

# AURORA

*Leading owner and operator of shopping centers*

Investor presentation – February 7th 2022

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This company introduction (the Investor Presentation) has been prepared by Aurora Eiendom AS (the Company) with the assistance from Sparebank 1 Markets AS, DNB Markets, a part DNB Bank ASA, and Pangea Property Partners AS (collectively, the Managers), to provide information solely for use in connection with a contemplated equity offering of shares in the Company (the Transaction). The Managers have been appointed by the Company as Global Coordinators and Bookrunners in connection with the Transaction. The use of this document, or any of the information included herein (the Information) for any other purpose is strictly prohibited. This Investor Presentation and the Information may be confidential and shall not be reproduced, redistributed, published, or passed on to any other person, directly or indirectly, in whole or in part, without prior written consent of the Company or the Managers. If this document has been received in error, it must be returned immediately to the Company. The Transaction will be completed based on a Term Sheet, an Application Agreement, and this Company Introduction, all dated 7 February 2022, in addition to available public information (collectively, the Investor Documentation). The Application Agreement will prevail in case of inconsistency in the Offering Materials. The Company Introduction and the Information may be used by the recipient only for the intended purpose.

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### Forward looking statements

The Investor Presentation contains forward looking information. The words “believe”, “expect”, “could”, “may”, “anticipate”, “intend” and “plan” and similar expressions identify forward-looking statements. All statements other than statements of historical facts included in this Investor Presentation are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance, achievements, and value to be materially different from any future results, performance, achievements, or values expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. Further, certain forward-looking statements are based upon assumptions of future events that may not prove to be accurate. Further, the Investor Presentation may include market and industry data obtained by the Company from industry publications and surveys. The Company may not have access to the facts and assumptions underlying the numerical data, market data and other information extracted from public sources and as a result neither the Company nor any of its advisors or representatives are able to verify such information and assume no responsibility for the correctness of any such information.

### Selling restrictions

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### Seek own independent advice

Each recipient should seek its own independent advice in relation to any financial, legal, business, investment, tax, or other specialist advice. Nothing herein shall be taken as constituting the giving of investment advice and this Investor Presentation is not intended to provide, and must not be taken as, the exclusive basis of any investment decision or other valuation and should not be considered as a recommendation by the Company (or any of its affiliates) or the Managers. Investments in the Company’s shares should be considered as a high-risk investment and is only suitable if you have sufficient knowledge, sophistication, and experience in financial and business matters to be capable of evaluating the merits and risks of an investment decision relating to the Company’s shares involves inherent risk, and if you are able to bear the economic risk, and to withstand a complete loss of your investment. By receiving this Investor Presentation, you acknowledge that you will be solely responsible for your own independent assessment of the information contained or referred to herein and any other disclosed information, the Company and the Group, the market and the market position of the Company and the Group, and that you will conduct your own analysis and is solely responsible for forming your own opinion of the potential future performance of the Group’s business. In making an investment decision, the recipient must rely on its own examination of the Group, including the merits and risk involved. Prospective investors should consider carefully, among other things, the risk factors described in this Company Introduction. The Company and the Managers reserve the right, without reasons or advance notice, to change or terminate the Transaction.

### Governing law

The Company Introduction is subject to Norwegian law, and any dispute arising in respect of thereof is subject to the exclusive jurisdiction of Norwegian courts with Oslo District Court as first venue.

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## Risk factors

The risks and uncertainties described herein are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the shares. An investment in the Company's Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision. If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Company and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the shares that could result in a loss of all or part of any investment in the shares. The risks and uncertainties described below are not the only risks the Company may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The risk factors is described in more detail in the Company's information document dated 15 December 2021. Before making an investment decision, investors should carefully consider these.

Information document: <https://newsweb.oslobors.no/obsvc/attachment.obsvc?messageId=549375&attachmentId=229311&obsvc.item=1>

The Information Document is incorporated by reference into this Investor Presentation. In case of inconsistency, the Investor Presentation shall prevail.

- Risks related to the business of the Group and the industry in which it operates, i.e., risk related to market level for rent, risks related to changes in consumer patterns, risks relating to lack of operational history, risks related to dependence on small number of shopping centers, risks related to the Company's ambitions, implementation of business strategy and expansion, transaction risk, tenant risk, risks related to competition, property risks, risks related to the Covid-19 outbreak and other pandemics, risks related to anchor stores, risks related to maintenance and refurbishments, risks related to management services, risks related to supply agreements, and risks related to location.
- Risks related to laws, regulations, and compliance, i.e., risks related to laws, regulations, compliance, and restrictions on the business, risks related to value added tax, risks related to management and employees, cybersecurity risk, risks related to litigation, disputes, and claims, and environmental risk.
- Risk related to financial matters, i.e., risks related to financing, risks related to being a holding company, risks related to illiquid assets, and insurance risk.
- Risks related to the shares, i.e., risks related to distribution of dividends, shareholders outside of Norway are subject to exchange rate risk, Norwegian law could limit shareholders' ability to bring an action against the Company, investors with nominee accounts could be unable to exercise their voting rights for Shares, and risk related to transfers by major shareholders.

Risk factors

Summary

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The portfolio

Buskerud Storsenter

Current market situation

Q4 – 2021 Aurora Eiendom AS



## Portfolio expansion

- Capital raise for the acquisition of Buskerud Storsenter (signed SPA 07.02.22).
- Buskerud Storsenter will be the sixth wholly owned shopping center in Aurora Eiendom's portfolio.





# Aurora Investment highlights

## Extensive shopping center portfolio comprising strongly positioned centers in Norway

Total portfolio value of NOK 6.4bn, with rental income of MNOK 380 and total lettable area of 145 100 sqm. <sup>1</sup>

## In-house management led by industry-leading experts with excellent track-record

Portfolio operated by Alti Forvaltning AS, of which Aurora owns 50%.

## High-quality lead shareholders and management with unmatched expertise

BoD and management with significant experience with creating leading (retail) real estate companies.

## “Best-in-class” focus on environmental, social and corporate governance matters

All centers in Aurora Eiendom included in Alti’s comprehensive, overall ESG plans, going forward.

## Ample opportunities for further growth, supporting Aurora’s growth ambitions

Ambition to further grow the portfolio of shopping centers.

## Strong market fundamentals for significant value creation within the retail segment

During the pandemic, physical retail has demonstrated its position and stickiness among Norwegian consumers.





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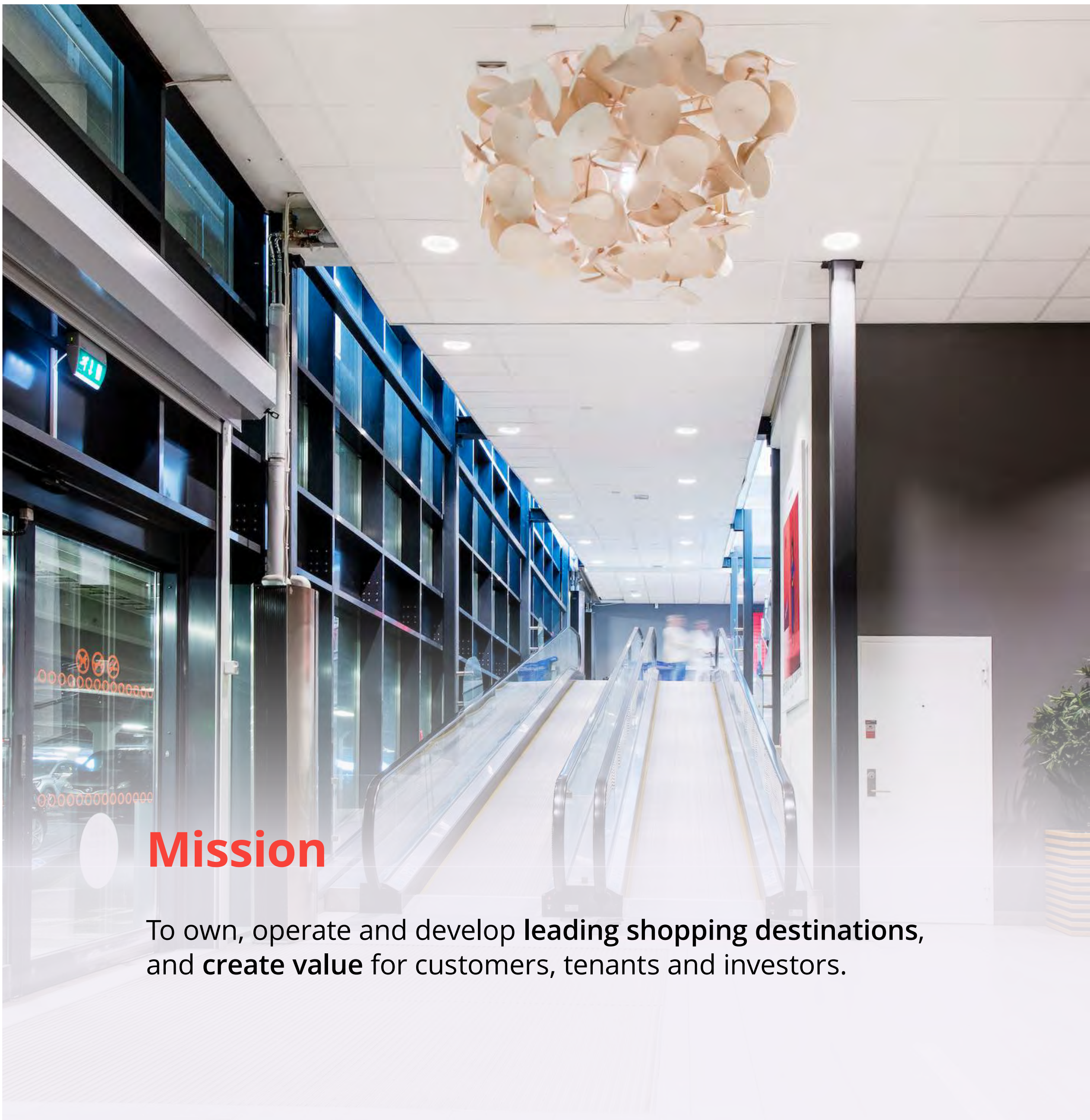
Q4 – 2021 Aurora Eiendom AS





# Vision

To build the future of retail by converging digital and physical retail, and creating an ideal environment for both tenants and customers.



# Mission

To own, operate and develop leading shopping destinations, and create value for customers, tenants and investors.



# Investment criteria and strategy



## 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).



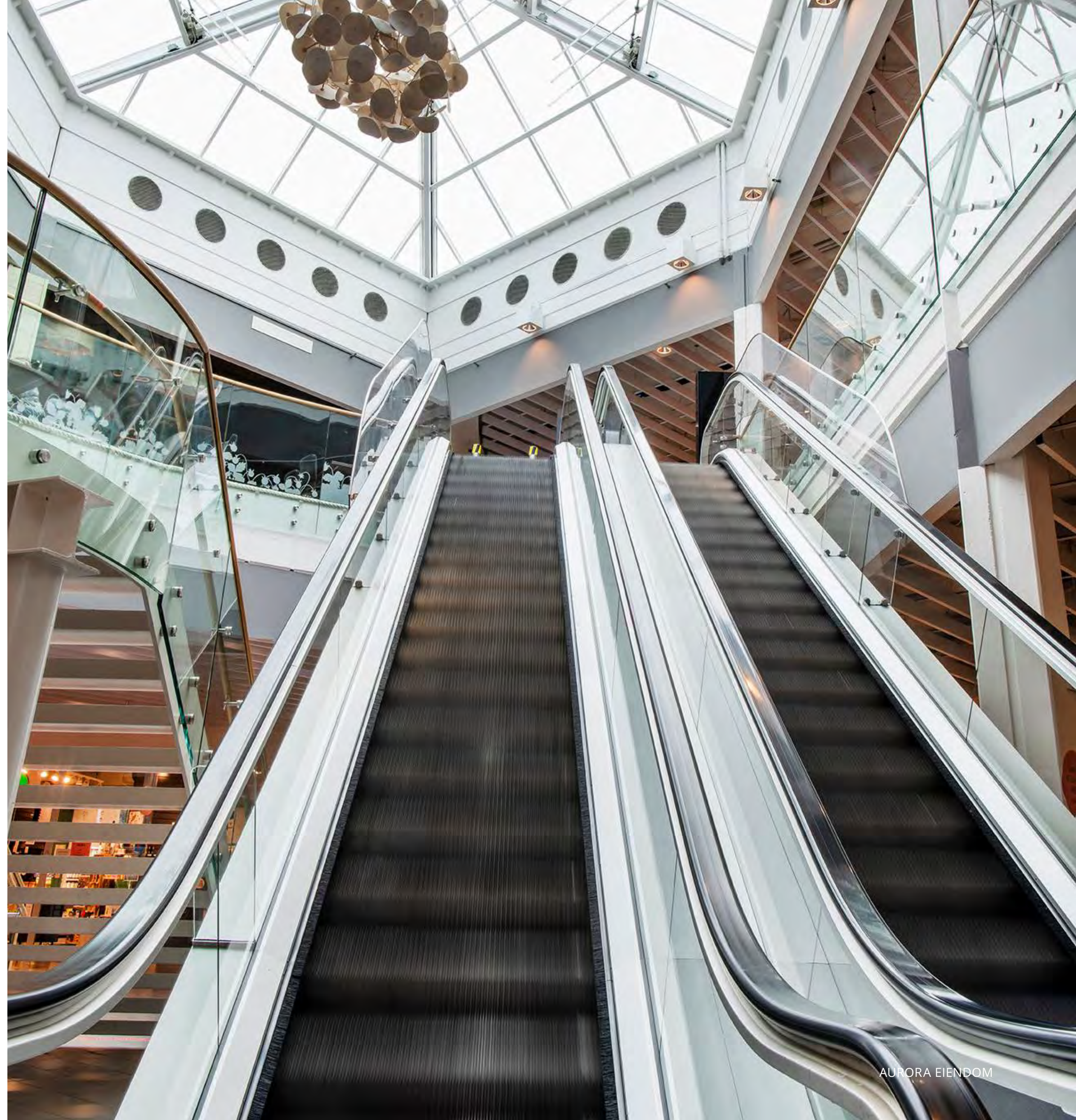
## Geographical exposure

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.

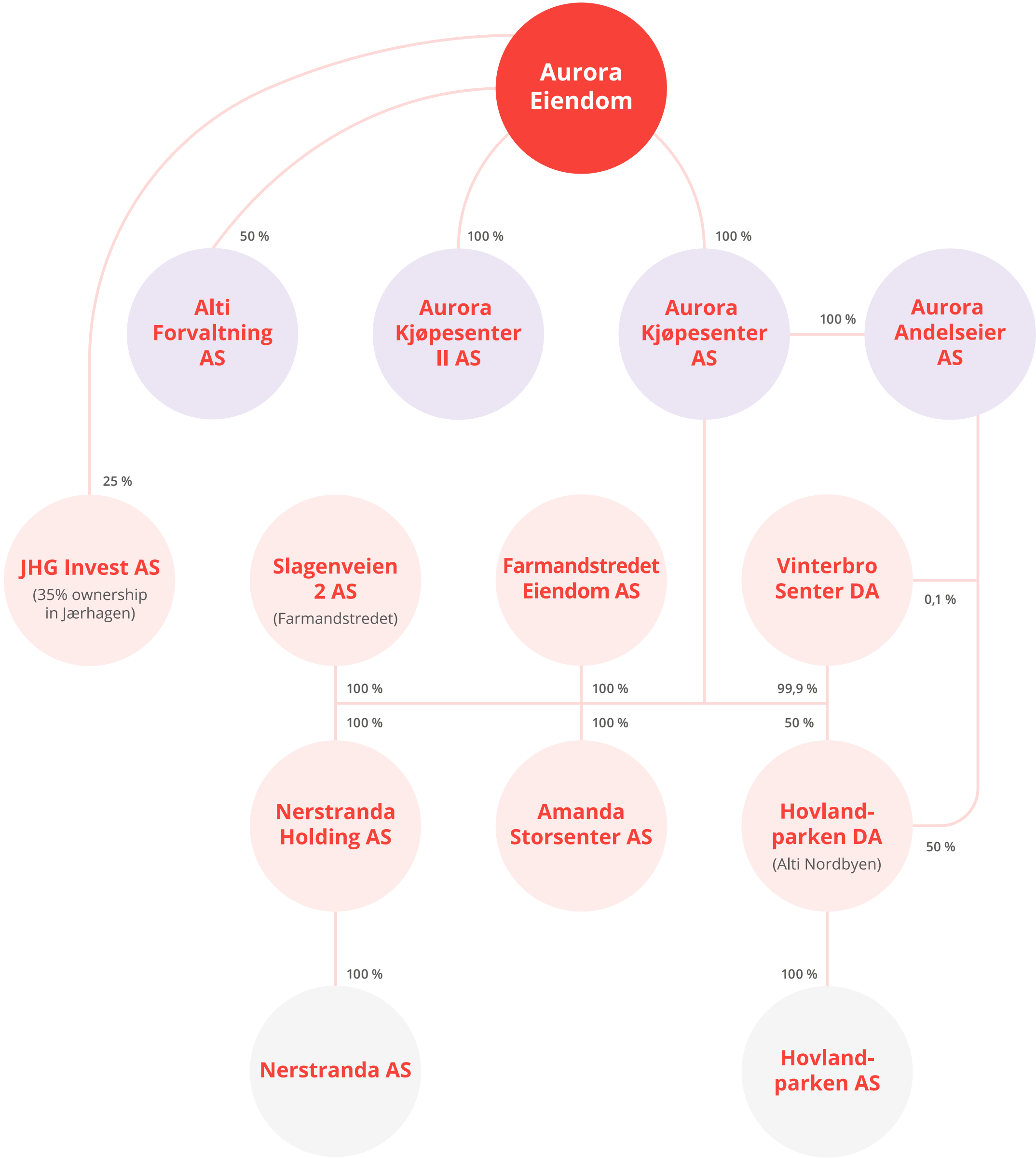




# History

## TIMELINE / KEY EVENTS

- January 2021: incorporation of Aurora Eiendom AS.
- May 2021: Five investors commit to invest approximately NOK 1 bn in the company.
- June 2021: Aurora Eiendom raises NOK 2 bn in new share capital, of which MNOK 1 377 was pre-subscribed in a private placement with a directed issue to 15 investors and MNOK 623 was obtained in a private placement from 75 investors (72 new and three existing).
- June 2021: Aurora Eiendom enters into an agreement to buy 50% of the shares in Alti Forvaltning AS from Alti AS for a purchase price of MNOK 55. This ensures long-term partnership with an industry-leading operator of shopping centers. Aurora’s shopping center portfolio is managed by Alti Forvaltning.
- July 2021: Aurora Eiendom closes the acquisition of the first four shopping centers and takes over the daily operations.
- July 2021: The Company agrees to buy its fifth shopping center, Farmandstredet in Tønsberg, from Steen & Strøm AS / Klépierre and takes over the daily operations.
- December 2021: Aurora Eiendom AS is listed on Euronext Growth Oslo under the ticker «AURA».
- December 2021: Aurora Eiendom acquires 25% of JHG Invest AS, which owns 35% of Jærhagen shopping center, managed by Alti Forvaltning.
- February 2022: Aurora Eiendom enters into an SPA to buy Buskerud Storsenter from Citycon.





# High-quality Board of Directors and management with unmatched expertise



## 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.

# 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 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 Property 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 Mause

CFO

Kathrine holds 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.



# Shareholders

Investor / SPV	Number of shares:	Ownership interest:
Eiendomsspar AS	3 500 000	17.03 %
Joh Johannson Eiendom AS	3 000 000	14.60 %
Alti Invest AS	2 160 000	10.51 %
NREP (NSF IV Norway Holding 10 AS)	2 000 000	9.73 %
Strawberry Shopping AS	1 500 000	7.30 %
AS Clipper	1 000 000	4.87 %
Stokke Industri Eiendom AS	1 000 000	4.87 %
Varner Invest AS	1 000 000	4.87 %
Verdipapirfondet Nordea Norge Verd	500 000	2.43 %
Carucel Invest AS	500 000	2.43 %
Uthalden Eiendom AS	400 000	1.95 %
Brødrene Johannessen Eiendom AS	300 000	1.46 %
Byggteknikk Invest AS	300 000	1.46 %
Kverva Eiendom AS	250 000	1.22 %
Peak Invest	200 000	0.97 %
Næringslivets Hovedorganisasjon	168 000	0.82 %
Vivo Invest AS	167 000	0.81 %
Oald Invest AS	165 000	0.80 %
Skandinaviska Enskilda Banken AB	161 000	0.78 %
Fine Line Holding AS	155 000	0.75 %
Ligna AS	150 000	0.73 %
Investire Eiendom AS	126 000	0.61 %
STH Holding AS	125 200	0.61 %
Erbe Invest AS	100 000	0.49 %
Auticon Holding AS	84 000	0.41 %
Banan II AS	84 000	0.41 %
Gec Holding AS	83 799	0.41 %
Thrane-Steen Næringsbygg AS	75 600	0.37 %
Vater Holding II AS	63 000	0.31 %
Pangea Property Partners AS	50 400	0.25 %
Other	1 182 401	5.75 %
<b>Total (248 investors as of 04-02-2022)</b>	<b>20 550 400</b>	<b>100.00 %</b>

# Euronext Growth

## Aurora Eiendom AS

Shares admitted to trading on Euronext Growth Oslo

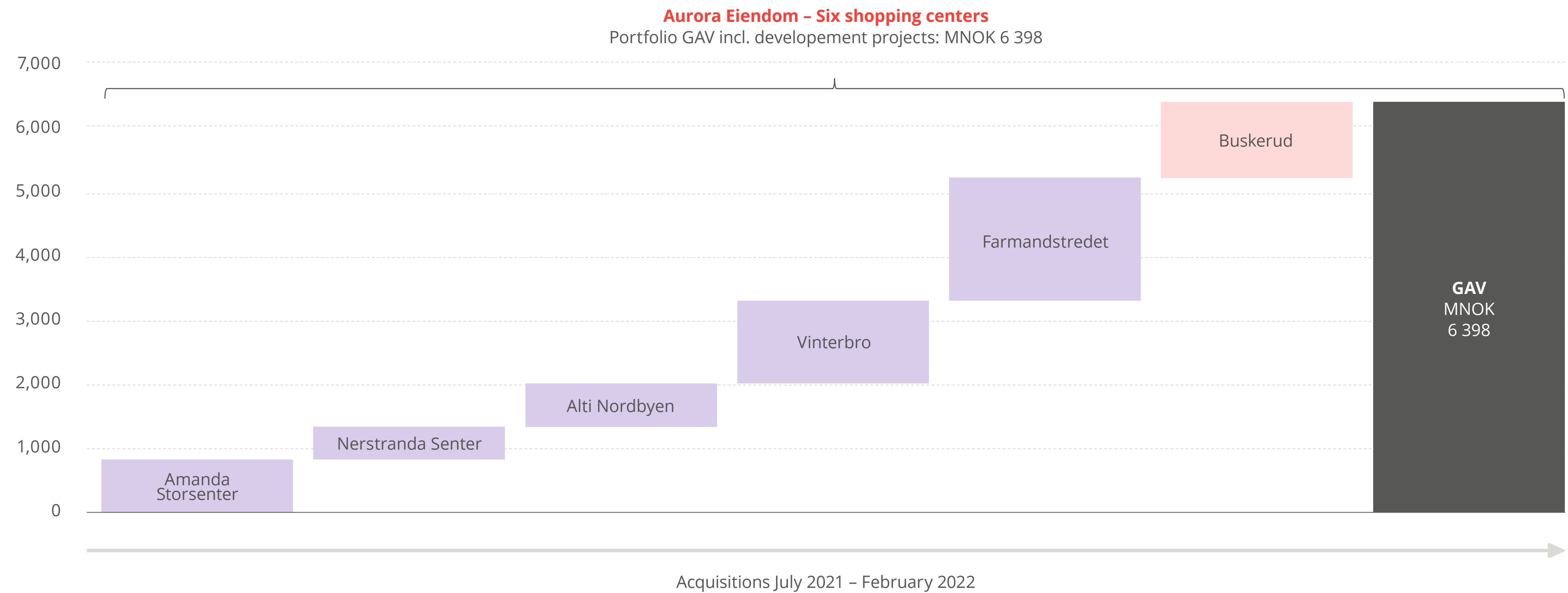
Admission date: 15.12.2021  
Ticker: «AURA»

ISIN: NO0011032310  
Admitted: 20 550 400





# Portfolio expansion in line with growth ambitions



Acquisitions are funded with bank debt and follow-on equity issues to existing and new investors

# Investment criteria for shopping center acquisitions



## Strict investment criteria

- . Large and medium sized cities.
- . Leading market position.
- . Future-oriented tenant mix.
- . High occupancy and sensible OCR ratios.
- . Well-kept quality assets.



## Thorough shopping center analysis

- . Each prospective center is analysed thoroughly.
- . In-depth analysis of location, market position, center quality, tenant mix and cost ratios.
- . Contract by contract evaluation with center managers and leasing managers.



## Third party due diligence

- . Third party due diligence carried out by industry leading advisers.
- . Technical, commercial, legal, financial, tax and VAT DD carried out.

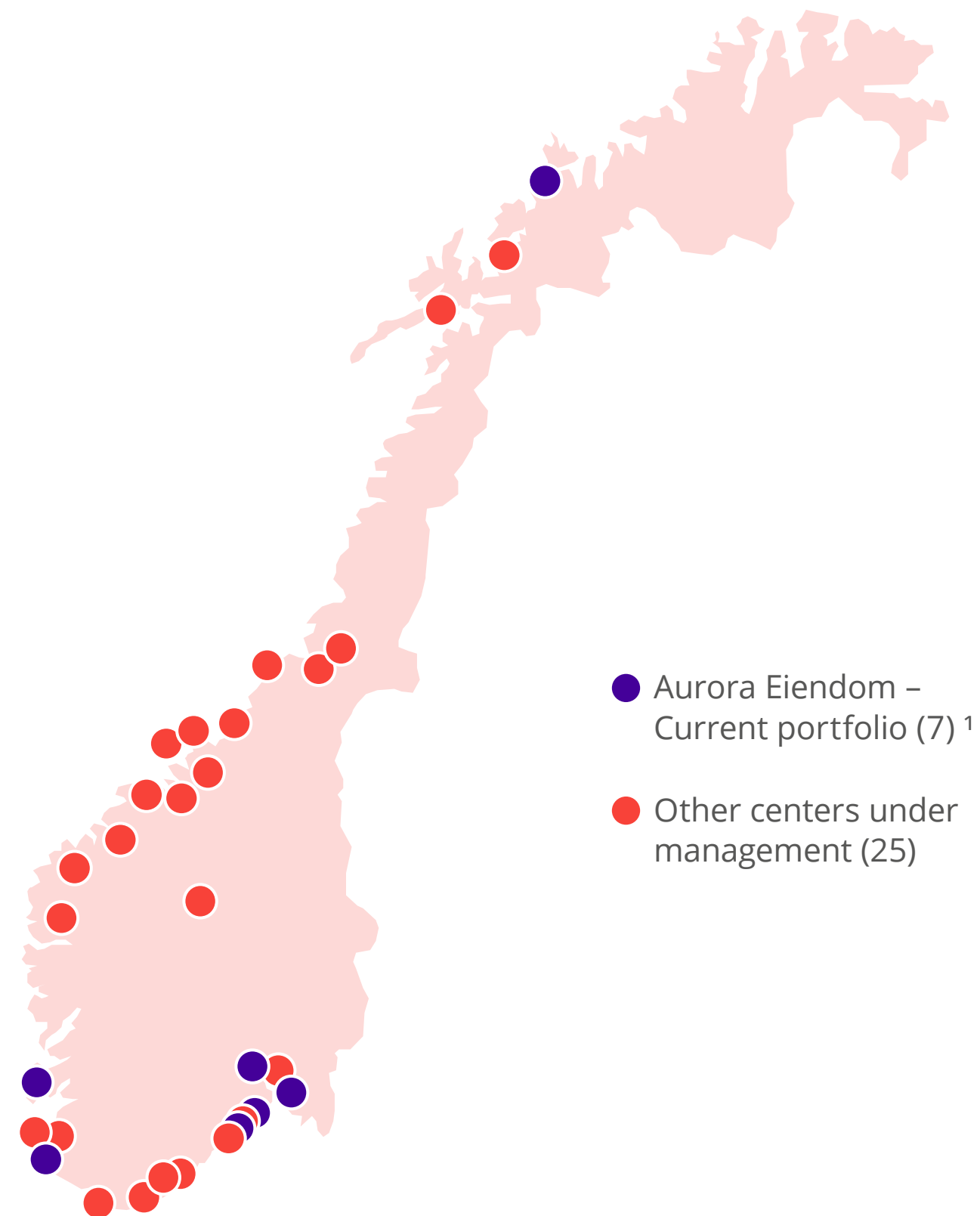


# Hands-on asset management to create value for all stakeholders



# Alti Forvaltning AS is a full-service manager with leading expertise on 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

(Approx. figures including Aurora Eiendom)



PORTFOLIO AREA / PROPERTIES:

**830 000 sqm / 124**



GROSS TENANT TURNOVER (SHOPPING CENTERS)

**MNOK +19 600**



RENTAL INCOME

**MNOK +1 244**



EMPLOYEES

**140** (50 in the administration and 90 at the managed properties)

**Aurora and Alti is one of the strongest alliances in the Norwegian shopping center industry**



# ...and strong focus on environmental, social and corporate governance matters

## Alti Forvaltning

The company has initiated several sustainability measures, including **framework agreement for high-speed charging stations** at all Alti centers.

One of Alti’s goals is to **utilize more of its center’s large roof-areas** with environmentally friendly initiatives.

Alti strives to be a positive force in all their engagements, which includes **engaging in, and listening to the local communities**.

Focus on its employees – important for Alti to facilitate the **well-being and happiness of their employees**.



## Aurora Eiendom

The centers are BREEAM In-Use classified:

- Amanda Storsenter: **Very Good** (4/6 stars)
- Nerstranda: **Very Good** (4/6 stars)
- Nordbyen: **Very Good** (4/6 stars)
- Vinterbro Senter: **Very Good** (4/6 stars)
- Farmandstredet: **Very Good** (4/6 stars)
- Buskerud Storsenter: **Very Good** (4/6 stars)

All centers will be included in Alti’s overall ESG plans going forward.



All centers in Aurora Eiendom will be included in Alti’s overall ESG plans going forward

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# Portfolio comprising strongly positioned shopping centers

## PORTFOLIO SUMMARY

Shopping center	Amanda	Nerstranda	Alti Nordbyen	Vinterbro	Farmandstredet	Aurora	Buskerud	New Total Aurora
						AURORA		AURORA
Location	Haugesund	Tromsø	Larvik	Ås	Tønsberg	SUM	Drammen	SUM
Gross lettable area (sqm)	14 600	12 000	16 000	34 000	36 500	113 100	32 000	145 100
Retail area (sqm)	14 015	8 721	14 558	30 028	27 533	94 856	28 585	123 441
Footfall - 2021 (millions) <sup>1</sup>	2.2	1.6	1.4	3.1	3.6	11.9	2.0	13.9
Footfall per retail area <sup>3</sup>	108.8	183.5	96.2	103.2	130.8	125.5	70.0	112.6
Gross turnover tenants - 2021 (MNOK) <sup>1</sup>	1 062	445	563	1 776	1 358	5 204	1 197	6 401
Turnover pr retail area <sup>3</sup>	52 512	51 070	38 658	54 316	49 319	50 058	41 875	48 254
Turnover pr visitor <sup>3</sup>	483	278	402	526	377	425	599	450
Gross rental income 2021 (MNOK)	52.0	33.4	36.5	84.8	109.3	316.0	64.5 <sup>4</sup>	380.5
GAV (MNOK) <sup>2</sup>						5 223	1 175	6 398

<sup>1</sup> Gross turnover tenants and footfall at Amanda includes Coop OBS! which is not owned by Aurora. Gross turnover tenants at Vinterbro includes adjacent big-box retailers not owned by Aurora

<sup>2</sup> GAV including development potential at Alti Nordbyen and Buskerud

<sup>3</sup> Key figures corrected to include Coop OBS! at Amanda and exclude big-box retailers at Vinterbro

<sup>4</sup> Run-rate per 01.01.22



# Amanda Storsenter

THE LEADING SHOPPING CENTER IN HAUGESUND



Haugesund’s leading shopping center, located in a strong retail cluster at Raglamyr.

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.

Gross tenant turnover of MNOK 1 062 <sup>1</sup> in 2021, equivalent to NOK 52 000 pr sqm of retail.

Ample parking coverage, with 1 600 spots available to customers free of charge.



RETAIL AREA (SQM) / STORES (#)

**14 015 / 58**



ANNUAL FOOTFALL 2021

**2.2m**



GROSS TENANT TURNOVER 2021

**MNOK 1 062 <sup>1</sup>**



GROSS RENTAL INCOME 2021

**MNOK 52.0**



# Nerstranda

FULL-SCALE SHOPPING CENTER IN THE HEART OF TROMSØ



Shopping 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.

Gross tenant turnover of MNOK 445 in 2021, equivalent to NOK 51 000 per sqm of retail.

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



RETAIL AREA (SQM) / STORES (#)

**8 721 / 34**



GROSS TENANT TURNOVER 2021

**MNOK 445**



ANNUAL FOOTFALL 2021

**1.6m**



GROSS RENTAL INCOME 2021

**MNOK 33.4**



# Alti Nordbyen

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



Strongly positioned shopping center in Larvik with no immediate competitors.

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 MNOK 563 in 2021, equivalent to NOK 38 000 per sqm of retail.

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



RETAIL AREA (SQM) / STORES (#)

**14 558 / 45**



ANNUAL FOOTFALL 2021

**1.4m**



GROSS TENANT TURNOVER 2021

**MNOK 563**



GROSS RENTAL INCOME 2021

**MNOK 36.5**





# Vinterbro Senter

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 MNOK 1 776 in 2021, equivalent to NOK 54 000 per sqm of retail.

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



RETAIL AREA (SQM) / STORES (#)

**30 028 / 68**



ANNUAL FOOTFALL 2021

**3.1m**



GROSS TENANT TURNOVER 2021

**MNOK 1 776**



GROSS RENTAL INCOME 2021

**MNOK 84.8**



# Farmandstredet

ONE OF SOUTH-EASTERN NORWAY'S PREMIERE SHOPPING CENTERS



One of south-eastern Norway's premiere shopping centers with prime city center location.

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 MNOK 1 358 in 2021, equivalent to NOK 49 000 per sqm of retail.

Significant development potential, including plans to replace an underutilized part of the center with a new entrance and extension <sup>1</sup>.



RETAIL AREA (SQM) / STORES (#)

**27 533 / 84**



ANNUAL FOOTFALL 2021

**3.6m**



GROSS TENANT TURNOVER 2021

**MNOK 1 358**



GROSS RENTAL INCOME 2021

**MNOK 109.3**





# Jærhagen

A COMPLETE SHOPPING DESTINATION ANCHORED  
WITH BIG-BOX TENANTS



Leading shopping center in Jæren with an attractive grocery and big-box anchored tenant mix.

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.



RETAIL AREA (SQM) / STORES (#)

**41 574 / 62**



ANNUAL FOOTFALL 2021

**2.5m**



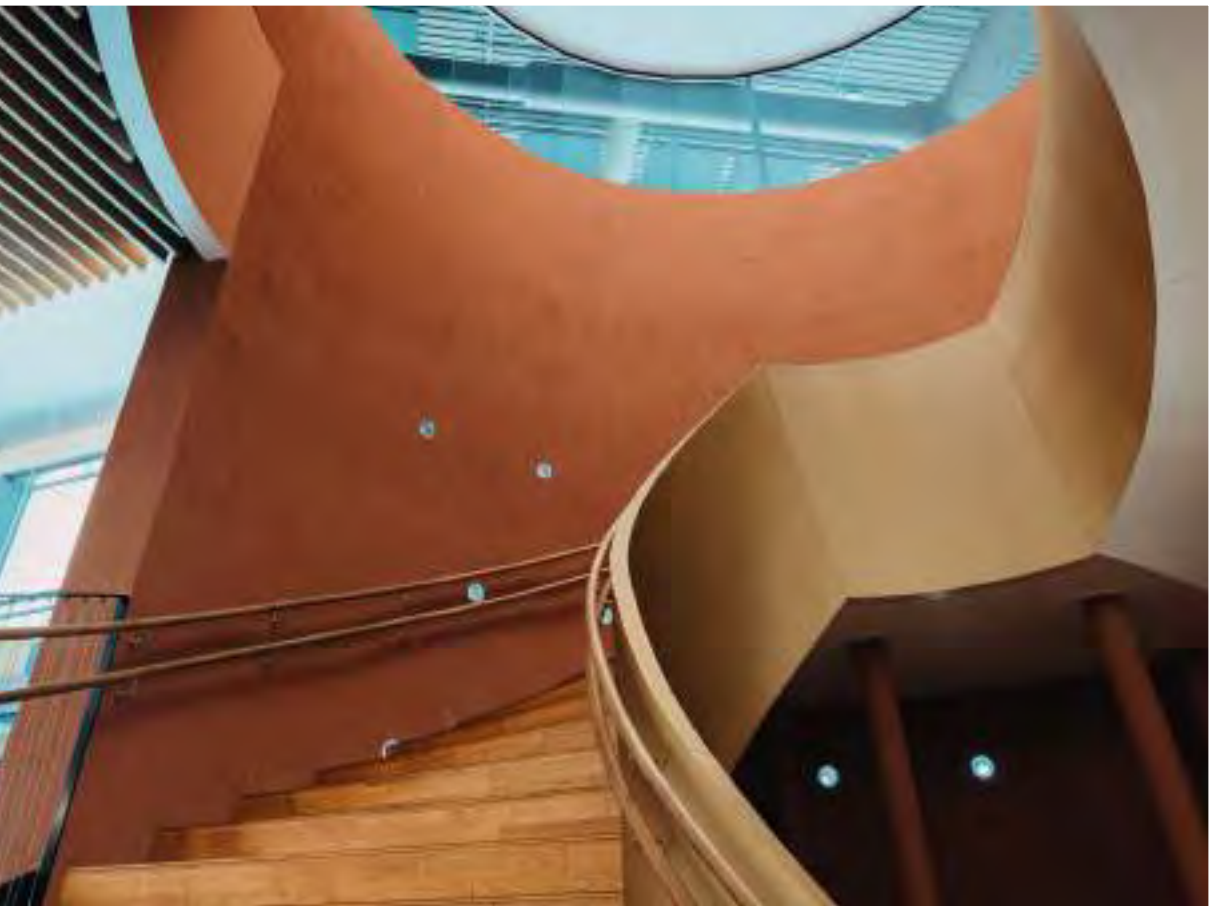
GROSS TENANT TURNOVER 2021

**MNOK 1 495**



GROSS RENTAL INCOME 2021

**MNOK 63.7**





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# Buskerud Storsenter

REGIONAL SHOPPING CENTER WITH A GROWING CATCHMENT AREA POPULATION



Regional shopping center located in Krokstadelva (Drammen municipality), adjacent to Mjøndalen.

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

Located in a well-established retail cluster, directly adjacent to several well-known big-box retailers like XXL, Rusta and Bygghmax.

- Buskerud Storsenter comprises of 59 stores and 28 585 sqm of retail space over two floors:
- Anchored by well-known retailers like Coop Obs!, Clas Ohlson, Vinmonopolet, Cubus and H&M.
  - Easily accessible center with ample free parking (1 200 spaces).
  - Gross tenant turnover of NOK 1 197 in 2021, equivalent to NOK 41 875 per sqm of retail.
  - Weighted average lease duration of 2.6 years (as of December 2021).

The property comprises a large freehold lot with significant development potential. Plans to reform area to both residential and commercial area.

Completely renovated in 2017, including new facade and expanded area.



RETAIL AREA (SQM) / STORES (#)

**28 585 / 59**



ANNUAL FOOTFALL 2021

**2.0m**



GROSS TENANT TURNOVER 2021

**MNOK 1 197**



RUN-RATE PER 01.01.22

**MNOK 64.5**





# Buskerud Storsenter

Key facts	
SPV	Citycon Buskerud Eiendom AS
Address	Sandsgata 20, 3055 Krokstadelva
Land lot (sqm) / Tenure	87 674 / freehold
Gross lettable area (sqm)	32 047
Retail area (sqm)	28 585
Office area (sqm)	1 123
Storage area (sqm)	2 339
Parking spaces	1 200
Stores (#)	59
Annual visitors 2021 (m)	2,0
Gross turnover 2021 (MNOK)	1 197
Per retail sqm (NOK)	41 875
Per visitor (NOK)	599
Per store (MNOK)	20
WAULT (years)	2.6
Run-rate rental income 01.01.22 (MNOK):	64.5
Gross asset value (MNOK)	1 175
Net asset value (MNOK)	1 085

## Significant development potential

- The transaction includes a development area of about 44 000 sqm land lot.
- Currently there is a building let out to Extra Leker and Elkjøp, a storage building and an office building on the lot.
- The seller has conducted a feasibility study for the land suggesting 20 000 sqm (250 units) of residential and 3 500 sqm of retail development potential.





Risk factors

Summary

About Aurora

The portfolio

Buskerud Storsenter

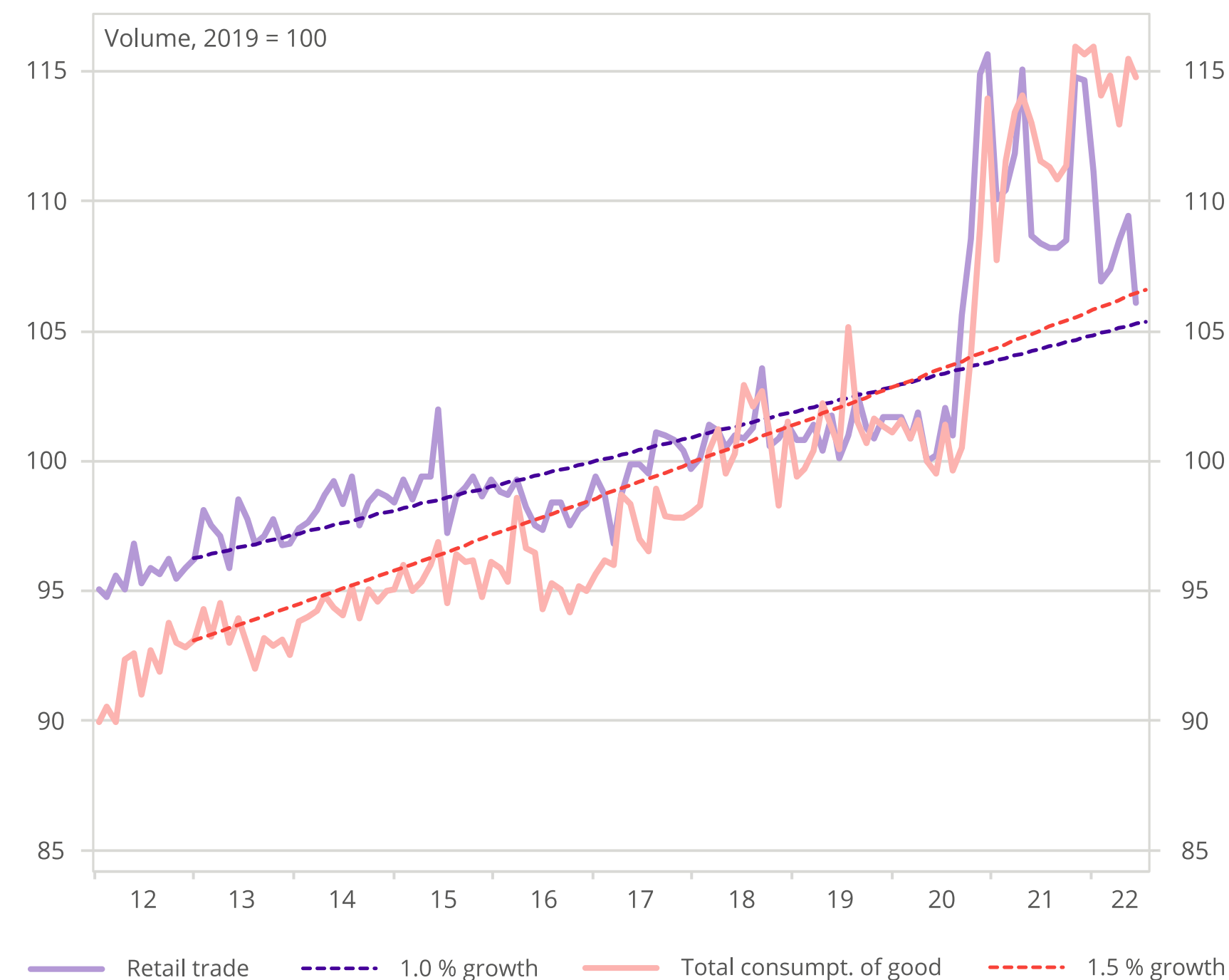
Current market situation

Q4 – 2021 Aurora Eiendom AS



**Very high consumption of goods,  
and retail sales back to 'normal' pre-  
pandemic growth level...**

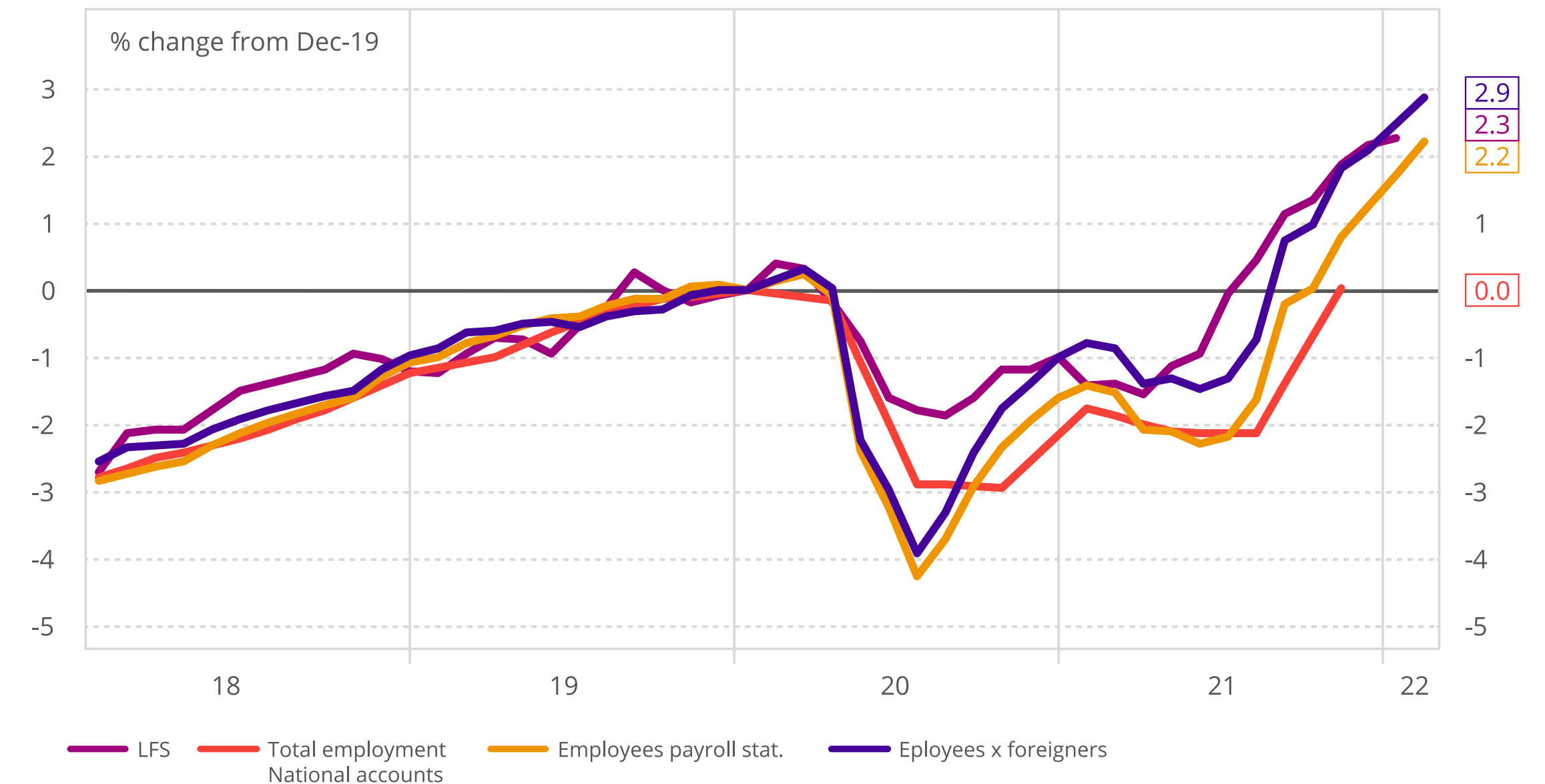
### Norway retail trade



- Retail sales have recently been trending down from a very high level, and is now approaching the pre-pandemic trend.
- Consumption of goods are up 13% vs. the pre-pandemic level.

**...supported by strong employment  
rate and solid wage growth**

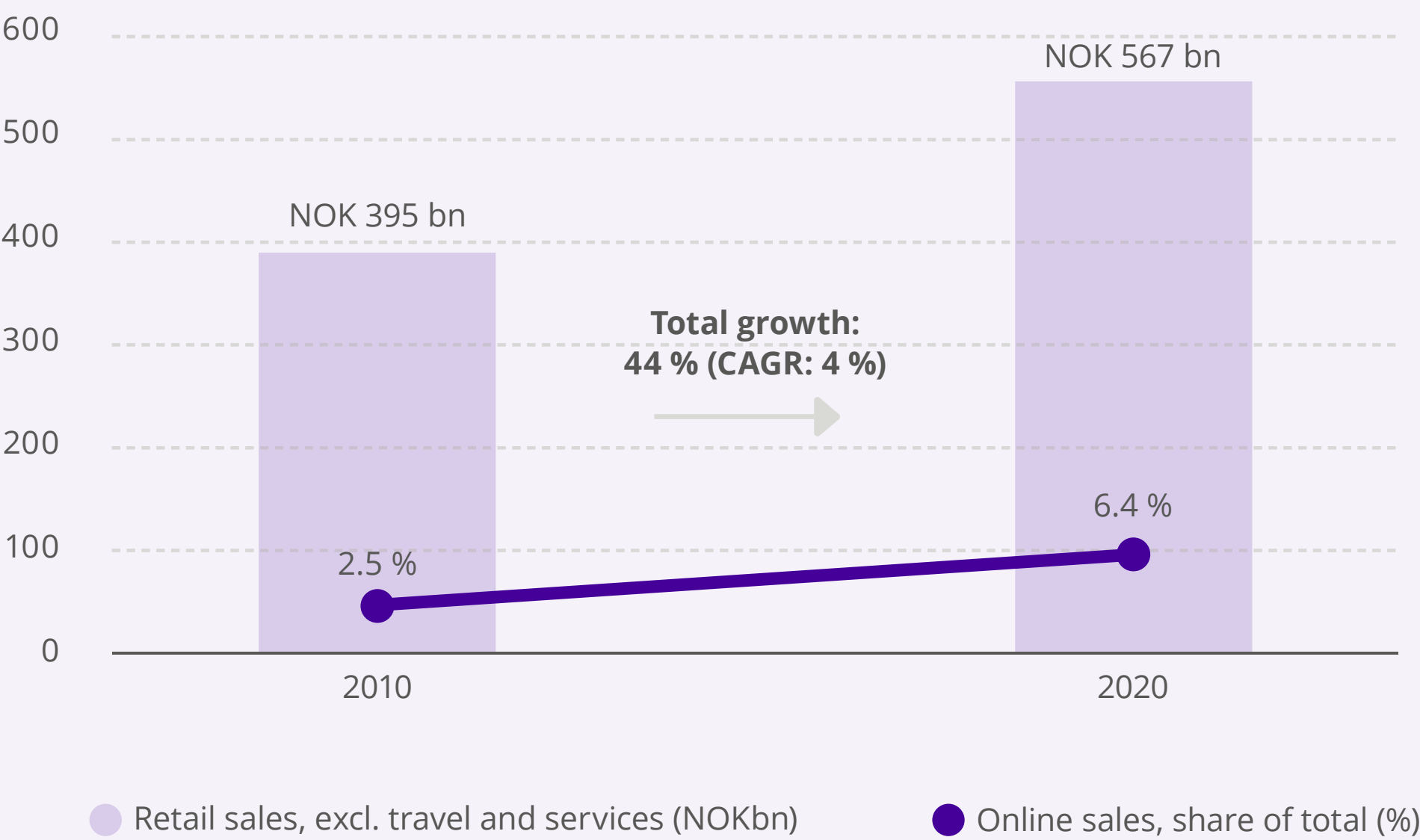
### Norway employment



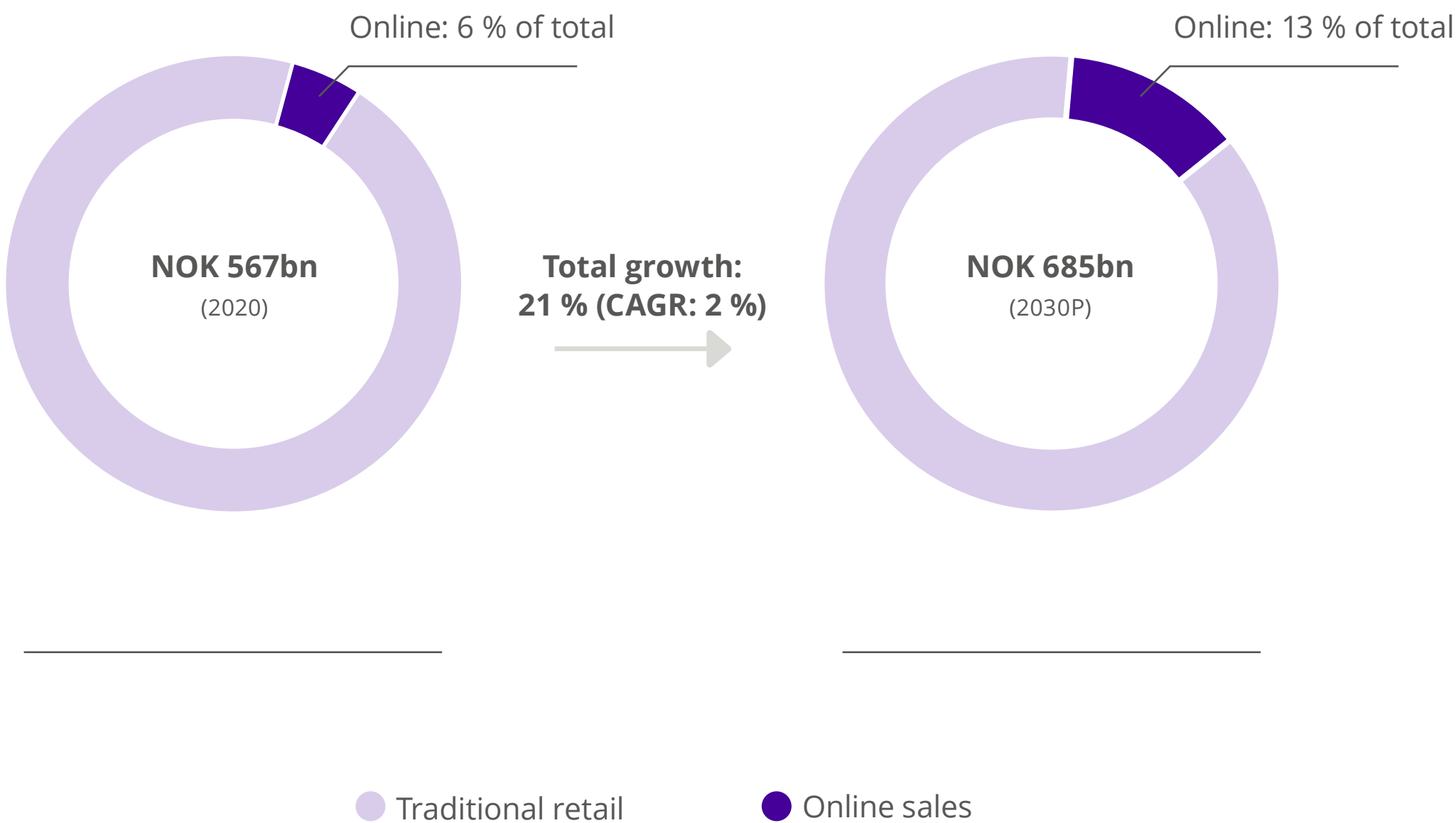
- Average earnings growth throughout the Pandemic have been above the 3.25% growth path.
- Both the employment rate and participation rate is well above the pre-pandemic levels, and the highest since 2012.



Online sales penetration has increased steadily in Norway over the last 10 years...



...but traditional retail still accounts for the majority share, and will continue to do so in the foreseeable future.

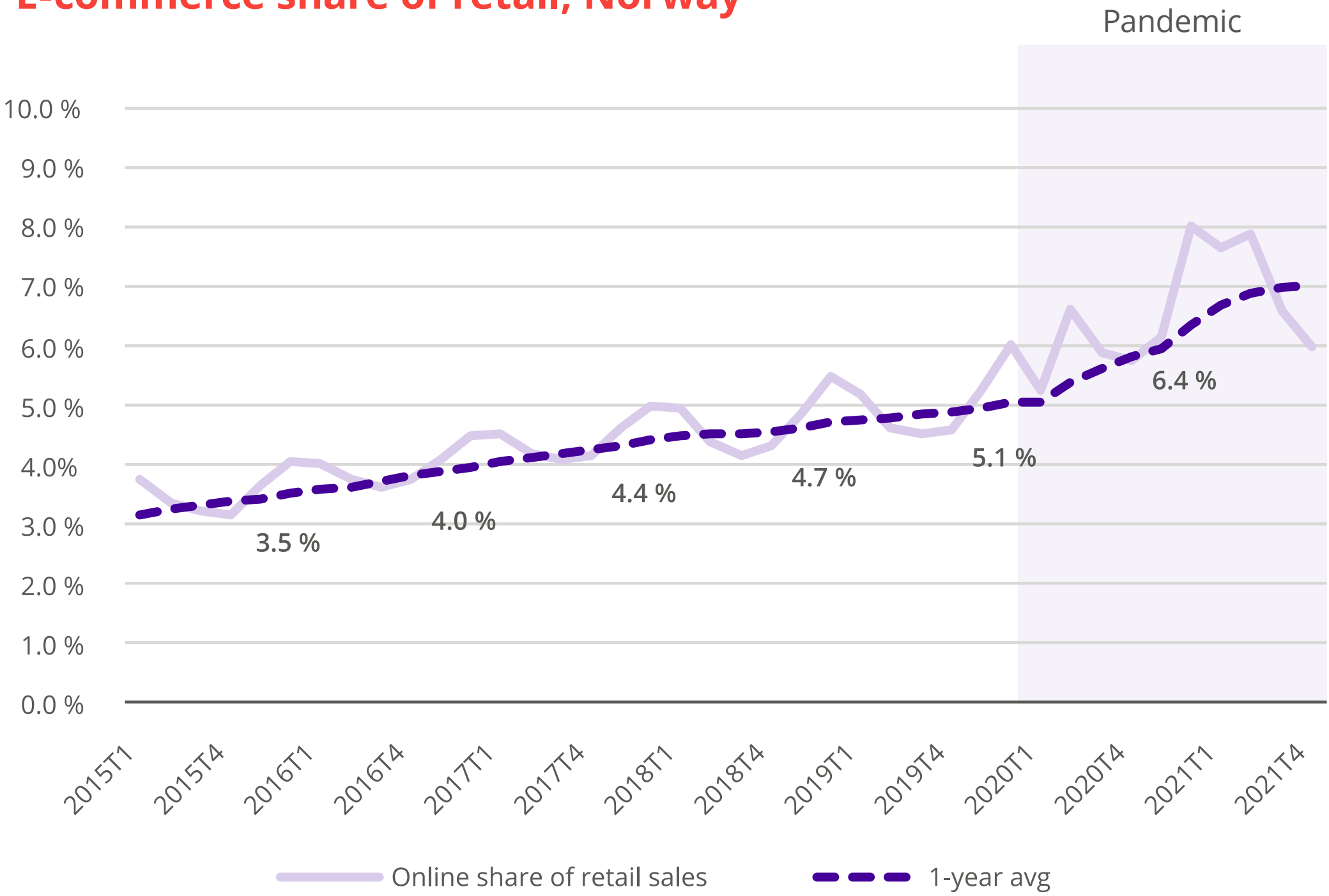




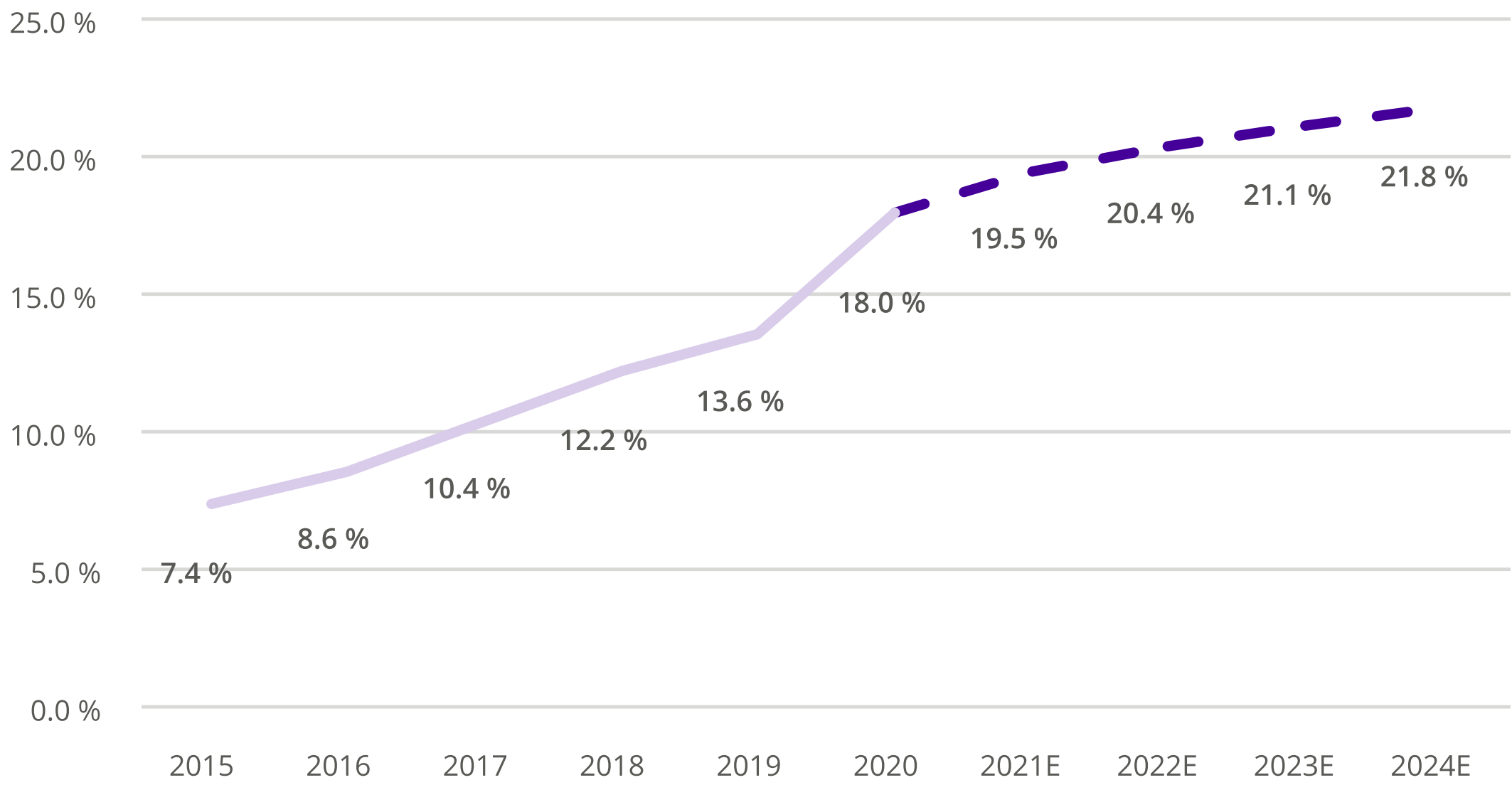
# During the pandemic, physical retail has demonstrated its position and stickiness among Norwegian consumers

- At peak, with severe lock-downs and restrictions, physical retail accounted for more than 92% of total retail sales in Norway.
- With an average retail sales share of more than 93% throughout the pandemic, physical retail demonstrates its position and stickiness among Norwegian consumers.
- Since peak, late 2020, the online retail share has dropped down to 6 % in beginning of 2H 2021.
- Moving forward, the e-commerce share of retail is expected to stabilize globally. Norway tends to follow, but with a significantly lower share.

E-commerce share of retail, Norway



E-commerce share of retail expected to stabilize globally

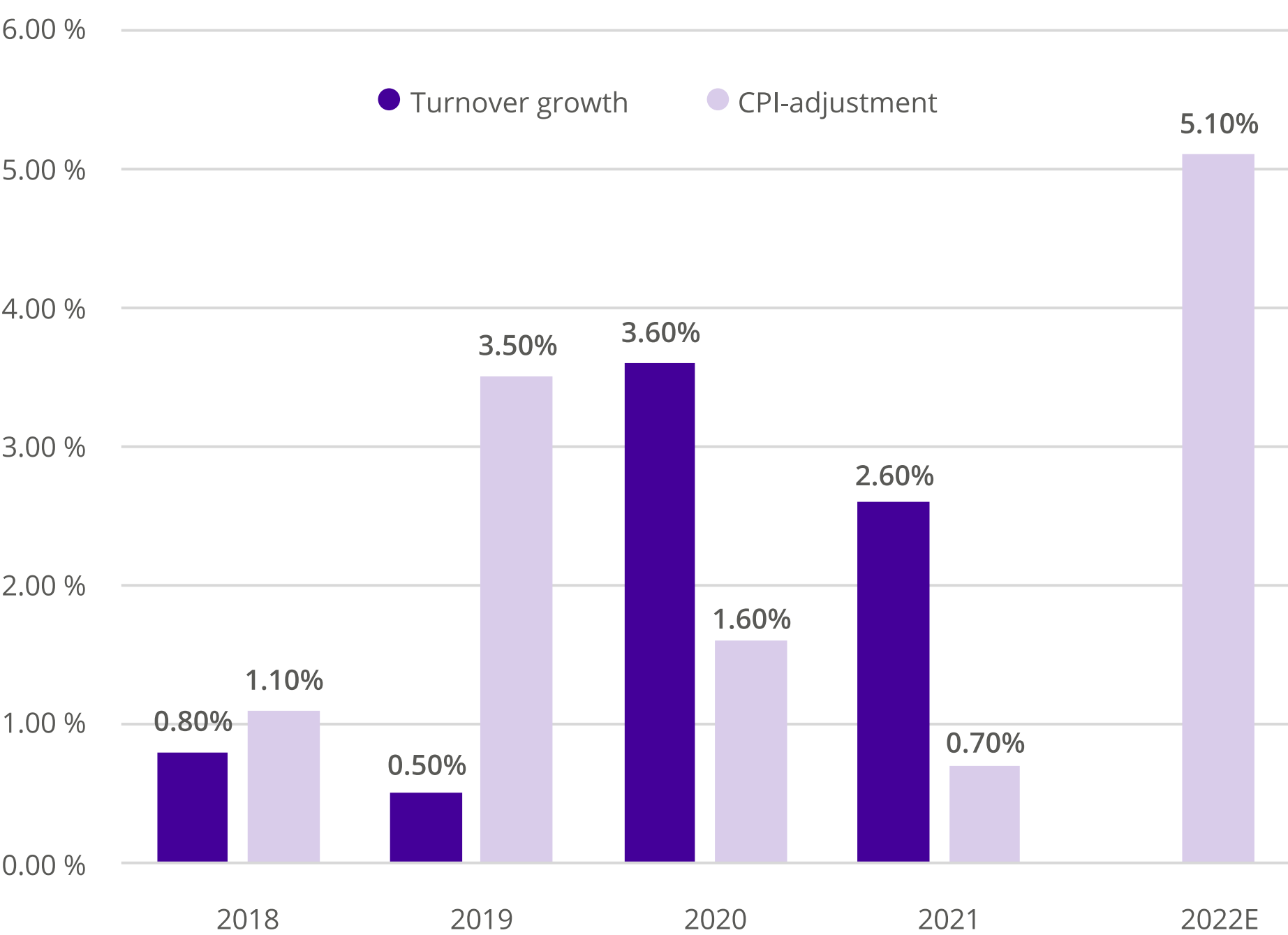




# Solid turnover growth for shopping centers, last two years, despite a large number of centers being closed for long periods

- Total turnover growth for shopping centers, last two years, of 6.3% (adjusted for changes in sqm), despite a large number of centers being closed for long periods.  
  
—> Well above the total rent CPI-adjustments (November CPI index, previous year), last two years, of 2.3 %.
- Turnover growth slightly above rent CPI-adjustment last 4 years.
- November CPI, as of 2021, of 5.1 % is mainly driven by a surge in energy prices, while CPI-ATE was 1.3 %.
- The shopping center turnover growth is not considered “only” pent-up demand (as a result of the pandemic), as:
  1. The pandemic has not blocked the purchase of goods elsewhere, could also have been purchased online.
  2. Stores have been forced to streamline costs and find new revenue streams, which will increase turnover and profitability when society returns to normal.
  3. Creative destruction has accelerated the adaption to the shopping center of the future, where agile managers/operators willing to change, will be the winners.

Turnover growth shopping center index vs. rent CPI-adjustment\*



Accumulated figures

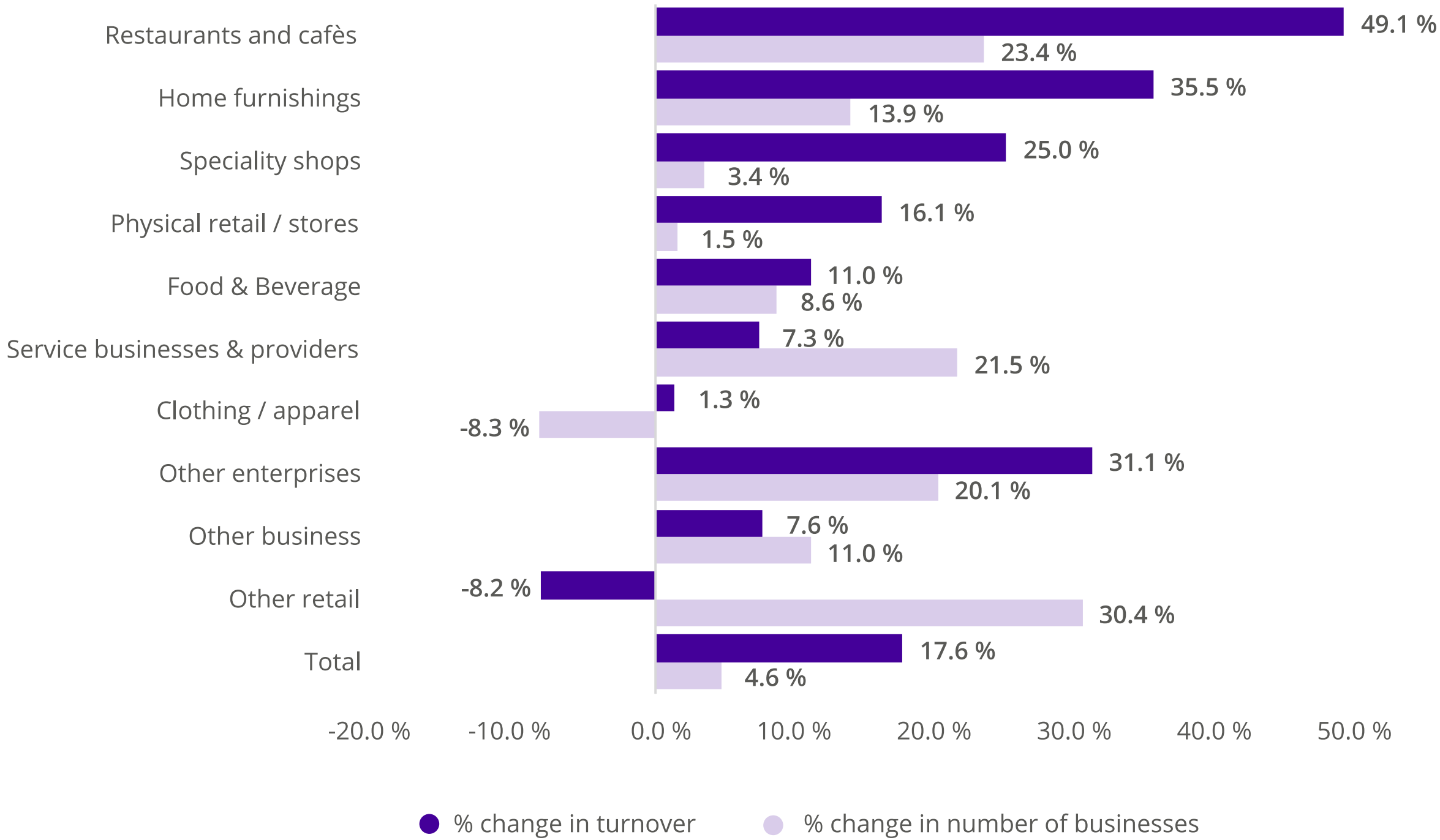
Turnover	0.80 %	1.30 %	4.95 %	7.68 %	n.a.
CPI-Adj.	1.10 %	4.64 %	6.31 %	7.06 %	12.52 %



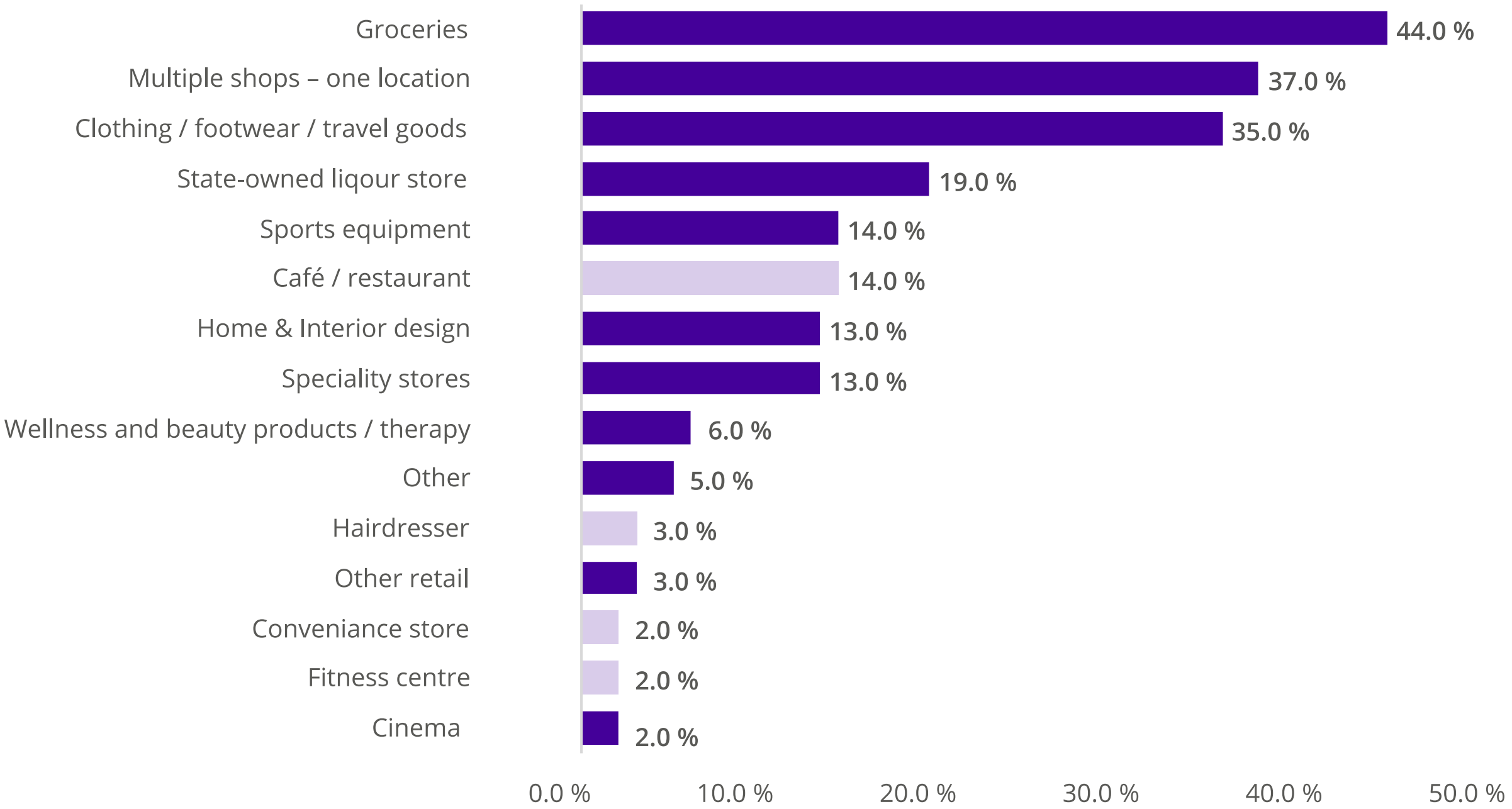
# Norwegian shopping centers have demonstrated an ability to adapt to changing consumer needs

- Norwegian shopping centers have demonstrated an ability to adapt to changing consumer needs by changing their tenant mix based on the type of tenants with strong turnover growth.
- Spotting trends, and be willing to make changes accordingly, will be crucial for successful shopping centers, going forward.
- Recent shopping center developments show that centers are making changes to their tenant composition, by including a wider selection of offerings such as health related services, public services, entertainment, etc., to make the shopping centers more attractive as a destination.
- These shifts towards a greater base of “non-turnover based” tenants might result in a lower turnover for the shopping centers, as a whole, but without reducing the shopping centers’ overall performance and attractiveness.

% change in turnover and number of businesses 2013-2018



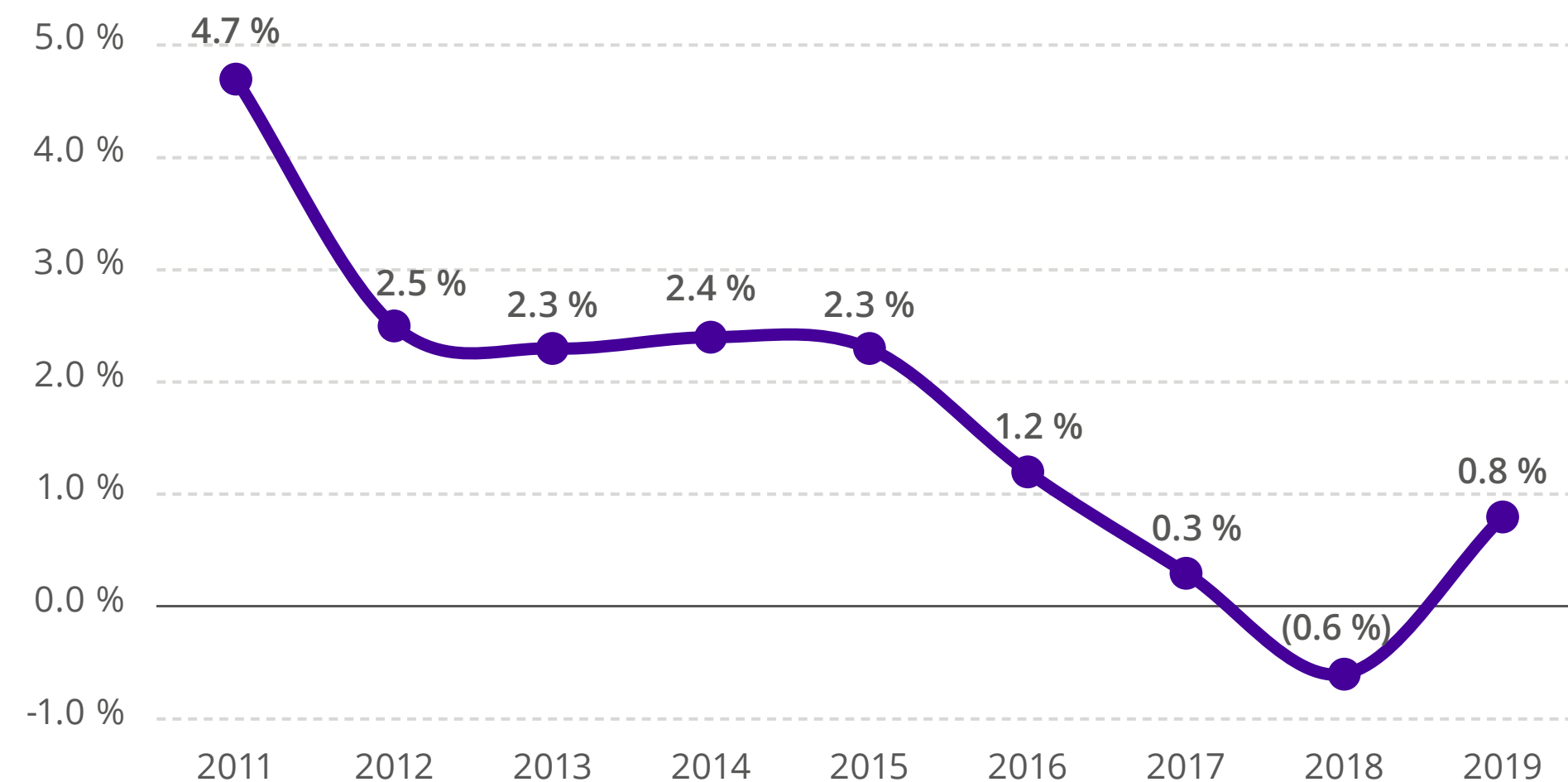
Main reasons for why Norwegians go to shopping centers





**E-commerce is challenging and expensive, and online retailers are facing clear profitability issues...**

**...so it is not an either or – shopping centers and traditional retail will be important parts of the future**



● Average profit margin for Norwegian e-commerce companies

- People like to be social and interact.
- Ability to meet like-minded shoppers.
- Differentiation boost online traffic.
- Unique customer experience.
- High-quality, one-on-one customer services.

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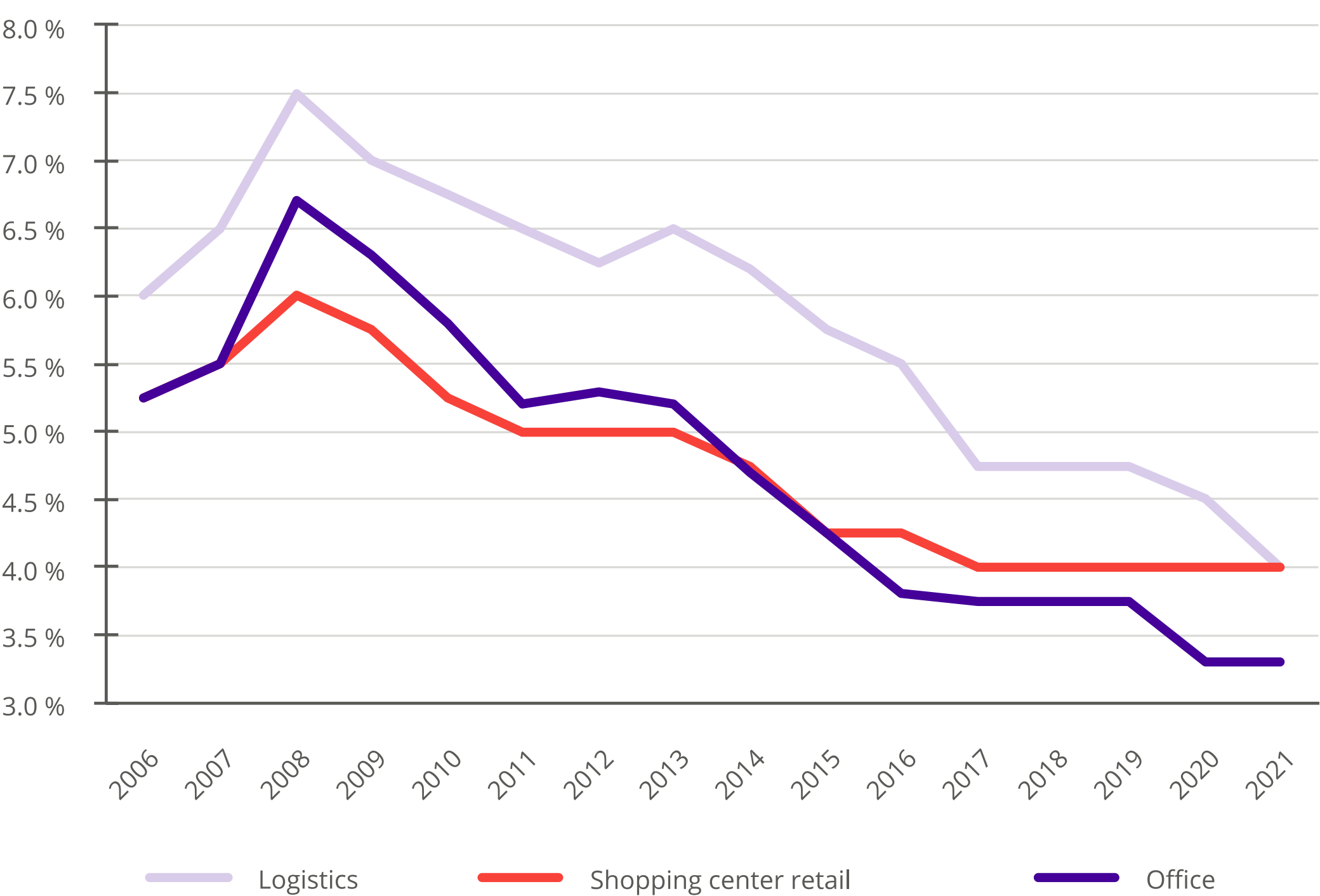
**AURORA** *An initiative in the future of retail and shopping centers*



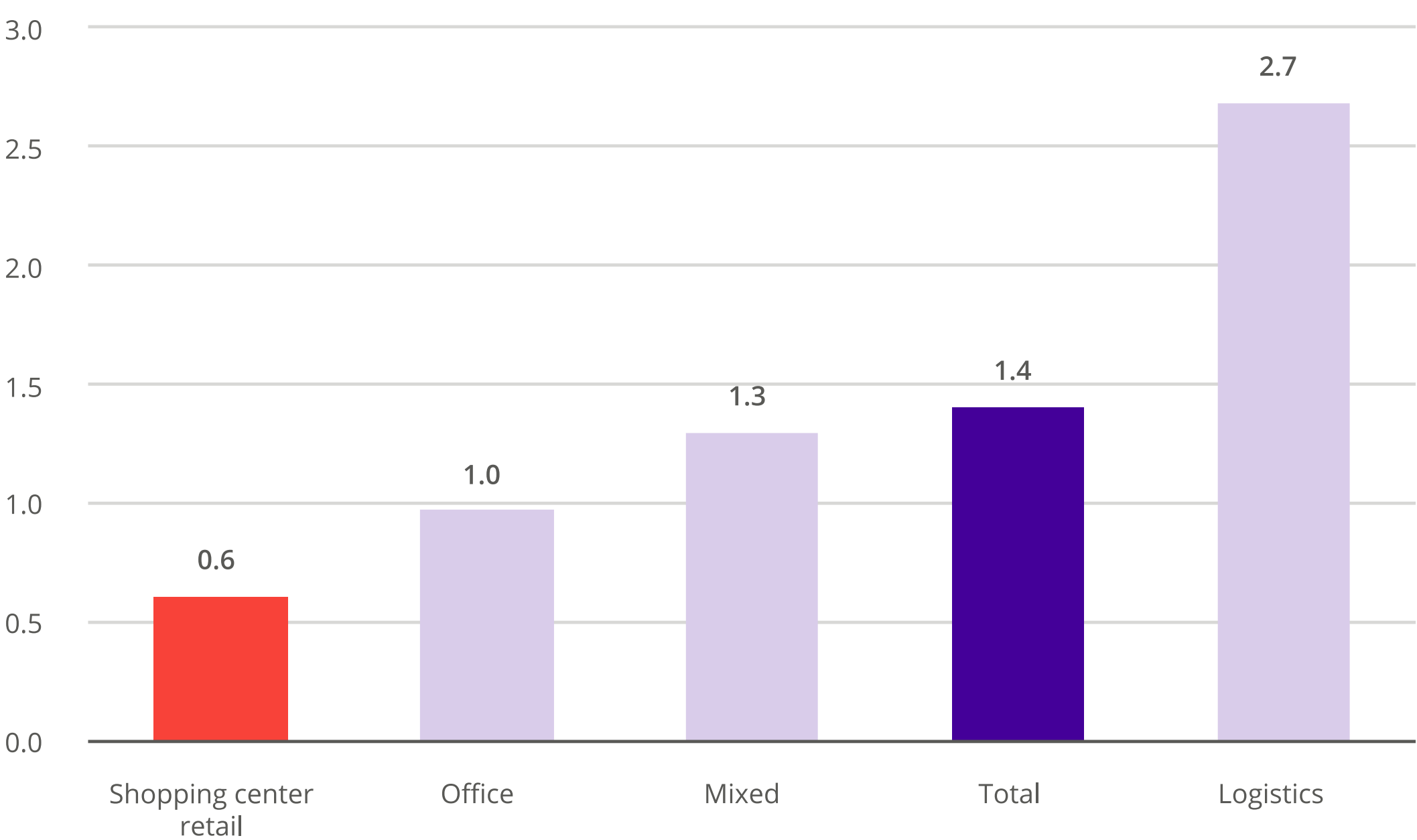
# Shopping center retail is lagging in terms of valuation of assets and share pricing, compared to other real estate segments

- Prime yield for shopping center retail has been moving sideways, since 2017, while the logistics and office prime yields has dropped 16% and 13%, respectively. The historical yield gap between logistics and shopping center retail prime yield is gone.
- Several listed real estate segments in the Nordics are trading at a premium to underlying values (NAV), with logistics segment priced at P/NAV of 2.7x, while the shopping center retail segment is trading at a significant discount to NAV.

Shopping center retail prime yield has been moving sideways since 2017;  
Logistics prime yield now at the same level



Significant differences between segments in relative pricing for  
Nordic listed real estate (P/NAV)\*



\* P/NAV for segments based on reported NAVs, as of Q3 2021, for real estate companies listed on the Nordic main lists, in addition to Aurora Eiendom, weighted on market cap, as of 31.01.2022. "Total" also includes other segments, such as residential, hotel and public sector.



Risk factors

Summary

About Aurora

The portfolio

Buskerud Storsenter

Current market situation

**Q4 – 2021 Aurora Eiendom AS**



# AURORA

Q4

2021  
REPORT





AURORA EIENDOM Q4 2021 REPORT

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24	ALTERNATIVE PERFORMANCE MEASURES



## HIGHLIGHTS AND SUMMARY OF THE

# Fourth quarter of 2021

Aurora Eiendom delivered solid financial performance this quarter, fuelled by positive developments in the shopping centers.

- Gross tenant turnover in Q4-2021 for Aurora's five shopping centers equalled Q4-2020 and increased by 4 % from Q4-2019.
- Leasing activity resulted in decreased vacancy of 0.2 percentage points and increased rental income.

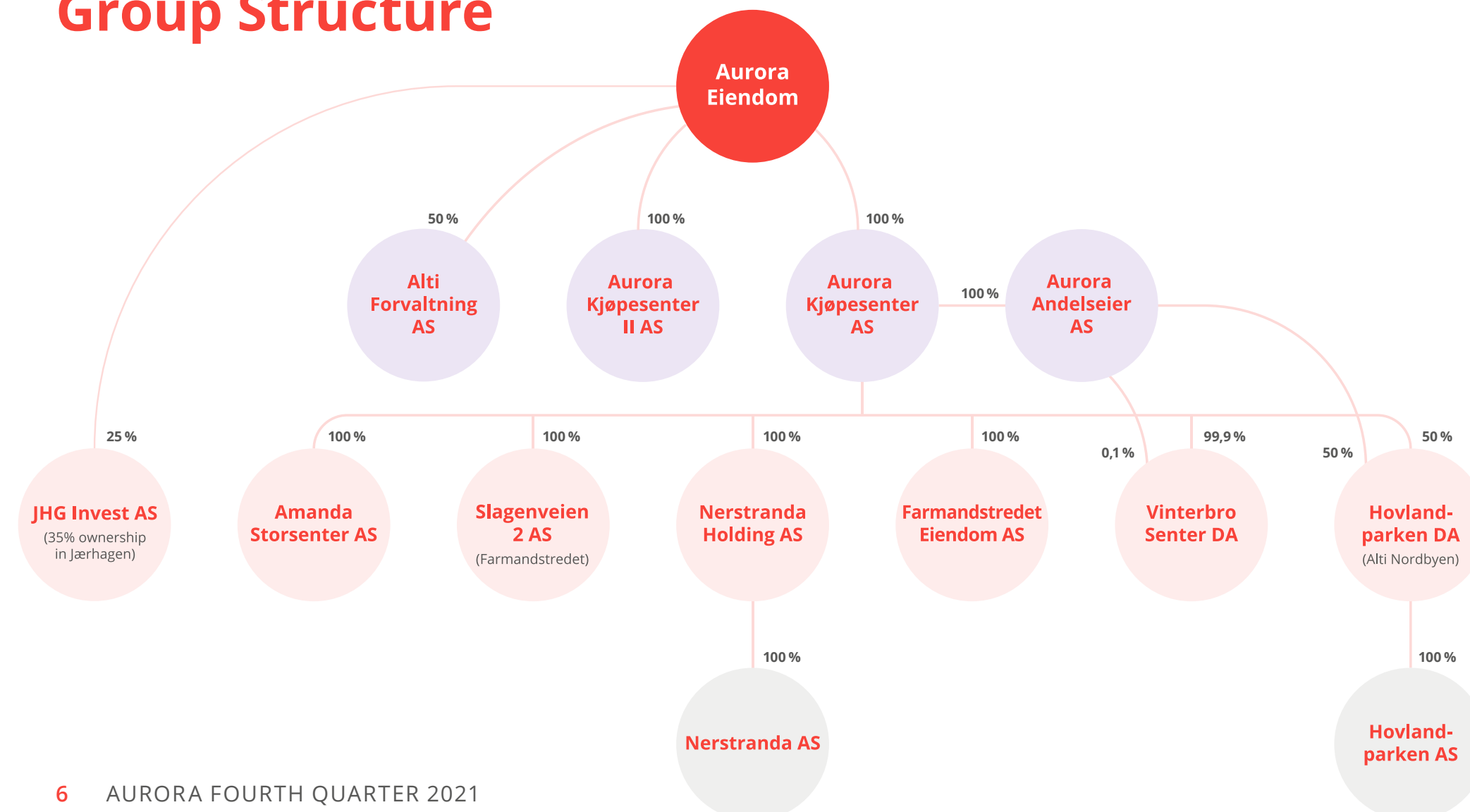
Rental income was MNOK 79.4 (MNOK 78.6 in Q3) and net income from property management was MNOK 68.0 (MNOK 61.0 in Q3).

Nordbyen shopping center in Larvik was rebranded to Alti Nordbyen in November 2021.

Aurora Eiendom AS was listed on the Euronext Oslo Exchange on December 15th 2021 with the ticker «AURA».

In Q4 Aurora Eiendom invested in a 25 % stake in JHG Invest AS, which in turn owns 35% of Jærhagen Eiendomsinvest AS. Jærhagen Eiendomsinvest acquired Jærhagen shopping center outside Stavanger in December 2021. Jærhagen is a combined boutique and big-box shopping center with around NOK 1.5 bn in gross tenant revenue. Alti Forvaltning will continue its management of the center.

## Group Structure



## LETTER FROM THE CEO

# On track!

The shopping center sales continued at good levels across the country in the fourth quarter. We are pleased that the shopping center portfolio matched a strong last year in the most important quarter of the year for the retail industry and delivered 4 % growth compared to the fourth quarter in 2019, a quarter which represents the latest comparable ordinary market conditions before the Covid-19 pandemic.

After spending the first few months following the takeover in July getting familiar with the newly acquired properties, the focus has now shifted to further developing these strong shopping destinations. New opportunities emerge as we get to know the properties in detail.

During the fourth quarter 10 leases of a total of 5 499 sqm. were extended, which corresponds to 5 % of the property portfolio. Simultaneously new leases with a total of 599 sqm. started, and leases with a total of 403 sqm. expired. This corresponds to a reduction in vacancy of 0.2 percentage points. The leasing work so far has resulted in an increase in rental income from the third quarter to the fourth quarter.

Several of the leases signed in the third quarter have now resulted in opened stores, where the largest new opening this quarter was the interior and furniture concept Feel at Nordbyen in November. One of our exciting news this spring is a signed deal for the opening of H&M Home at Amanda in Haugesund.

The fourth quarter is also the period for the budget process for the upcoming year, and a lot of hours have been devoted to optimizing the cost side. This is something that must be refined over time, but we are pleased to slightly reduce the tenant common costs for 2022 on average for the property portfolio, despite the increase in electricity prices.

Nordbyen was the first center in the Aurora portfolio to implement Alti Forvaltning's shopping center brand, Alti. The rebranding took place on the fourth of November, and is a part of the process to streamline, professionalize and modernize the shopping centers. Nordbyen is the 21st center to use the Alti brand.

Jærhagen Kjøpesenter was introduced to the market after the summer, a property we know well through Alti Forvaltning managing it for two years. After an invitation to co-invest with other savvy local and national investors, we decided to take an indirect ownership interest of 9 % through JHG Invest AS. The shopping center, which has been modernized and greatly expanded in recent years, consists of approximately 47 000 sqm. gross lettable area and had a gross tenant turnover of NOK 1.5 bn in 2021.

Alti Forvaltning will continue to manage Jærhagen Kjøpesenter. From March 2022 Alti Forvaltning will also manage Magasinet, Drammen.

Our belief that the timing for initiating a new company in retail property was excellent is strengthened by the fact that we already are noticing the interest in the shopping center segment increasing, and there is greater competition for attractive assets in the transaction market.

On December 15th 2021 Aurora Eiendom AS was listed on Euronext Growth Oslo with the ticker AURA. In sum, we are on track with both the growth ambitions and the stock exchange listing communicated to investors last year.

We are continuing our work to seek out new investment opportunities to further expand our portfolio of leading shopping destinations.

**LARS OVE LØSETH**

CEO Aurora Eiendom AS



# Key figures

## Aurora Eiendom AS

## Q4 2021

## YTD-21

Net Rental Income	NOK	79 418 811	158 043 738
Net income from property management	NOK	68 002 971	129 008 000
Interest coverage ratio*		3.1	3.2

## 31.12.2021

Market value of property portfolio	NOK	5 222 900 000
Net interest bearing debt	NOK	2 377 271 564
Loan to value (LTV)*	%	45.5 %
Outstanding shares		20 550 400
Equity per share	NOK	130.5

\* See Alternative Performance Measures for details

## Leasing activity

## Q3 2021

## Q4 2021

## YTD-21

Total area of leases started	sqm	1 086	599	1 086
Total area of leases ended	sqm	742	403	1 145
Net area leased	sqm	344	196	540
Net area leased	%	0.3 %	0.2 %	0.5 %
Average lease term for new leases	year	5.8	4.8	5.3
Total area of leases extended	sqm	5 662	5 449	11 111
Total area of leases extended	%	5.0 %	4.8 %	9.8 %
Average extension for extended leases	year	4.5	3.0	3.6

## Leasing portfolio summary

Properties	#	5
GLA	sqm	113 113
Occupancy	%	93.9
WAULT	year	3
12 month rolling rent *	MNOK	301
12 month rolling rent *	NOK / sqm	2 834

The lease portfolio summary only refers to rent from leases tied to gross lettable area (GLA). For example, income from parking and specialty leasing is not included.





# The real estate portfolio

Shopping center	Location	Gross turnover tenants (NOK millions)		
		Q4 2021	▲ Q4 2021 / Q4 2020	▲ Q4 2021 / Q4 2019
Farmandstredet	Tønsberg	454	10 %	6 %
Amanda Storsenter *	Haugesund	345	-1 %	-9 %
Vinterbro Senter	Ås	542	-10 %	12 %
Alti Nordbyen	Larvik	173	6 %	3 %
Nerstranda	Tromsø	140	6 %	6 %
Portfolio		1 654	0 %	4 %
*Turnover includes Coop OBSI, not owned by Aurora				

# Financial developments

### Rental income

Gross rental income in the quarter was NOK 79.4 million.

**Property related operational expenses and administrative expenses**

Property related operational expenses consist of maintenance, property tax, leasehold insurance and other direct property cost. These amounted to NOK 2.6 million for Q4.

Administrative expenses were NOK 3.6 million. This represents the fee paid to Alti Forvaltning AS for managing the five shopping centers in the Aurora portfolio. Alti Forvaltning AS also provides management services to the parent company Aurora Eiendom AS, and the cost of this is included in the management fee.

### Other operating income and expenses

Other operating income and expenses consists of income and expenses not related to the properties, such as provision and consultancy and auditing fees.

### Net income from property management

Net income from property management amounted to NOK 68.0 million.

### Fair value adjustments of investment properties

The fair value of the investment properties was adjusted by NOK 15.5million in the quarter. The Group’s portfolio consists of five shopping centers.

### Share of results from associated companies

Aurora Eiendom AS has two associated companies. The management company Alti Forvaltning AS and the newly founded JHG Invest AS. The Group's share of profit in these companies amounted to NOK -547 958 in Q4

### Financial income

Financial income is mainly interests on cash and cash equivalents.

### Fair value adjustments on interest rate derivatives

Aurora Eiendom AS signed nine contracts during the fourth

quarter. Market value and position of these contracts amounted to NOK -8.7 million by the end of the quarter.

### Financing expenses

Financial expenses in the quarter amounted to NOK 22.1 million and are mainly related to interest and fees on interest-bearing debt.

### Summary

Profit before income tax was NOK 45.5 million. Pre-tax profit, including fair value adjustments of investment properties and interest rate derivatives, was NOK 52.3 million.

### Balance sheet

The Group’s assets amounted to NOK 5 623 million. Of this, investment properties amounted to NOK 5 223 million (93 %).

Interest bearing debt was NOK 2 654 million (amortized) at the end of the quarter (NOK 2 666 million in nominal amount).

The equity totaled NOK 2 681 million (48 %).

### Financing

The Group’s debt portfolio consists of long-term debt with Norwegian banks. The remaining term for the debt portfolio is 2.5 years.

The Group’s investment properties are pledged as security for the bank loans.

The Group's bank loans incorporate financial covenants related to minimum liquidity, loan-to-value and interest coverage ratio. Aurora Eiendom was in compliance with conditions in the credit agreements as of 31.12.2021.

### Cash flow and liquidity

Net cash flow from operating activities was NOK 28.1 million. Net cash flow from investments was NOK -30.8 million and net cash flow from financing activities was NOK -0.4 million.

The net change in cash and cash equivalents was NOK -3.1 million, and cash and cash equivalents at the end of the period were NOK 288.7 million.



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

	Note	Q4-21	YTD Q4-21
<b>Aurora Eiendom</b>			
Rental income		79 418 811	158 043 738
Property related operational expenses	4	-2 570 393	-15 161 419
<b>Net rental income</b>		<b>76 848 418</b>	<b>142 882 319</b>
Other income		66 147	275 602
Other operating expenses	4	-5 327 936	-6 635 017
Administrative expenses	4	-3 583 658	-7 514 904
<b>Net income from property management</b>		<b>68 002 971</b>	<b>129 008 000</b>
Fair value adjustment, investment property	2	15 500 000	754 614 898
Share of profit from JV and associates		-547 958	-166 251
<b>Operating profit</b>		<b>82 955 013</b>	<b>883 456 647</b>
Financial income		154 007	160 768
Fair value adjustments, interest rate derivatives	3	-8 710 592	-8 710 592
Financial expenses	3	-22 092 800	-40 164 446
<b>Net financial items</b>		<b>-30 649 385</b>	<b>-48 714 270</b>
<b>Profit before income tax</b>		<b>52 305 628</b>	<b>834 742 377</b>
Change in deferred tax		-4 881 542	-170 008 304
Income tax payable		-5 932 514	-11 938 996
<b>Income tax</b>		<b>-10 814 056</b>	<b>-181 947 300</b>
<b>Profit</b>		<b>41 491 572</b>	<b>652 795 077</b>
>>			

	Note	Q4-21	YTD Q4-21
<b>Other Comprehensive income</b>			
Items to be reclassified to P&L in subsequent periods:			
Currency translation differences from foreign operations		-	-
Hedging of net investment in foreign operations		-	-
Income taxes on other comprehensive income		-	-
<b>Total comprehensive income for the period/year</b>		<b>41 491 572</b>	<b>652 795 077</b>
<b>Profit attributable to:</b>			
Shareholders of the parent		41 491 572	652 795 077
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		41 491 572	652 795 077
<b>Basic and diluted earnings per share</b>		<b>2.02</b>	<b>59.18</b>



## CONSOLIDATED BALANCE SHEET – ASSETS

	Note	31.12.2021
<b>Non-current assets</b>		
Investment properties	2	5 222 900 000
Investment in joint ventures and associated companies		89 724 061
Receivables		1 256 126
Derivative financial instruments	3	4 428 480
<b>Total non-current assets</b>		<b>5 318 308 667</b>
<b>Current assets</b>		
Trade receivables	3	2 340 358
Other current asset		13 198 657
Cash and cash equivalents	3	288 715 066
<b>Total current assets</b>		<b>304 254 081</b>
<b>TOTAL ASSETS</b>		<b>5 622 562 748</b>

## CONSOLIDATED BALANCE SHEET – LIABILITIES

	Note	31.12.2021
<b>Equity</b>		
Share capital		1 541 280 000
Share premium		486 744 430
Retained earning		652 795 077
<b>Total equity</b>		<b>2 680 819 507</b>
<b>Long-term liabilities</b>		
Loans	3	2 524 568 870
Derivative financial instruments	3	13 139 072
Lease liabilities		11 859 429
Deferred tax liabilities		170 008 304
<b>Total long-term liabilities</b>		<b>2 719 575 675</b>
<b>Short-term liabilities</b>		
Loans	3	129 830 681
Income tax payable		23 081 671
Trade payables	3	15 532 464
Current lease liabilities		1 483 407
Other current liabilities	3	52 239 343
<b>Total short-term liabilities</b>		<b>222 167 566</b>
<b>Total liabilities</b>		<b>2 941 743 241</b>
<b>Total liabilities and shareholders' equity</b>		<b>5 622 562 748</b>



CHANGES IN EQUITY

	Note	Share capital	Share premium	Retained earnings	Total equity
Equity at 31.12.2020		-	-	-	-
Share issue		1 541 280 000	486 744 430		
Profit for period		-	-	652 795 077	652 795 077
Other comprehensive income		-	-	-	-
Dividend		-	-	-	-
Total equity 31.12.2021		1 541 280 000	486 744 430	652 795 077	2 680 819 507

STATEMENT OF CASH FLOWS

	Note	Q4-21	YTD 21
Profit before tax		52 305 628	834 742 376
Net expensed interest and fees on loans and leases	3	22 092 800	39 436 819
Net interest and fees paid on loans and leases	3	-16 148 256	31 794 110
Share of profit from associates and jointly controlled entities		547 958	166 251
Changes in value of investment properties	2	-15 500 000	-754 614 898
Changes in value of financial instruments	3	8 710 592	8 710 592
Change in working capital		-23 917 739	-258 622
Net cash flow from operating activities		28 090 984	96 388 409
Net cash flow from operating activities		-	-
Acquisitions of investment properties		4 356 927	-4 405 106 502
Investment in and upgrades of investment properties		-355 391	-5 887 158
Investments in associates and JVs		-34 775 000	-89 890 313
Net cash flow from investment acitivities		-30 773 464	-4 500 883 973
Proceeds interest bearing debt		-	2 665 986 630
Repayment of lease liabilities		-434 036	-800 430
Proceeds from issue of shares/repurchase of shares		-	2 028 024 430
Net cash flow from financing activities		-434 036	4 693 210 630
Change in cash and cash equivalents		-3 116 516	288 715 066
Cash and cash equivalents at beginning of period		291 831 582	
Cash and cash equivalents at beginning of period		288 715 066	288 715 066





# Notes

- 1
- ACCOUNTING PRINCIPLES
- 2
- INVESTMENT PROPERTIES
- 3
- FINANCIAL ASSETS AND FINANCIAL LIABILITIES
- 4
- COSTS
- 5
- EVENTS AFTER THE BALANCE SHEET DATE

## NOTE 1 – ACCOUNTING PRINCIPLES

The financial results for Q4- 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting principles that have been used are described in Q3-2021 report. The interim financial results for Q4 - 2021 have not been audited.

## NOTE 2 – INVESTMENT PROPERTY

	Q4 - 2021
Opening balance as of 01 October 2021	5 207 400 000
Additions from acquisitions	-
Net gain/loss on changes in fair value	15 500 000
As at 31 December	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 property is valued at its fair value based on a valuation carried out by the independent appraisers Cushman & Wakefield AS. The value is calculated using the discounted cash flow method.

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

The following main inputs have been used:

>>>



## NOTE 2 – INVESTMENT PROPERTY

Valuation inputs	30.12.2021
Valuation method	DCF
Valuation level	3
Fair Value NOK	5 222 900 000
Weighted average yield (%)	5.53 %
Yield range	5.30 % - 6.23 %
Long term operating expense growth (%)	2.00 %
Long term growth rate in real rental terms (%)	2.00 %
Number of properties	5
GLA sqm	113 113
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 2021 Investment properties are not depreciated.	
There are no restrictions on when the investment properties can be realised. Revenue from sales must in part be used to repay bank loans.	
There are no significant contractual obligations to buy, build or develop investment properties.	

## NOTE 3 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Q4-2021 Amortised cost	Q4-2021 Fair value
<b>Assets</b>		
Financial derivatives		4 428 480
Accounts receivable	2 340 358	
Cash and cash equivalents	288 715 066	
<b>Total Financial assets</b>	<b>291 055 424</b>	<b>4 428 480</b>
>>>		

## NOTE 3 – FINANCIAL ASSETS AND FINANCIAL LIABILITIES

<b>Liabilities</b>		
<b>Interest bearing loans and borrowings</b>		
Bank Loan 1	2 388 747 345	
Bank Loan 2	265 652 206	
Trade payables	15 532 464	
Financial derivatives		13 139 072
<b>Total financial liabilities</b>	<b>2 669 932 015</b>	<b>13 139 072</b>
<b>Determination of fair value</b>		
The following of the Group's financial instruments are not measured at fair value: cash and cash equivalents, accounts receivables, other current receivables and payables.		
Bank loans have been recognised at amortised cost. Per 31.12.2021 the Group did not have financial instruments other than those mentioned above.		
The carrying amount of cash and cash equivalents is approximately equal to fair value since these instruments have a short term to maturity. Similarly, the carrying amount of account receivables and other current receivables and payables is approximately equal to fair value since they are short term and entered into on "normal" terms and conditions.		
For Fair Value of Investment Properties see note 2 "Investment properties"		

## NOTE 4 – COSTS

<b>Real estate related costs</b>		
<b>Operating costs</b>	<b>Q4-2021</b>	<b>YTD</b>
Maintenance	691 663	4 513 453
Leasehold and property insurance	1 001 356	2 060 509
Other expenses / direct property costs	877 374	8 587 457
<b>SUM</b>	<b>2 570 393</b>	<b>15 161 419</b>
Expenses directly related to the operation of existing properties are presented as real estate related costs.		
>>>		



NOTE 4 – COSTS

Other costs		
Other operating expenses	Q4-2021	YTD
Advertising	158 375	630 250
Consultancy fees and external personnel	2 170 698	2 364 740
Other operating costs	2 998 863	3 640 027
Total operating expenses	5 327 936	6 635 017
Specification auditor's fee	Q4-2021	YTD
Statutory audit	519 598	519 598
Other assurance services	111 352	658 024
Total	630 950	1 177 622
Some of the 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	Q4-2021	YTD
Administrative expenses	3 583 658	7 514 904
Administrative expenses represent the management fee paid to Alti Forvaltning AS for mangagement 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 5 – EVENTS AFTER THE BALANCE SHEET DATE

Aurora Eiendom finalized negotiations regarding the purchase of Buskerud Storsenter.
From March 2022 Alti Forvaltning AS will take over the management of Magasinet Drammen.

# Responsibility Statement

We declare to the best of our belief that the Q4 - 2021 financial statements for the period 01 October to 31 December 2021 have been prepared in accordance with IAS 34 – Interim reporting, and that the information in the financial statements gives a true and fair view of the Aurora Eiendom’s assets, liabilities, financial situation and result as a whole.

SURNADAL, 07.02.2022



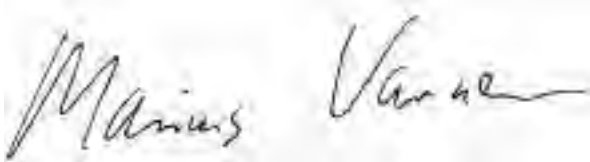
PETTER A. STORDALEN  
Chairman of the Board



LARS LØSETH  
Board member



JOHAN JOHANNSSON  
Board member



MARIUS VARNER  
Board member



LARS OVE LØSETH  
CEO



# Aurora Eiendom's Alternative performance measures and EPRA reporting

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

EPRA metrics are presented in accordance with the best practices defined by the European Public Real Estate Association BPR 2019.

## 1. DEBT RATIO – LOAN TO VALUE (LTV)

Loan to Value (LTV)	30.09.2021	31.12.2021
Fair value of investment properties	5 207 400 000	5 222 900 000
Nominal interest- bearing debt	2 665 986 630	2 665 986 630
Cash and bank deposits	291 831 582	288 715 066
Net interest-bearing debt	2 374 155 048	2 377 271 564
Loan to value	45.6 %	45.5 %

## 2. INTEREST COVERAGE RATIO (ICR)

	Q3 - 2021	Q4 - 2021	YTD - 2021
Net income from property management	61 005 029	68 002 971	129 008 000
Financial expenses	18 071 646	22 092 800	40 164 446
Interest coverage ratio	3.4	3.1	3.2



### 3. EPRA PERFORMANCE MEASURES

		Unit	Q3-2021	Q4-2021
A	EPRA earnings per share (EPS)	NOK	1.74	1.76
B	EPRA NRV per share	NOK	136	139
	EPRA NTA per share	NOK	132	135
	EPRA NDV per share	NOK	128	130

### A. EPRA earnings

All amounts in NOK million	IFRS reported Q3-2021	EPRA adjustments Q3-2021	EPRA Earnings Q3-2021	IFRS reported Q4-2021	EPRA adjustments Q4-2021	EPRA Earnings Q4-2021
Rental income	79	-	79	79		79
Operating costs	-13	-	-13	-3		3
Net operating income	66	-	66	77	-	77
Other revenue	0	-	0	0		0
Other costs	-1	-	-1	-5		-5
Administrative costs	-4	-	-4	-4		-4
Share of profit from associates and JVs	0	-	0	-1		-1
Net realised financials	-18	-	-18	-22		-22
Net income	43	-	43	46	-	46
Changes in value of investment properties	739	-739	-	16	-16	-
Changes in value of financial instruments			-	-9	9	-
Profit before tax/EPRA Earnings before tax	782	-739	43	52	-7	46
Tax payable	-6	-	-6	-6		-6
Change in deferred tax	-165	163	-3	-5	1	-3
Profit for period/EPRA Earnings	611	-577	35	41	-5	36
Average outstanding shares (million)			20.0			20.6
EPRA Earnings per share (NOK)			1.74			1.76

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

### 3. EPRA PERFORMANCE MEASURES

<b>B. EPRA net asset value metrics</b>						
	Q3 - 2021			Q4 - 2021		
	NRV	NTA	NDV	NRV	NTA	NDV
IFRS Equity	2 639	2 639	2 639	2 681	2 681	2 681
<b>Net Asset Value (NAV) at fair value</b>	<b>2 639</b>	<b>2 639</b>	<b>2 639</b>	<b>2 681</b>	<b>2 681</b>	<b>2 681</b>
Deferred tax properties and financial instr	165	165		170	170	
Estimated real tax liability		83			85	
Net fair value on financial derivatives	-	-		9	9	
EPRA NAV	2 804	2 722	2 639	2 860	2 775	2 681
Outstanding shares at period end (million)	20.6	20.6	20.6	20.6	20.6	20.6
<b>EPRA NAV per share (NOK)</b>	<b>136</b>	<b>132</b>	<b>128</b>	<b>139</b>	<b>135</b>	<b>130</b>
<p>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.</p> <p>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.</p> <p>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.</p>						



## Contact information

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CFO Aurora Eiendom AS

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+47 464 48 411

## Financial calendar

### DATE

Friday 25.03.2022

Wednesday 11.05.2022

Tuesday 16.08.2022

Wednesday 16.11.2022

### REPORT

Annual Report 2021

Quarterly Report – Q1 2022

Quarterly Report – Q2 2022

Quarterly Report – Q3 2022

# AURORA



AURORA