as well as estimated future cash flows based on an expected market rent at the end of the lease terms. The fair value of the investment properties is therefore mainly affected by expected market rents, discount rates, inflation and capex. The market rent for each property takes into account the property's location, situation, technical standard and leases signed.

The discount rate is estimated using reference transactions and adding the risk of vacancy, mix of tenants, competition, location, technical standard, ownership, development potential and contract structure into account.

Inflation is estimated using the consensus of a selection of banks and official statistics. When carrying out their valuations, the appraisers receive comprehensive details on the properties, lease contracts, floor space and details of any vacant premises. Aurora Eiendom's management ensure the the information sent to the appraiser is up to date and correct.

The appraisers perform their valuations on the basis of the information they have received, and estimated future market rents, yields, inflation and other relevant parameters. Each individual property is assessed in terms of its market position, rental income and ownership costs, with estimates being made for anticipated vacancy levels and the need for alterations and upgrades. The remaining term of the leases is also assessed for risk. Each property is also compared with recently sold properties in the same segment (location, type of property, technical standard, mix of tenants etc.). The appraisers monitor the transaction market closely. Market transactions serve as important reference points for the appraisers.

The following main inputs have been used:

Valuation inputs	31.12.2022	31.12.2021
Valuation method	DCF	DCF
Valuation level	3	3
Fair Value NOK	8 813 000 000	5 222 900 000
Weighted average yield (%) including development projects	5,88 %	5,53 %
Weighted average yield (%) excluding development projects	5,87 %	5,63 %
Yield range	5,55 % - 6,46 %	5,30 % - 6,23 %
Long term operating expense growth (%)	2,0 %	2,0 %
Long term growth in rental income	2,0 %	2,0 %
Number of properties	8	5
GLA sqm	202 323	113 113
Market rent NOK	577 276 900	324 000 000
Owner's costs %	12,0 %	12,2 %
Fair Value NOK / sqm	43 559	46 174

Changes in fair value is recognised in the period to which the profit/loss relates. The latest independent valuation was carried out on 31 December 2022.

There are no restrictions on when the investment properties can be realised. Part of the consideration from the sale of investment property must 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. See note 20 Long-term debt.

NOTE 13 – INVESTMENTS IN ASSOCIATED COMPANIES

The associated companies are recognized using the equity method. Investment properties are valued annually in order to adjust the value of the equity holding.

	2022	2021
Book value 01.01.	89 724 061	-
Investments / disposals	31 250 000	89 890 313
Share of profit post-tax	24 825 876	2 491 365
Depreciation excess value	(5 243 405)	(2 657 616)
Dividend	(4 250 000)	-
Book value 31.12.	136 306 532	89 724 062

Alti Forvaltning AS

Aurora Eiendom AS owns 50 % of the shares and voting rights in Alti Forvaltning AS. The remaining shares and voting rights are owned by one shareholder, Alti AS. Accordingly, it is concluded that the Group does not have control over Alti Forvaltning AS since all decisions required consensus from the other shareholder.

JHG Invest AS

Aurora Eiendom AS owns 25 % of the shares and voting rights in JHG Invest AS. In turn, JHG Invest AS indirectly owns 40 % of Jærhagen Shopping center outside Stavanger.

Hamar Storsenter Holding AS

Aurora Eiendom AS owns 25 % of the shares and voting rights in Hamar Storsenter Holding AS. In turn, Hamar Storsenter Holding AS owns 100 % of Maxi Storsenter in Hamar.

NOTE 13 – INVESTMENTS IN ASSOCIATED COMPANIES

Description of the activities of major associates

Alti Forvaltning AS

Alti Forvaltning AS is responsible for the management and daily operations of 38 shopping centers, among those the shopping centers owned by Aurora Eiendom. The company delivers services such as business management, accounting, leasing, marketing, technical support, project management and HR.

A summary of the financial information on Alti Forvaltning AS, based on 100 % figures:

	2022	2021
Total revenue	106 230 333	74 729 026
Profit from continued operations	-	-
Post-tax profit for discontinued operations	-	-
Other income and expenses	-86 316 978	-66 525 397
Comprehensive income post tax	15 542 300	6 738 918
The Groups share of comprehensive income after amortisation	2 527 745	-167 090
Current assets	130 128 240	78 798 057
Non-current assets	6 593 262	4 885 773
Current liabilities	115 818 438	73 340 252
Non-current liabilities	-	-
Equity	20 903 063	10 343 578
The Groups share of equity	10 451 532	5 171 789
+ goodwill		
+ excess value from acquisition*	52 434 049	52 434 049
- total amortisation from acquisition	-7 909 614	-2 657 616
+translation differences	-	-
-eliminations	-	-
= Book value 31.12.2022	54 975 967	54 948 222

* Excess value from acquisition is due to long-term management agreements.

Alti Forvaltning has no contingent liabilities or capital commitments as of 31.12.2022

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NOTE 13 – INVESTMENTS IN ASSOCIATED COMPANIES**Aggregate financial information for other associates and jointly controlled entities**

	2022	2021
Revenue	17 592 919	-
Net income	12 633 703	(136)
Net value changes	72 611 287	-
Comprehensive income post tax	68 218 904	3 357
The Group's share of comprehensive income	17 054 726	839
Total assets	712 887 462	139 197 037
Shareholders equity	325 322 260	139 103 357
Total liabilities	387 565 202	93 680

NOTE 14 – FINANCIAL RISK MANAGEMENT

Aurora Eiendom's activities imply exposure to a variety of financial risks. The Group is exposed to interest rate risk, credit risk and liquidity risk.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating rates.

See note 20 "Long-term debt" for information about debt structure. To adjust the exposure to the change in interest rates for the interest-bearing debt, the Group has entered into several interest rate swap agreements and two swaptions, where the Group receives a variable rate equal to three-month NIBOR and pays a fixed rate of interest on the notional amount. All interest rate swaps are designated as hedging instruments, and the Group will not apply hedge accounting to interest rate swaps.

The board of Aurora Eiendom continuously monitors the financial markets and interest rate risk of the Group. The board assesses that the current level of interest rate hedging is adequate.

Below is a specification of these interest rate swap agreements and swaptions.

Financial instrument	Principal amount	Remaining amount	Remaining term in years	Swap rate	Start date	Maturity date	Amortisation	Profile
Interest rate swap 1	400 000 000	400 000 000	8,8	1,883 %	01.10.2021	01.10.2031	2 000 000	Semi-annual
Interest rate swap 2	250 000 000	250 000 000	8,8	1,696 %	17.12.2021	01.10.2031	-	
Interest rate swap 3	142 846 667	141 418 201	8,8	2.050 %	13.10.2021	01.10.2031	714 233	Semi-annual
Interest rate swap 4	114 306 667	113 163 601	8,8	2.050 %	03.01.2022	01.10.2031	571 533	Semi-annual
Interest rate swap 5	141 418 200	140 711 109	8,8	1,990 %	03.01.2022	01.10.2031	707 091	Semi-annual
Interest rate swap 6	88 662 210	88 662 210	8,8	1,880 %	01.10.2021	01.10.2031	635 714	Per quarter from 02.10.23
Interest rate swap 7	70 000 000	70 000 000	9,0	1,720 %	03.01.2022	02.01.2032	-	
Interest rate swap 8	90 000 000	90 000 000	9,0	1,730 %	03.01.2022	02.01.2032	-	
Interest rate swap 9	90 000 000	90 000 000	9,0	1,730 %	03.01.2022	02.01.2032	-	
Interest rate swap 10	110 000 000	110 000 000	9,2	2,135 %	09.03.2022	09.03.2032	-	
Interest rate swap 11	500 000 000	500 000 000	2,8	2,710 %	30.09.2022	30.09.2025	-	
Interest rate swap 12	150 000 000	150 000 000	1,8	2,640 %	30.09.2022	30.09.2024	-	
Total	2 147 233 744	2 139 955 121		2,129 %			-	

Swaption 1 (Interest rate swap 11) 500 000 000

Swaption 2 (Interest rate swap 12) 150 000 000

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.

Maturity structure of the Group's interest swap agreements (NOK million)

Per 31.12.2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
Percentage	0,4 %	7,5 %	23,9 %	0,5 %	0,5 %	0,5 %	0,5 %	0,5 %	49,0 %	16,8 %	100 %
Amount	9	161	511	11	11	11	11	11	1 048	360	2 140

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	2022	2021
Change in fair value of financial derivatives during the year	136 059 830	(8 170 592)
Financial derivatives asset	143 629 940	4 428 480
Financial derivatives liability	16 280 702	13 139 072
<i>Valuation level 2</i>		

The valuation of the the financial derivatives are carried out by the counterpart (Nordic banks) and is stated on our Mark-To-Market (MtM) information which we receive at the end of each quarter. Per 31.12.22 nominal interest-bearing debt amounted to NOK 5 008 676 630. Of this, NOK 2 139 955 121 was hedged using interest rate swaps. Additionally NOK 200 000 000 is hedged due to a fixed rate agreement on the seller's credit. As a result NOK 2 668 721 509 was not hedged. This implies that an increase in interest rates by 1 % would increase financial expenses with NOK 26.7 million.

Credit risk / counterparty risk

The main credit risk relates to lease payments according to contractual obligations. Aurora Eiendom AS has a large number of tenants, and the standard rent payment regime is quarterly in advance. Trade receivables was NOK 8 652 895,- per year end, and expected losses NOK 191 048,-.

The standard provided security for contractual obligations from tenants is a bank guarantee that sums equivalent to 6 months rent including VAT. However, security for each lease agreement is rated based on the lease agreements total value, associated investments and the tenants' creditworthiness.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to fulfill its financial obligation as they fall due. The Groups approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Management uses cash flow simulations to monitor financing required for its business and ensure that commitments are met.

Bank deposits as of balance date amounted to 327 MNOK. The Group has an overdraft facility of 30 MNOK. Debt repayments (instalments) for the coming rolling 12 months period are covered by operating cash flow.

There is also financing risk, which is the risk that the Group will be unable to meet its financial obligations when they are due and that financing will not be available at a reasonable price. The Group will seek to limit this risk by having a diversified maturity structure for the Group's financing going forward. The Group also wishes to maintain good credit rating with finance institutions and generate a healthy cash flow in order to be an attractive borrower.

The table below illustrates the maturity structure of long-term debt. The table shows nominal cash flows.

31.12.2022		Expected cash flows					
Financial liability	Booked amount	Year 1	Year 2	Year 3	Year 3-5	After year 5	Sum
Borrowings (bank)	5 008 676 630	107 901 943	3 341 024 687	1 559 750 000	-	-	5 008 676 630
Interest costs*		278 323 926	179 698 566	42 053 188			500 075 679
Trade payables	51 182 094	51 182 094					51 182 094

* Assumed average NIBOR of 3,5 %.

31.12.2021		Expected cash flows					
Financial liability	Booked amount	Year 1	Year 2	Year 3	Year 3-5	After year 5	Sum
Borrowings (bank)**	2 665 986 630	47 760 000	48 713 719	2 569 512 911	-	-	2 665 986 630
Interest costs***		111 494 368	109 478 911	80 718 106			301 691 385
Trade payables	22 916 574	22 916 574					51 182 094

** Assumed semi-annual instalments equal to 1 % of outstanding loan for Bank loan 1.

*** Assumed average NIBOR of 2 %.

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Financial covenants

There are covenants in the Group's loan agreements relating to loan to value (LTV), equity ratio, interest cover ratio and minimum liquidity. Except for the seller's credit, all loans are in Aurora Eiendom's subsidiaries (Aurora Kjøpesenter AS, Aurora Kjøpesenter II AS, Nerstranda Holding AS), thus covenants are placed and measured on sub-group level.

The Group was not in breach of any covenants per 31.12.2022, they are met with good margin, and management assesses that the risk of breaching these requirements is considered low the next 12 months.

Covenants that apply to Bank Loan 1 (see note 20) are

- LTV (interest-bearing-debt / aggregate value of properties financed) shall not exceed 75 %
- Interest Coverage Ratio shall not be less than 1,6
- Minimum liquidity shall be no less than NOK 50 million

Covenants that apply to Bank Loan 2

- Minimum equity of 30 %

Covenants that apply to Bank Loan 3

- LTV (interest-bearing-debt / aggregate value of properties financed) shall not exceed 70 %
- Minimum liquidity on Aurora Group level shall be no less than NOK 200 million

Covenants that apply to seller's credit

- LTV (interest-bearing-debt / aggregate value of properties financed) shall not exceed 70 %
- Minimum liquidity Aurora parent company and Aurora Kjøpesenter II sub-group combined shall be no less than NOK 100 million

Capital management

The primary focus of the Group's capital management is to ensure that it maintains healthy capital ratio in order to support its business and maximise shareholders value, as well as complying with loan agreements. A main target is to maintain good credit rating with lenders in order to obtain satisfactory loan terms in the future.

Loan to Value (LTV)

	31.12.2022	31.12.2021
Fair value of investment properties *	8 813 000 000	5 222 900 000
Loan to value **	53,1 %	45,5 %

* See note 12 "Investment Property"
** Net debt/Fair value

	31.12.2022	31.12.2021
Interest-bearing loans and borrowings	5 008 676 630	2 665 986 630
Less: cash and cash equivalents	327 025 464	288 715 066
Net interest-bearing debt	4 681 651 166	2 377 271 564

Equity ratio

	31.12.2022	31.12.2021
Equity	4 041 959 066	2 686 731 663
Total assets	9 472 518 625	5 622 562 748
Equity ratio (equity / total assets)	42,7 %	47,8 %

NOTE 15 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial instruments at amortised cost

31.12.2022

Assets	Financial instruments at fair value through profit or loss	Financial instruments at amortised cost
Receivables		6 795 922
Derivative financial instruments	143 629 940	
Accounts receivable		8 461 847
Cash and cash equivalents		327 025 464
Total financial assets	143 629 940	342 283 233

Liabilities

Interest bearing loans and borrowings

Loans (non-current)		4 635 945 456
Derivative financial instruments	16 280 702	
Loans (current)		359 543 176
Trade and other payables		22 916 574
Other current liabilities		98 414 576
Total financial liabilities	16 280 702	5 116 819 782

Financial instruments at amortised cost

31.12.2021

Assets	Financial instruments at fair value through profit or loss	Financial instruments at amortised cost
Receivables		1 256 126
Derivative financial instruments	4 428 480	
Accounts receivable		2 340 358
Cash and cash equivalents		288 715 066
Total financial assets	4 428 480	292 311 550

Liabilities

Interest bearing loans and borrowings

Loans (non-current)		2 524 568 870
Derivative financial instruments	13 139 072	
Loans (current)		129 830 681
Trade and other payables		15 532 464
Other current liabilities		52 239 343
Total financial liabilities	13 139 072	2 722 171 358

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.

Interest-bearing debt is classified as financial liabilities at amortised cost, and is measured at fair value upon initial recognition, and subsequently at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as net realised financials in the statement of profit or loss. The liabilities are measured at their nominal value when the effect of discounting is immaterial. For more information about debt see note 20 "Long-term debt".

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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 are 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 12 "Investment property".

For Fair Value of Derivative financial instruments see note 14 "Financial risk management"

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For recurring level 3 measurements, transfers between the levels in the fair value hierarchy are evaluated when reassessing the categories of the financial instruments at the end of the period.

NOTE 16 – TRADE RECEIVABLES

NOK	31.12.2022	31.12.2021
Trade receivables	8 652 895	2 771 884
Provision for bad debt	191 048	431 526
Net trade receivables	8 461 847	2 340 358

Accounts receivables are non-interest bearing.

Note 14 provides a description of the Group's credit risk management.

Ageing analysis

The ageing analysis of the trade receivables is as follows.

Year end	Trade receivables						Total
	Current	Prepayments	< 30 days	30-60 days	61-90 days	> 91 days	
2022	14 648 190	-12 268 057	2 012 034	876 140	584 412	2 800 175	8 652 895
2021	11 588 908	-10 605 113	346 457	514 271	40 000	887 361	2 771 884

NOTE 17 – OTHER CURRENT ASSETS

NOK	31.12.2022	31.12.2021
Accrued income, not invoiced	11 110 689	9 672 752
Pre-paid costs, advance payments and accruals	26 188 231	3 525 905
Total other current assets	37 298 920	13 198 657

NOTE 18 – CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 31.12.22.

	31.12.2022	31.12.2021
Short-term bank deposits	327 025 464	288 715 066
Cash and cash equivalents in the balance sheet	327 025 464	288 715 066

	31.12.2022	31.12.2021
Cash at banks	327 025 464	288 715 066
Overdraft facility	30 000 000	30 000 000
Available liquidity	357 025 464	318 715 066

The Group had unused credit facilities of MNOK 30 as of 31st December 2022.

NOTE 19 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Aurora Eiendom's share capital per 31.12.2022

Number of shares	30 962 431
Par value	75
Share capital	2 322 182 325

Aurora Eiendom has one class of shares. All issued shares have equal voting rights and the right to receive dividend. There are no share options or other rights to subscribe for or acquire shares issued by Aurora Eiendom per 31.12.2022.

Changes to share capital and premium:

	No. of shares	Share capital	Par value	Subscription price	Premium
Ordinary shares					
Share capital at 31 st December 2021	20 550 400	1 541 280 000	75	100	492 656 586
Equity issue 25.02.2022	3 960 396	297 029 700	75	101	102 970 296
Equity issue 29.06.2022	6 451 635	483 872 625	75	93	116 129 430
Transaction costs net of tax					-7 993 158
Share capital at 31st December 2022	30 962 431	2 322 182 325	75	99	703 763 154

Aurora Eiendom holds no treasury shares. For computation of earning per share see Note 10.

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NOTE 19 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

At 31.12.2022, Aurora Eiendom had 284 shareholders. The 20 main shareholders were:

	Number of shares:	Ownership interest:
Joh Johannson Eiendom AS	6 022 733	19,45 %
Eiendomsspar AS	6 002 462	19,39 %
Alti Invest AS	3 200 014	10,34 %
NSF IV Norway Holding 10 AS (NREP)	2 000 000	6,46 %
Varner invest AS	1 730 351	5,59 %
AS Clipper	1 700 215	5,49 %
Strawberry Shopping AS	1 553 763	5,02 %
Stokke Industri Eiendom AS	1 522 581	4,92 %
Verdipapirfondet Nordea Norge	797 962	2,58 %
Byggteknikk Invest AS	509 942	1,65 %
Kverva Eiendom AS	497 524	1,61 %
Uthalden Eiendom AS	400 000	1,29 %
Peak Invest AS	313 811	1,01 %
Brødrene Johanssen Eiendom AS	300 000	0,97 %
Carucel Invest AS	272 979	0,88 %
Ligna AS	208 049	0,67 %
Oviv AS	201 653	0,65 %
Næringslivets Hovedorganisasjon	200 475	0,65 %
Tretindanibba AS	198 663	0,64 %
Fine Line Direct AS	186 683	0,60 %
Total 20 largest shareholders	27 819 860	89,85 %
Total	30 962 431	100,00 %

NOTE 20 – LONG-TERM DEBT

		Carrying amount
Secured	Maturity date	31.12.2022
Bank loan 1	01.07.2024	3 094 740 000
Bank loan 2	01.07.2024	265 986 630
Bank loan 3	28.06.2025	1 447 950 000
Seller's credit	01.07.2025	200 000 000
Total secured long-term debt		5 008 676 630
Total long-term debt		5 008 676 630
1 st year's principal repayments on long-term debt		359 286 318
Unamortised fees		13 444 856
Total long-term debt excluding the 1st year's principal repayments		4 635 945 456

See Note 14 for description of interest rate risk.

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 %.

		Carrying amount
Secured	Maturity date	31.12.2021
Bank loan 1	01.07.2024	2 400 000 000
Bank loan 2	01.07.2024	265 986 630
Total secured long-term debt		2 665 986 630
Total long-term debt		2 665 986 630
1 st year's principal repayments on long-term debt		129 830 681
Unamortised fees		11 587 079
Total long-term debt excluding the 1st year's principal repayments		2 524 568 870

Bank loans

Bank loans are secured by the Group's assets. The bank loans have been recognised at amortised cost by using the effective interest rate method.

Repayment of bank loans

Bank loan 1

Semi-annual instalments, first time 01.01.2022. The amount of repayment per instalment shall be equal to:

- 0,5 % of the outstanding loan if LTV is equal to or below 50 %.
- 1 % of the outstanding loan if LTV is higher than 50 % but equal to or below 65 %.
- 1,5 % of the outstanding loan if LTV is above 65 %.

Bank loan 2

Quarterly instalments of NOK 1 904 143 first time falling 2 years after utilization, which is 01.10.2023.

Bank loan 3

Quarterly installments depending on LTV.

- Less than 50 % = NOK 3 675 000
- Less than 55 % but equal to or higher than 50 % = NOK 7 350 000
- Less than 70 % but equal to or higher than 55 % = NOK 11 025 000

Seller's credit

No installments. To be paid in full on maturity date.

Pledged as security

The Group's assets are pledged as security for the Group's bank loans.

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Additional information to the statement of cash flows

	Non current loans	Non current lease liabilities	Current portion of loans	Current lease liabilities
At January 2022	2 524 568 870	11 859 429	129 830 681	1 483 407
Repayment			-77 310 000	
New loans	2 420 000 000			
Payment of lease liabilities				-1 582 456
Transaction cost on loans	-6 750 000			
Other movements			4 892 223	
Reclassification to current	-301 873 414	-1 208 938	301 873 414	1 208 938
At 31st December 2022	4 635 945 456	10 650 491	359 286 318	1 109 889

	Non current loans	Non current lease liabilities	Current portion of loans	Current lease liabilities
At January 2021	0	0	0	0
Repayment	0	0	0	0
New loans	2 665 986 630			
Payment of lease liabilities	0	0	0	-732 789
Transaction cost on loans	-11 587 079	0	0	0
Other movements	0	0	0	0
Additions through acquisitions	0	12 592 217		1 483 408
Reclassification to current	-129 830 681	-732 788	129 830 681	732 788
At 31st December 2021	2 524 568 870	11 859 429	129 830 681	1 483 407

NOTE 21 – TRADE AND OTHER PAYABLES

	31.12.2022	31.12.2021
Trade accounts payables	22 916 574	15 532 464
Debt to associates and joint ventures	0	0
Liabilities to associated companies	0	0
Government taxes, tax deductions etc.	764 163	989 578
Other current liabilities	53 241 559	29 561 585
Accrued interest expenses	44 408 854	21 688 180
Other payables	98 414 576	52 239 343

Trade payables are non-interest bearing.

NOTE 22 – EVENTS AFTER THE BALANCE SHEET DATE

On February 10th 2023, an extraordinary general meeting was held in Aurora Eiendom AS. The general meeting granted the board of directors an authorisation to in one or more occasions to acquire shares in Aurora Eiendom AS with a nominal value of up to NOK 232 200 000, divided into up to 3 096 000 shares. The authorisation is valid until 10th February 2024.



Parent Company financial statement Aurora Eiendom AS

STATEMENT OF INCOME

	Note	2022	2021
Aurora Eiendom			
Revenue		2 940	0
Total operating income		2 940	0
Other operating expenses	1	6 570 903	5 623 039
Total operating costs		6 570 903	5 623 039
Income from subsidiaries	2, 4, 5	29 005 094	32 565 426
Interest income from Group companies		104 201 851	26 919 920
Income from investments in associates and JVs		4 250 000	-
Other financial income	5	2 020 027	63 183
Interest expense		-5 000 000	-
Other financial expenses		-5 954	-
Net financial items		134 471 018	32 628 609
Profit before income tax		127 903 055	27 005 057
Income tax expenses	3	24 977 241	0
Income tax	3	24 977 241	0
Profit for year		102 925 814	27 005 057
Allocated as follows			
Dividend		-	-
Group contribution		-	-
Transferred to equity	6	102 925 814	27 005 057
Total allocated		102 925 814	27 005 057

BALANCE SHEET – ASSETS

	Note	31.12.2022	31.12.2021
Non-current assets			
Investments in subsidiaries	4	337 286 115	53 482 123
Loans to Group companies	2	2 835 956 315	1 806 950 860
Investments in JVs and associated companies	4	121 140 313	89 890 313
Loans to associated companies and JVs		3 750 000	-
Total non-current assets		3 298 132 743	1 950 323 296
Current assets			
Loans to Group companies	2, 5	29 005 094	5 645 506
Trade receivables		2 990	-
Other current asset		56 500	1 067 123
Cash and cash equivalents		136 916 499	100 440 651
Total current assets		165 981 083	107 153 280
Total assets		3 464 113 826	2 057 476 576

BALANCE SHEET – EQUITY AND LIABILITIES

Equity	Note	31.12.2022	31.12.2021
Share capital	6, 7	2 322 182 325	1 541 280 000
Share premium	6	695 596 517	486 744 430
Total paid in equity		3 017 778 842	2 028 024 430
Retained earnings	6	129 931 384	27 005 570
Total equity		3 147 710 226	2 055 030 000
Long-term liabilities			
Loans		200 000 000	-
Derivative financial instruments			-
Lease liabilities			-
Deferred tax liabilities		13	-
Total non-current liabilities		200 000 013	0
Short-term liabilities			
Income tax payable	3	-	-
Liabilities to Group companies		113 532 856	
Trade payables		2 572 033	1 913 225
Other current liabilities		298 698	533 350
Total short-term liabilities		116 403 587	2 446 576
Total liabilities		316 403 600	2 446 576
Total liabilities and shareholders' equity		3 464 113 826	2 057 476 576

Surnadal, March 23rd 2023



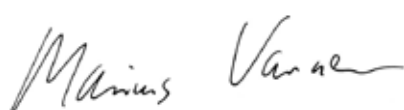
Petter A. Stordalen
Chairman of the Board



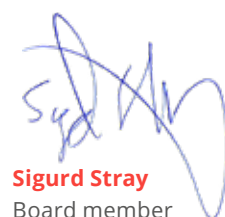
Lars Løseth
Board member



Johan Johannson
Board member



Marius Varner
Board member



Sigurd Stray
Board member



Lars Ove Løseth
CEO

STATEMENT OF CASH FLOWS

	Note	2022	2021
Profit before tax		127 903 055	27 005 057
Net expensed interest and fees on loans and leases		5 000 000	-
Net interest and fees paid on loans and leases		-5 000 000	-
Income from investment in subsidiary, associates and JVs		-137 456 945	-32 565 426
Change in working capital		1 432 150	1 379 452
Net cash flow from operating activities		-8 121 740	-4 180 404
Investments in subsidiaries		-195 248 365	53 482 123
Lending to subsidiaries		-919 158 459	-1 780 030 940
Net payment of loans to associates and JVs		-3 750 000	-
Investments in associates and JVs		-31 250 000	-89 890 313
Dividends from associates and JVs		4 250 000	-
Net cash flow from investment activities		-1 145 156 824	-1 923 403 375
Proceeds interest bearing debt		200 000 000	-
Proceeds from issue of shares/repurchase of shares		989 754 412	2 028 024 430
Net cash flow from financing activities		1 189 754 412	2 028 024 430
Change in cash and cash equivalents		36 475 848	100 440 651
Cash and cash equivalents at beginning of period		100 440 651	
Cash and cash equivalents at end of period		136 916 499	100 440 651

Notes

Accounting Principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the company's accounting principles also require management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Investment in subsidiaries, associates and joint ventures

Subsidiaries are all entities which the Group exercises control of financial and operating policies, normally through ownership of more than half the capital with voting rights. Associates are companies over which the Group has significant influence but not control. Significant influence normally exists where the Group's investment represents between 20 and 50 percent of the capital with voting rights.

The cost method is applied to investments in subsidiaries and associates in the company accounts. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's installment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry forward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax reduction on group contributions given and tax on group contribution received, booked as a reduction of cost price or taken directly to equity, are booked directly against tax in the balance sheet (offset against payable taxes if the group contribution has affected payable taxes, and offset against deferred taxes if the group contribution has affected deferred taxes). Deferred tax is reflected at nominal value.

Cash and cash equivalents

Cash and cash equivalents consists of bank deposits.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

NOTE 1 – PERSONNEL COSTS AND OTHER REMUNERATION

The Company is managed by Alti Forvaltning AS and has no employees of its own. No loans or sureties have been granted to the CEO or the Board of Directors. The Company is not obliged to have a mandatory occupational pension program.

Remuneration of the Board in 2022

The Board has in 2022 received remuneration in accordance with the approved AGM.

Name	Position	Total remuneration 2022
Petter Anker Stordalen	Chair	300 000
Lars Løseth	Member	150 000
Stein Marius Varner	Member	150 000
Johan Johansson	Member	150 000
Sigurd Borden Stray	Member	150 000
Morten Nordheim	Observer	75 000
Total		975 000

The CEO, Lars Ove Løseth, has through his employment in Alti Forvaltning AS received a total remuneration of NOK 1 361 607 including pension and other benefits.

Auditor's fee	2022	2021
Statutory Audit	410 099	412 198
Other assurance services	105 750	103 552
Total	515 849	515 750

NOTE 2 – INTRA-GROUP BALANCES

Receivables	2022	2021
Long term loan to Aurora Kjøpesenter AS	1 871 156 545	1 806 950 860
Long term loan to Aurora Kjøpesenter II AS	949 106 426	0
Long term loan to Nerstranda Holding AS	15 693 344	0
Group contribution from subsidiaries	29 005 094	5 645 506
Total	2 864 961 409	1 812 596 366

Liabilities	2022	2021
Long term liabilities to Group companies	0	0
Contribution to subsidiaries	113 532 856	0
Total	113 532 856	0

NOTE 3 – TAX

Income tax expense		2022
Tax payable		24 977 228
Change in deferred tax recognised in profit and loss		13
Total tax expense		24 977 241

	2022	2021
Profit before tax	127 903 055	27 005 570
Cost of equity transactions directly in equity	-10 247 639	-27 005 570
Permanent differences	-4 122 560	0
Group contribution	113 532 856	0
Profit for tax purposes	0	0

Tax payable on the balance sheet	0	0
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NOTE 4 – SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Company	Business Office	Equity interests %	Equity 31.12.2022	Result 31.12.2022	Book Value
Aurora Kjøpesenter AS	Surnadal	100 %	38 067 023	-19 272 066	88 595 527
Aurora Kjøpesenter II AS	Surnadal	100 %	30 000	22 629 543	30 000
Nerstranda Holding AS	Surnadal	100 %	179 030 000	0	248 660 588
Alti Forvaltning AS	Surnadal	50 %	20 903 063	15 542 300	55 115 313
JHG Invest AS	Klepp	25 %	131 973 727	-108 310	34 775 000
Hamar Storsenter Holding AS	Surnadal	25 %	125 000 000	53 851	31 250 000

SHARES IN SUBSIDIARIES OWNED THROUGH AURORA KJØPESENTER AS, AURORA KJØPESENTER II AS AND NERSTRANDA HOLDING AS

Amanda Storsenter AS (AK)	Vinterbro Senter AS (AK)
Slagenveien 2 AS (AK)	Farmandstredet Eiendom AS (AK)
Nordbyen Senter AS (AK)	Gulskogen Senter AS (AK II)
Stavanger Storsenter AS (AK II)	Nerstranda AS (NH)

NOTE 5 – SPECIFICATION OF FINANCIAL INCOME AND EXPENSES

Financial income	2022	2021
Interest income from group companies	104 201 851	26 919 920
Group contribution from subsidiaries	29 005 094	5 645 506
Dividends from associates and JVs	4 250 000	0
Other interest income	2 020 026	63 183
Total financial income	139 476 971	32 628 609

Financial expenses	2022	2021
Other financial expense	5 954	0
Interest expenses	5 000 000	0
Total	5 005 954	0

NOTE 6 – EQUITY

	Share capital	Share premium	Retained earnings	Total equity
Pr 01.01.2022	1 541 280 000	486 744 430	27 005 570	2 055 030 000
Share issue 25.02	297 029 700	102 970 296		399 999 996
Share issue 29.06	483 872 625	116 129 430		600 002 055
Transaction costs		-10 247 639		-10 247 639
Profit for the year			102 925 814	102 925 814
Pr 31.12.2022	2 322 182 325	695 596 517	129 931 384	3 147 710 226

NOTE 7 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Aurora Eiendom's share capital is NOK 2 322 182 325 divided into 30 962 431 shares, with each share having a par value of NOK 75. Aurora Eiendom has one class of shares. All shares provide equal rights, including the right to any dividends. Each of the share carries one vote. There are no share options or other rights to subscribe for or acquire shares issued by Aurora Eiendom. As of 31st December 2022 Aurora Eiendom had 284 shareholders.

The 20 largest shareholders as registered in the VPS as of 31st December 2022 were as follows:

Shareholder:	Number of shares:
Joh Johannson Eiendom AS	6 022 733
Eiendomsspar AS	6 002 462
Alti Invest AS	3 200 014
NSF IV Norway Holding AS	2 000 000
Varner Invest AS	1 730 351
AS Clipper	1 700 215
Strawberry Shopping AS	1 553 763
Stokke Industri Eiendom AS	1 522 581
Verdipapirfondet Nordea Norge Verd.	797 962
Byggteknikk Invest AS	509 942
Kverva Eiendom AS	497 524
Uthalden Eiendom AS	400 000
Peak Invest AS	313 811
Brødrene Johanssen Eiendom AS	300 000
Carucel Invest AS	272 979
Ligna AS	208 049
Oviv AS	201 653
Næringslivets Hovedorganisasjon	200 475
Tretindanibba AS	198 663
Fine Line Direct AS	186 683
Total	27 819 860

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NOTE 7 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Shares held by the Board of Directors and Senior Executive at 31.12.2022

Name and position held	Number of shares:
Petter A. Stordalen, Chairman of the Board	1 553 763
Lars Ove Løseth, Chief Executive Officer	3 200 014
Johan Johansson, Board Member	6 022 733
Marius Varner, Board Member	1 730 351
Lars Løseth, Board Member	31 162
Sigurd Stray, Board Member	29 957
Kathrine Mause, Chief Financial Officer	4 792
Aage Lilleberg, Chief Operating Officer	3 000
Ole-Christian Hellerud, Project Director	0
Olav Smevoll, CFO Alti Forvaltning AS	100
Bjørnar Skralthaug, Business Controller	1 000

NOTE 8 – EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL POSITON

On February 10th 2023, an extraordinary general meeting was held in Aurora Eiendom AS. The general meeting granted the board of directors an authorisation to in one or more occasions to acquire shares in Aurora Eiendom AS with a nominal value of up to NOK 232 200 000, divided into up to 3 096 000 shares. The authorisation is valid until 10th February 2024.



Independent Auditor's report

Independent Auditor's Report

To the Annual Shareholders meeting of Aurora Eiendom AS

Opinion

We have audited the financial statements of Aurora Eiendom AS.

The financial statements comprise:

- The financial statements of the parent company, which comprise the balance sheet as at 31 December 2022, income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the group, which comprise the balance sheet as at 31 December 2022, and income statement, statement of changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements comply with applicable statutory requirements.
- The accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other information in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on the Board of Director's report

Based on our knowledge obtained in the audit, in our opinion the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

BDO AS

Thomas Bjørseth
State Authorised Public Accountant
(This document is signed electronically)

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 Asset 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)

	2022	2021
Net income from property management	377 828 348	129 008 000
Financial expenses*	169 228 964	40 164 446

Interest coverage ratio	2,2	3,2
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* Financial expenses = amortised interests less interest income for the period.

3. EPRA PERFORMANCE MEASURES

	Unit	2022	2021
A EPRA earnings per share (EPS)	NOK	6,42	6,37
B EPRA NRV per share	NOK	135	139
EPRA NTA per share	NOK	130	135
EPRA NDV per share	NOK	131	131
C EPRA Net Initial Yield	%	5,76	5,36
EPRA Topped-Up Net Initial Yield	%	5,85	5,53
D EPRA Vacancy Rate	%	2,2	1,8

A. EPRA earnings

All amounts in NOK million	2022		
	IFRS reported	EPRA adjustments	EPRA Earnings
Rental income	448		448
Operating costs	-37		-37
Net operating income	411	0	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	0
Changes in value of financial instruments	136	-136	0
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

All amounts in NOK million	2021		
	IFRS reported	EPRA adjustments	EPRA Earnings
Rental income	158		158
Operating costs	-15		-15
Net operating income	143	-	143
Other revenue	0		0
Other costs	-7		-7
Administrative costs	-8		-8
Share of profit from associates and JVs	0		0
Net realised financials	-40		-40
Net income	89	-	89
Changes in value of investment properties	755	-755	-
Changes in value of financial instruments	-9	9	-
Profit before tax/EPRA Earnings before tax	835	-746	89
Tax payable	-12		-12
Change in deferred tax	-170	163	-7
Profit for period/EPRA Earnings	653	-583	70
Average outstanding shares (million)			11,0
EPRA Earnings per share (NOK)			6,37

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

B. EPRA net asset value metrics

	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 instr	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	31	31
EPRA NAV per share (NOK)	135	130	131

	2021		
	NRV	NTA	NDV
IFRS Equity	2 687	2 687	2 687
Net Asset Value (NAV) at fair value	2 687	2 687	2 687
Deferred tax properties and financial instr	170	170	
Estimated real tax liability		85	
Net fair value on financial derivatives	9	9	
EPRA NAV	2 865	2 780	2 687
Outstanding shares at period end (million)	20,6	20,6	20,6
EPRA NAV per share (NOK)	139	135	131

3. EPRA PERFORMANCE MEASURES

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.

C. EPRA NIY and 'topped-up' NIY

All amounts in NOK million

		31.12.2022	31.12.2021
Investment property - fully owned		8 813	5 224
Less: developments		-156	-92
Completed property portfolio		8 657	5 132
Allowance for estimated purchasers' costs		17	10
Gross up completed property portfolio valuation	B	8 674	5 142
Annualised cash passing rental income		576*	315
Property outgoings		-76	-40
Annualised net rents	A	500	275
Add: notional rent expiration of rent free periods or other lease incentives		8	9
Topped-up net annualised rent	C	508	284
Add: market rent of vacant space		13	6
Fully let net annualised rent	D	521	290
EPRA NIY	A/B	5,76 %	5,36 %
EPRA "topped-up" NIY	C/B	5,85 %	5,53 %
Fully let net yield	D/B	6,01 %	5,64 %

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 31st 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

D. EPRA Vacancy Rate

		31.12.2022	31.12.2021
(NOK million)			
Estimated rental value of vacant space	A	13	6
Estimated rental value of the whole portfolio	B	597	330
EPRA Vacancy Rate	A/B	2,2 %	1,8 %

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
External / Independent Appraisers	Cushman & Wakefield Realkapital AS
Exit Yield	Valuation yield set by external appraiser, used in the valuation of investment properties
GHG	Greenhouse gas
GLA	Gross Lettable Area, areas exclusive to the tenant including storage units
GPA	Gross Productive Area = Gross Lettable Area included common areas
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

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Financial calendar

Date

Wednesday 10.05.2023
Friday 18.08.2023
Friday 17.11.2023
Friday 16.02.2024

Report

Quarterly Report - Q1 2023
Quarterly Report - Q2 2023
Quarterly Report - Q3 2023
Quarterly Report - Q4 2023

Aurora Eiendom's annual general meeting will be held in Oslo on May 30th 2023.