AURORA

Q3

2021
REPORT

FIRST QUARTERLY REPORT FOR

Aurora Eiendom

Aurora Eiendom AS was established during the first half of 2021. The company raised NOK 2 billion in new share capital in June 2021.

First a directed issue was carried out, in which 11 cornerstone investors subscribed for and were allocated shares for NOK 1,377 million. Eiendomsspar AS, Joh Johannson Eiendom AS, NREP (NSF IV Norway Holding 10 AS), Strawberry Shopping AS, Alti Invest AS, Varner Invest AS and Stokke Industri Eiendom AS were among the cornerstone investors. Afterwards, an additional private placement was made, raising gross proceeds of NOK 623 million.

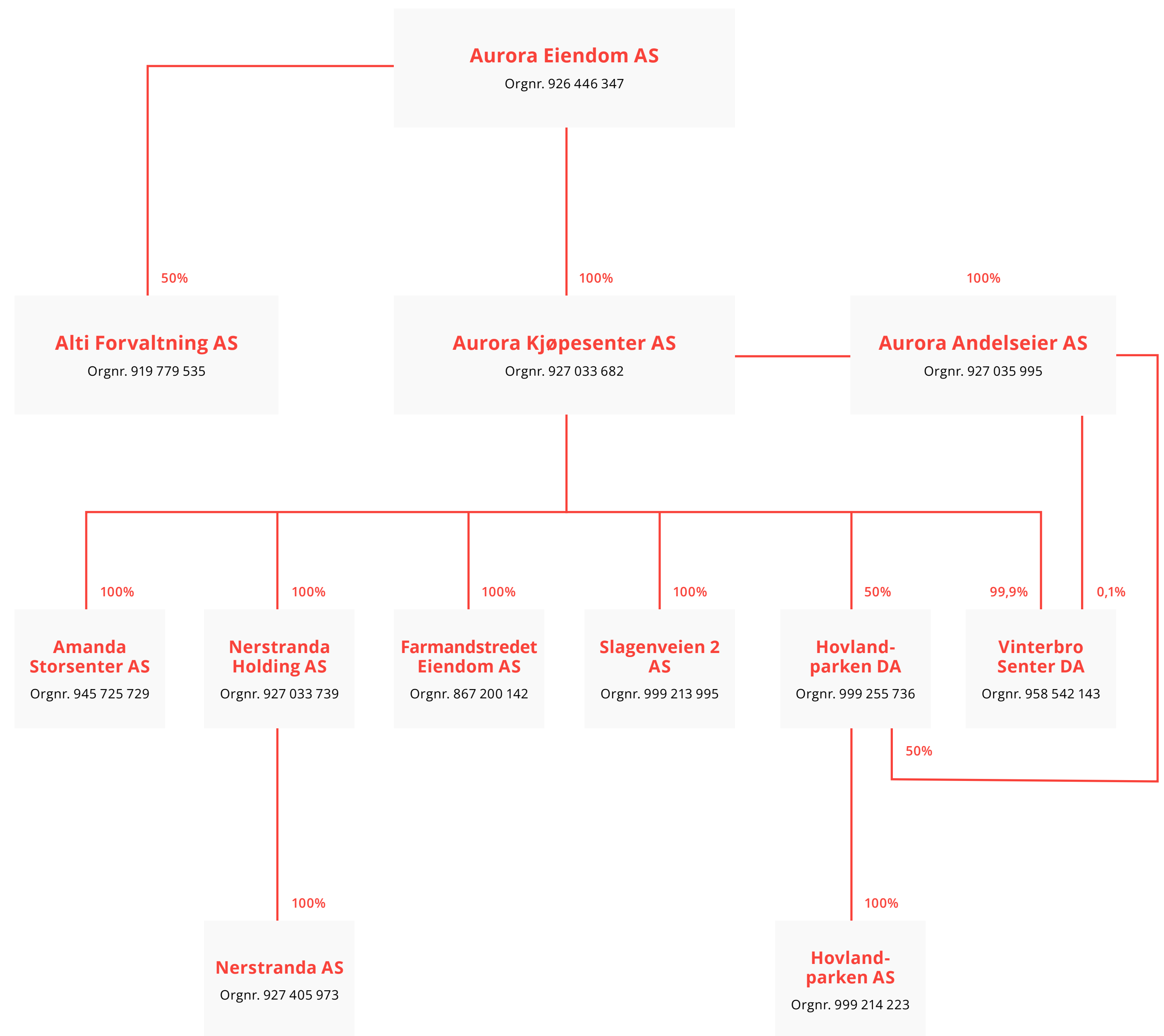
The net proceeds from the directed issue and private placement were used to fund the company´s acquisition of five shopping centers from Steen & Strøm; Amanda Storsenter in Haugesund, Vinterbro Senter in Ås, Nerstranda in Tromsø, Nordbyen in Larvik and Farmandstredet in Tønsberg. The transactions were closed in beginning of July. This report is hence the first financial report for Aurora Eiendom AS after the acquisitions.

As part of the process, Aurora Eiendom also acquired 50% of Alti Forvaltning AS, settled through a directed issue of NOK 55 million.

Aurora Eiendom´s shares are listed on Euronext NOTC Oslo with the ticker "AURORA". The company is planning to be listed on Euronext Growth Oslo towards the end of 2021.

Aurora Eiendom´s mission is to own, operate and develop leading shopping destinations, and create value for customers, tenants and investors. The company intends to own shopping centers that are leading or have the potential to become leading in their local markets.

Group Structure



Aurora Eiendom entered as co-owner in Alti Forvaltning AS (50 %) to ensure long-term partnership with an industry-leading operator of shopping centres.
The shopping centre portfolio is managed by Alti Forvaltning AS.

LETTER FROM THE CEO

Kick-off!

The first operational quarter for Norway's newest player in the shopping center market is completed. We started the quarter with the purchase of five shopping centers with a total rental area of 113,000 sqm.

Going heavily into retail property may seem contradictory because of the attention online shopping has received in recent years, but we strongly believe that shopping centers will have an important function in the Norwegian society going forward. Shopping centers still serve as one of our most important marketplaces for commerce while growing their position as destinations for other errands alongside retail as well as a place to spend leisure time and meet friends and family for various activities.

The timing of the transaction has proven to be excellent, with high activity and store turnover in the shopping center market on our way out of the pandemic.
In Q3 2021, the Aurora portfolio achieved 0.3% growth in total store turnover compared to the same period in 2020 and as much as 10.5% compared to the third quarter in 2019, a quarter which represents the latest ordinary market conditions before the Covid-19 pandemic.

Simultaneously to the acquisitions the company entered into a long-term agreement with Alti Forvaltning AS, for the management of Aurora and its properties. As a part of the agreement Aurora acquired 50% of the management company, and Alti currently manages a total of 31 centers including the Aurora portfolio.

Alti has worked to strengthen their organization due to the increased volume of centers under management. Several new key employees are hired, and some have already begun.
We are fortunate that the skilled and motivated employees at the acquired shopping centers – such as center managers, marketing, and technical managers – all have accepted employment with Alti Forvaltning. Their continued presence and involvement give a solid base for further development of these already strongly positioned shopping destinations.
This ensures continuity, local knowledge and competence, which is essential to our success.

Since the takeover in July, our resources have worked diligently to become familiar with the newly acquired properties, and the work is already starting to show results.

Each shopping center has been assigned a leasing manager from the management company, and the work is well underway. In the third quarter, 14 leases were extended on a total lease area of 5,662 sqm, which corresponds to 5% of the property portfolio. At the same time new leases with a total of 1.086 sqm started, and leases with a total of 742 sqm expired. This corresponds to a reduction in vacancy of 0,3 percentage points.

Our ambition is to grow our portfolio, and we are constantly seeking new investment opportunities.

We are finally up and running, and now we look forward to the continuation of creating a new major player in the Norwegian shopping center market.

LARS OVE LØSETH
CEO Aurora Eiendom AS

Key figures

Aurora Eiendom AS		Q3 2021
Rental Income	NOK	78 624 927
Net income from property management	NOK	61 005 029
Equity per share	NOK	128,4
Market value of property portfolio	NOK	5 207 400 000
Net interest bearing debt	NOK	2 374 155 048
Loan to value (LTV)*		45,6%
Interest coverage ratio		3,4
Outstanding shares		20 550 400

* LTV = Net interest bearing debt / Market value of property portolio

Lease portfolio summary	Properties #	GLA sqm	Occupancy %	WAULT year	12 months rolling rent NOKm	NOK/sqm
Portfolio	5	113 113	93,7	3,0	299,9	2 830

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 includeded.

Leasing activity		Q3 2021
Total area of leases started	sqm.	1 086
Total area of leases ended	sqm.	742
Net area leased	sqm.	344
Net area leased	%	0,3
Average lease term for new leases	year	5,7
Total area of leases extended	sqm.	5 662
Total area of leases extended	%	5,0
Average extension for extended leases	year	4,5

THE PORTFOLIO

Amanda

Haugesund's leading shopping centre, located in a strong retail cluster at Raglamyr.

Complete shopping destination about 4km outside the city centre of Haugesund, with a wide range of shops and various service functions. Easily accessible with direct access to the main road (E134) and public transportation terminal (Kolumbus).

The vast majority of large chain stores are represented at Amanda, and annually there are about 2 million visitors. Anchored by well-known retailers like H&M, Intersport, KappAhl and Match. The tenant mix is complemented by several surrounding big-box retailers.

The location makes it a typical car-based shopping centre. Ample parking coverage, with 1,600 spots available to customers free of charge.

BREEAM in-Use Very Good.

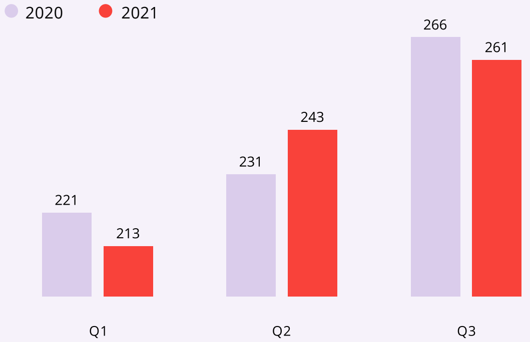
KEY INFORMATION

Homepage	www.amandastorsenter.no
Location	Haugesund
Gross turnover tenants 2020	1 068 000 000*
Number of tenants	56
Gross lettable area (sqm)	14 600
Footfall 2020	2 000 000

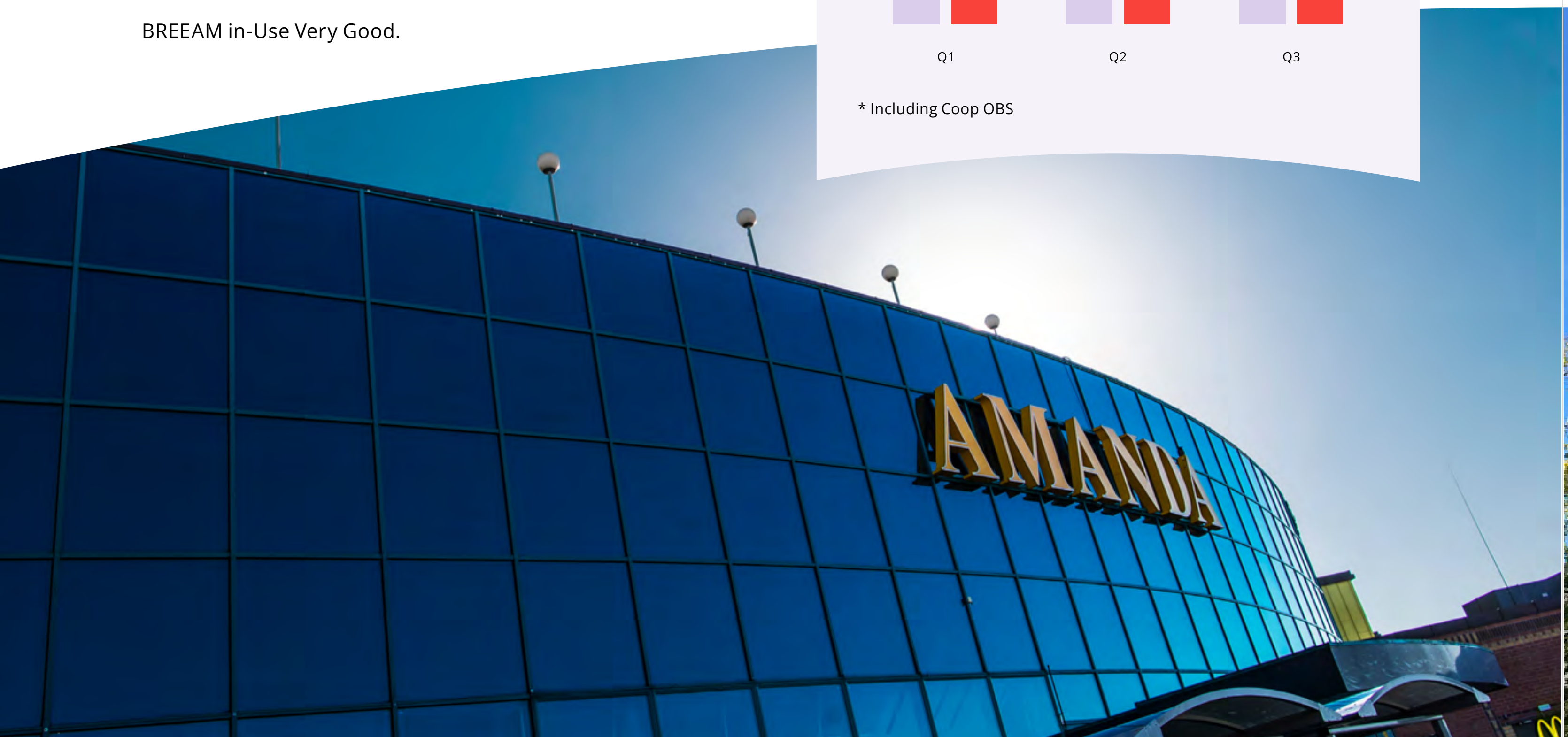
* Including Coop OBS, not included in aquisition.

GROSS TURNOVER TENANTS PER QUARTER*

NOK million



* Including Coop OBS



THE PORTFOLIO

Farmandstredet

One of south-eastern Norway's leading shopping centres with prime city centre location.

Easily accessible centre with strong local presence and no immediate competitors.

The center is the city's dominant shopping destination placed in the heart of Tønsberg, with about 5 million visitors annually.

Strong and modern tenant mix, anchored by renowned retailers such as Meny, Clas Ohlson and Vinmonopolet.

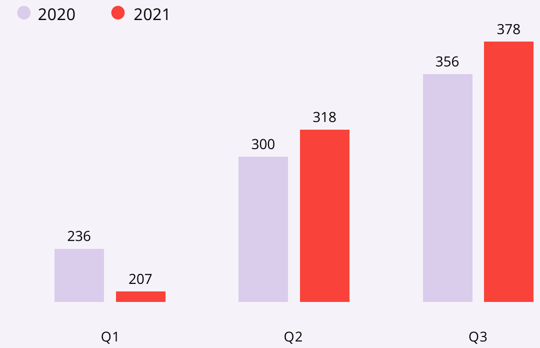
Farmandstredet was built in 1971 and has since undergone several expansions and upgrades.

KEY INFORMATION

Homepage	www.farmandstredet.no
Location	Tønsberg
Gross turnover tenants 2020	1 300 000 000
Number of tenants	83
Gross lettable area (sqm)	36 500
Footfall 2020	4 600 000

GROSS TURNOVER TENANTS PER QUARTER

NOK million



THE PORTFOLIO

Nerstranda

A shopping centre with excellent location in the city centre of Tromsø by the main high street.

With 1.8 million visitors annually Nerstranda is the epicentre of the city's downtown shopping district. Anchored by well-known retailers and central Tromsø's only Vinmonopolet.

Nerstranda was built in 1998 on the sea side in the city centre, and has great access to tourist flow with immediate vicinity to the cruise ship terminal and several hotels.

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

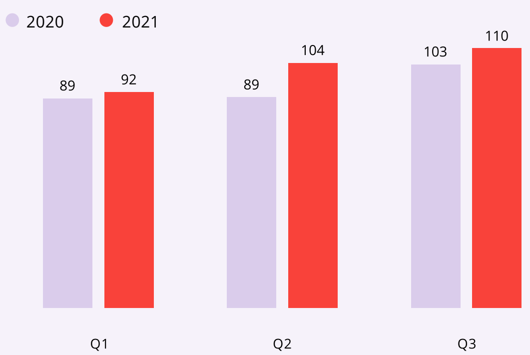
BREEAM In-Use Very Good.

KEY INFORMATION

Homepage	www.nerstranda.no
Location	Tromsø
Gross turnover tenants 2020	413 000 000
Number of tenants	35
Gross lettable area (sqm)	12 000
Footfall 2020	1 800 000

GROSS TURNOVER TENANTS PER QUARTER

NOK million



THE PORTFOLIO

Nordbyen

Strongly positioned as the number one shopping centre in the Larvik region.

Car-based centre located north of Larvik city centre, with more than 40,000 people within 15 minutes' drive. Easily accessible from E18.

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

Highly popular region for vacation, attracting +70,000 visitors every summer, which increases the customer base of Nordbyen.

Significant development potential related to Hovlandsbanen with long term plans to transform the area alongside the shopping centre.

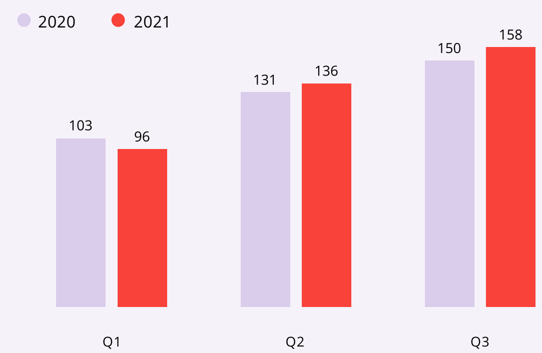
BREEAM In-Use Very Good.

KEY INFORMATION

Homepage	www.nordbyen.no
Location	Larvik
Gross turnover tenants 2020	545 000 000
Number of tenants	44
Gross lettable area (sqm)	16 000
Footfall 2020	1 300 000

GROSS TURNOVER TENANTS PER QUARTER

NOK million



THE PORTFOLIO

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 centre, Vinterbro is a complete shopping destination in the Follo region. Anchored by well-known retailers like Coop Obs, Elkjøp, Clas Ohlson and Vinmonopolet.

In addition to the retail tenant mix Vinterbro offers services as library, postal service, gym, medical centre and dentist, contributing to a strong annual footfall of about 3,5 million.

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

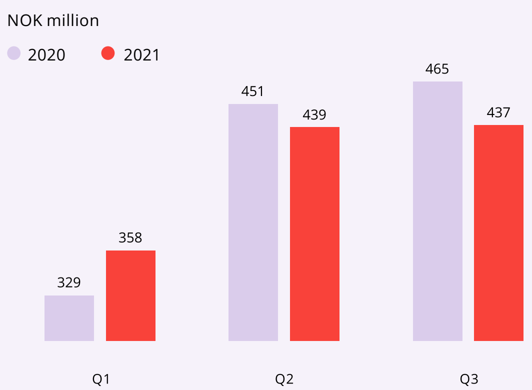
The catchment area of Vinterbro has a strong expected population growth, and gross income well above the national average.

BREEAM In-Use Very Good.

KEY INFORMATION

Homepage	www.vinterbro.no
Location	Ås
Gross turnover tenants 2020	1 710 000 000
Number of tenants	73
Gross lettable area (sqm)	34 000
Footfall 2020	3 500 000

GROSS TURNOVER TENANTS PER QUARTER



MANAGEMENT COMPANY

Alti Forvaltning AS

Alti Forvaltning AS is a professional property manager, and currently manages 31 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 50 employees in administration, as well as employees out in the shopping centres (approx 90). All management resources dedicated to Aurora Eiendom AS are employed in Alti Forvaltning AS.

The company provides the following services to shopping centres:

- Accounting
- Contract administration
- Leasing
- Miscellaneous support for centre managers and operations managers
- Development
- Marketing
- Technical operations
- HR

KEY FIGURES FOR ALTI FORVALTNING´S PORTFOLIO UNDER MANAGEMENT

Number of properties	102
Gross rental income (NOK millions)	1 215
Gross tenant revenue (NOK millions)	18 000
Gross lettable area (sqm)	800 000

Financial developments

Rental income

Rental income in the quarter was NOK 78,6 million.

Property related operational expenses and administrative expenses

Property-related operational expenses consist of maintenance, leasehold and property insurance and other direct property costs. These amounted to NOK 12,6 million. Some expenses are one-off expenses related to the acquisitions

Administrative expenses were NOK 3,9 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.

Net income from property management

Net income from property management amounted to NOK 61,0 million in the quarter.

Fair value adjustments of investment properties

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. The fair value of the investment properties was adjusted by NOK 739 million in the quarter. The Group´s portfolio consists of shopping centers.

Share of results from associated company Alti Forvaltning AS

The Group´s share of the results in Alti Forvaltning AS was NOK 381 707,-.

Other operating income and expenses

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

Financial expenses

Financial expenses in the quarter, NOK 18,1 million, are mainly related to interest and fees on interest-bearing debt.

Summary

Profit before income tax was NOK 43,3 million.
Pre-tax profit, including fair value adjustments, was NOK 782,4 million.

Balance sheet

The Group´s assets amounted to NOK 5 566 million, of which investment properties amounted to NOK 5 207 million

Interest bearing debt was NOK 2 651 million (amortised) at the end of the quarter (NOK 2 667 million in nominal amount). Book equity totaled NOK 2 639 million.

Financing

The Group´s debt portfolio consists of long-term debt with Norwegian banks. New loans amounted to NOK 2 667 million in the quarter. The loans were used to finance the acquisition of the five shopping centers in the Aurora portfolio. The remaining term for the debt portfolio is 2,75 years.

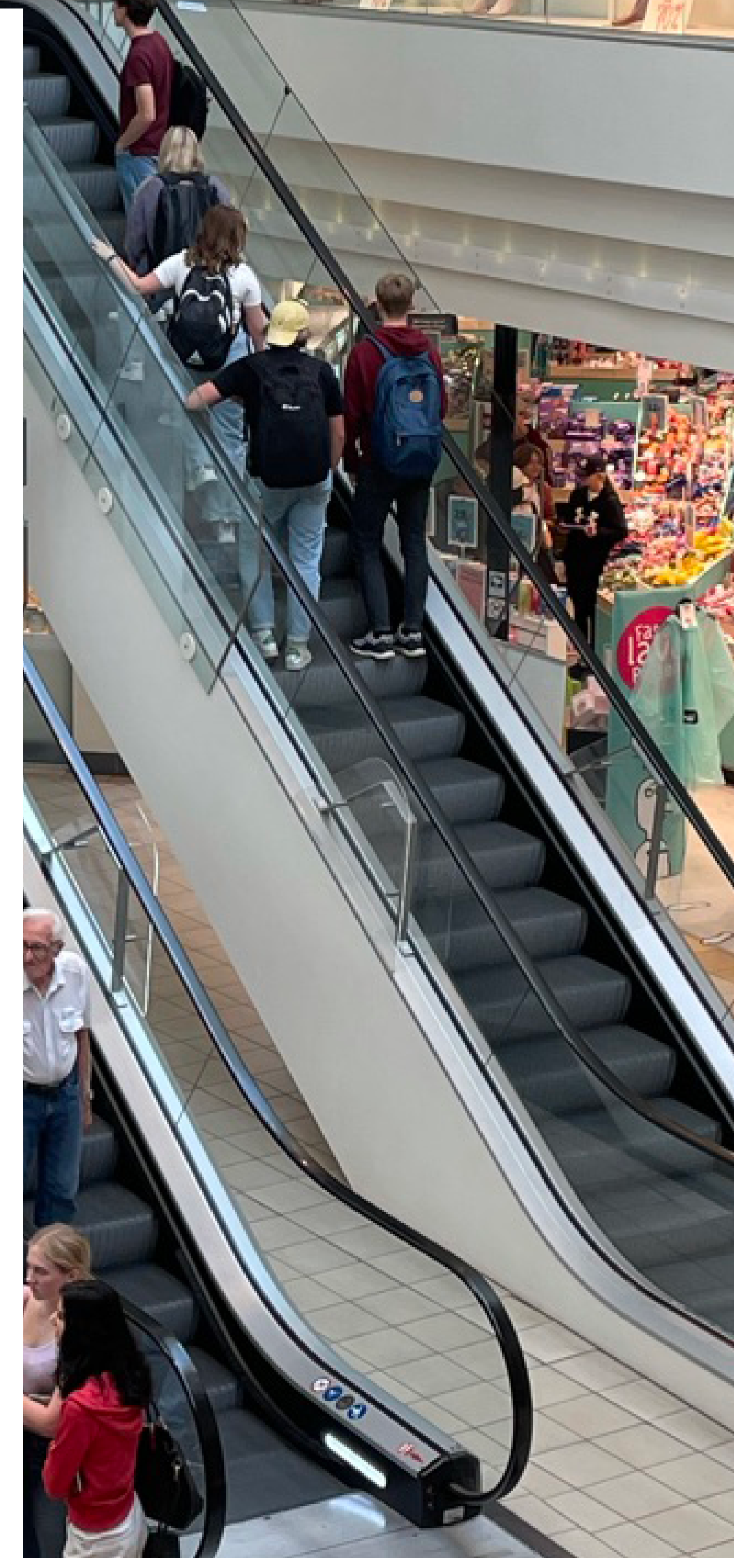
The Group´s investment properties are pledged as security for the bank loans.

The Group´s bank loans incorporate financial covenants related to minimum liquidity, loan-to-value and interest cover ratio. Aurora Eiendom was in compliance with conditions in the credit agreements at 30.09.2021.

Cash flow and liquidity

Net cash flow from operating activities came at NOK 68,2 mill. Net cash flow from investments was NOK -4 470,1 mill and net cash flow from financing activities was NOK 3 316,6 mill.

The net change in cash and cash equivalents was NOK -1 085,3, and cash and cash equivalents at the end of the period were NOK 291,8 million.



CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Q3-21	YTD Q3-21
Rental income	4	78 624 927	78 624 927
Property-related operational expenses	5	-12 591 026	-12 591 026
Net rental income		**66 033 901**	**66 033 901**
Other income		209 455	209 455
Other operating expenses	7	-1 307 081	-1 307 081
Administrative expenses	3, 7	-3 931 246	-3 931 246
Net income from property management		**61 005 029**	**61 005 029**
Fair value adjustment, investment property	12	739 114 898	739 114 898
Share of profit from JV and associates	13	381 707	381 707
Operating profit		**800 501 634**	**800 501 634**
Financial income	8	6 761	6 761
Financial expenses	8	-18 071 646	-18 071 646
Net financial items		**-18 064 885**	**-18 064 885**
Profit before income tax		**782 436 749**	**782 436 749**
Change in deferred tax	9	-165 126 762	-165 126 762
Income tax payable	9	-6 006 482	-6 006 482
Income tax	**9**	**-171 133 244**	**-171 133 244**
Profit		**611 303 505**	**611 303 505**

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	Note	Q3-21	YTD Q3-21
Other Comprehensive income			
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		-	-
Total comprehensive income for the period/year		**611 303 505**	**611 303 505**
Profit attributable to:			
Shareholders of the parent		611 303 505	611 303 505
Total comprehensive income attributable to:			
Equity holders of the Company		611 303 505	611 303 505
Basic and diluted earnings per share	**10**	**30,51**	**81,36**

CONSOLIDATED BALANCE SHEET – ASSETS

	Note	30.09.2021
Non-current assets		
Investment properties	1, 12	5 207 400 000
Investment in joint ventures and associated companies	2, 13	55 497 020
Receivables		755 896
Total non-current assets		**5 263 652 916**

	Note	30.09.2021
Current assets		
Trade receivables	15, 17	257 609
Other current asset	18	10 581 495
Cash and cash equivalents	15, 19	291 831 582
Total current assets		**302 670 686**
TOTAL ASSETS		**5 566 323 602**

CONSOLIDATED BALANCE SHEET – LIABILITIES

	Note	30.09.2021
Equity		
Share capital	20	1 541 280 000
Share premium	20	486 744 430
Retained earning		611 303 505
Total equity		**2 639 327 935**
Long-term liabilities		
Loans	14, 15, 21	2 539 581 921
Lease liabilities	11	12 225 822
Deferred tax liabilities	9	165 126 762
Total long-term liabilities		**2 716 934 505**

	Note	30.09.2021
Short-term liabilities		
Loans	14, 15, 12	112 021 015
Income tax payable	9	17 149 157
Trade payables	15, 22	13 299 357
Current lease liabilities	11	1 483 408
Other current liabilities	22	66 108 225
Total short-term liabilities		**210 061 162**
Total liabilities		**2 926 995 667**
Total liabilities and shareholders' equity		**5 566 323 602**

PETTER A. STORDALEN
Chairman of the Board

LARS LØSETH
Board member

JOHAN JOHANNSON
Board member

MARIUS VARNER
Board member

LARS OVE LØSETH
CEO

SURNADAL, 15.11.2021

STATEMENT OF CASH FLOWS

	Note	Q3-21	YTD-21
Profit before tax		782 436 748	782 436 748
Net expensed interest and fees on loans and leases	8	17 344 019	17 344 019
Net interest and fees paid on loans and leases	8	-15 645 854	-15 645 854
Share of profit from associates and jointly controlled entities	13	-381 707	-381 707
Changes in value of investment properties	12	-739 114 898	-739 114 898
Change in working capital	16, 17, 22	23 533 363	23 659 117
Net cash flow from operating activities		**68 171 671**	**68 297 425**
Acquisitions of investment properties companies net of cash recieved	2	-4 414 995 196	-4 414 995 196
Investments in associates and JVs	13	-55 115 313	-55 115 313
Net cash flow from investment acitivities		**-4 470 110 509**	**-4 470 110 509**
Proceeds interest bearing debt	21	2 665 986 630	2 665 986 630
Repayment of lease liabilities	11	-366 394	-366 394
Proceeds from issue of shares/repurchase of shares	20	650 994 433	2 028 024 430
Net cash flow from financing activities		**3 316 614 669**	**4 693 644 666**
Change in cash and cash equivalents	19	-1 085 324 169	291 831 592
Cash and cash equivalents at beginning of period		1 377 155 751	
Cash and cash equivalents at end of period		**291 831 582**	**291 831 582**

CHANGES IN EQUITY

	Note	Share capital	Share premium	Retained earnings	Total equity
Equity at 31.12.2020		-	-	-	-
Share issue*	20	1 541 280 000	486 744 430		
Profit for period		-	-	611 303 505	611 303 505
Other comprehensive income		-	-		
Dividend		-	-		
Total equity 30.09.2021		**1 541 280 000**	**486 744 430**	**611 303 505**	**2 639 327 935**

* For further details, see note 20.

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 the Norwegian OTC-list, Address headquarter: Øravegen 2, 6650 Surnadal. The consolidated financial statements of Aurora Eiendom AS for the third quarter 2021 were approved in the board meeting at November 15th, 2021.

Aurora Eiendom AS was incorporated on January 1st 2021. These financial statements are the first financial statements prepared by the Group. These financial statements are prepared for the purpose of complying with the requirement to present audited financial information as part of planned listing on Euronext Growth on Oslo Børs.

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 was limited. To illustrate this both YTD and Q3 figures have been included in notes regarding items in the profit or loss statement.

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 Q3 2021 accounts

The Aurora Eiendom AS's 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 1 January 2021.

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

- Investment properties which 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.

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 is 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 September 30, 2021. 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 one associate – Alti Forvaltning 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 provided to the tenants by external parties do not affect the result. Shared costs are charged to tenants and recognised in the balance sheet together with payments on account of tenants. Shared 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.

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.

Changes in accounting policies

a) New standards, interpretations and amendments adopted from 1 January 2021

As these are the first financial statements prepared by the Group there are new changes in accounting policies due to new standards, interpretations or amendments effective from 1 January 2021.

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

- 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 1 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).

The Group does not expect these changes or any other standards issued by the IASB, but not yet effective, to have a material impact on the Group.

Notes

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 the 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 assumtions 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)		-0,5 %	-0,25 %	0	0,25 %	0,5 %
	-10 %	(94 722 684)	(334 446 400)	(552 250 700)	(751 017 939)	(933 145 008)
	-5 %	209 044 736	(45 162 011)	(276 125 350)	(486 901 758)	(680 032 918)
% diff market rent	0	512 812 156	244 122 378	-	(222 785 577)	(426 920 827)
	5 %	816 579 576	533 406 766	276 125 350	41 330 603	(173 808 737)
	10 %	1 120 346 996	822 691 155	552 250 700	305 446 784	79 303 354

Subsidiaries

The following subsidiaries are included in the consolidated financial statements:

Company	Country of incor-poration	Main operations	Ownership held by	Ownership interest 01.01.2021	Voting power 01.01.2021	Ownership interest Q3-2021	Voting power Q3-2021
Aurora Kjøpesenter AS	Norway	Holding Company	Aurora Eiendom AS	0 %	0 %	100 %	100 %
Aurora Andelseier AS	Norway	Holding Company	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Amanda Storsenter AS	Norway	Amanda, property owning	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Hovlandparken DA	Norway	Nordbyen, holding company	Aurora Andelseier AS and Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Hovlandparken AS	Norway	Nordbyen, property owning	Hovland-parken DA	0 %	0 %	100 %	100 %
Nerstranda Holding AS	Norway	Holding Company	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Nerstranda AS	Norway	Nerstranda, property owning	Nerstranda Holding AS	0 %	0 %	100 %	100 %
Vinterbro Senter DA	Norway	Vinterbo, property owning	Aurora Andelseier AS and Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Slagenveien 2 AS	Norway	Farmandstredet, property owning and leasehold	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %
Farmandstredet Eiendom AS	Norway	Farmandstredet, property owning	Aurora Kjøpesenter AS	0 %	0 %	100 %	100 %

All subsidiaries were acquired 1 July 2021 and are consolidated as of this date.

Associate

Aurora Eiendom AS has the following investments in associates:

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Entity	Country	Industry	Ownership interest 1.1.2021	Voting power 1.1.2021	Ownership interest 2021-3Q	Voting power 2021-Q3
Alti Forvaltning AS	Norway	Property management	0 %	0 %	50 %	50 %

The investment in associate was made on 1 July 2021.

Changes in group structure

Aurora Eiendom AS was registered in January 2021 as a private limited company. In June 2021 the company raised NOK 2 billion in new share capital from a total of 87 investors and entered into an agreement to purchase four shopping centers from Steen & Strøm. These were Vinterbro Senter in Ås, Amanda Storsenter in Haugesund, Nerstranda in Tromsø and Nordbyen in Larvik. The acquisitions were completed on 1 July 2021. In July, an agreement was made to purchase a fifth shopping center - Farmandstredet in Tønsberg, and this transaction was closed with effect from 1 July. Simultaneously, Aurora Eiendom acquired 50% of the shares in Alti Forvaltning AS.

Aurora Eiendom took over the daily operation of the shopping centers via Alti Forvaltning from the date of the aquisitions.

	2021
Cash consideration	4 468 410 853
Total consideration for shares	**4 468 410 853**

Net cash payment

Cash consideration including transaction costs	4 468 410 853
Cash received	53 415 657
Net cash payment	**4 414 995 196**

Allocation of purchase price

Investment property	4 468 285 102
Working capital items	-53 289 906
Cash	53 415 657
Total allocated	**4 468 410 853**

The acquired companies have contributed with the total of the Group's revenues per 3Q 2021 as stated in the profit & loss statement.

NOTE 3 – TRANSACTIONS WITH RELATED PARTIES

Name of company	Country	Ownership interest 01.01.2021	Ownership interest Q3-2021
Alti Forvaltning AS	Norway	0 %	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	**YTD**	**0**	**3 931 246**	**0**
	Q3-2021	0	3 931 246	0

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

	30.09.2021
Account receivables	0
Account payables	0
Total	**0**

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

NOTE 4 – REVENUE FROM CONTRACTS WITH CUSTOMERS

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	Q3-2021	YTD
Minimum lease payments	71 566 352	71 566 352
Variable lease revenue	7 058 575	7 058 575
Total income from operating leases	**78 624 927**	**78 624 927**

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 millions	30.09.2021
Less than 1 year	284 345 361
1-2 years	235 773 761
2-3 years	163 367 739
3-4 years	106 123 520
4-5 years	67 929 423
More than 5 years	106 867 025
Total undiscounted operating lease payments to be received at 30 September 2021	**964 406 828**

	Q3-2021
WAULT of total portfolio (in years)	3,0

Due to the Covid-19 pandemic some tenants have been given discounts. The reduction on rental income in Q3 2021 due to these discounts amount to 148 000 NOK

*WAULT is weighted average unexpired lease term.

NOTE 5 – REAL ESTATE RELATED COSTS

Operating costs	Q3-2021	YTD
Maintenance	3 821 790	3 821 790
Leasehold and property insurance	1 059 153	1 059 153
Other expenses / direct property costs	7 710 083	7 710 083
SUM	**12 591 026**	**12 591 026**

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 Groups Management Team.

These are: Lars Ove Løseth (CEO), Kathrine Mauset (CFO), Aage Lilleberg (COO), Olav Smevoll (CFO Alti Forvaltning AS), Bjørnar Skralthaug (Chief Accounting Manager).

Management remuneration

Members of the Board	Board remuneration
	0
Petter A Stordalen (Chairman)	0
Lars Løseth (Member)	0
Marius Varner (Member)	0
Johan Johansson (Member)	0
Total remuneration	**0**

Group Management is remunerated through their employment contracts in Alti Forvaltning AS.
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)	1 500 000	*Shares owned by Strawberry Shopping AS, directly and/or indirectly controlled by Petter A. Stordalen.*
Lars Løseth (Member)	N/A	
Marius Varner (Member)	1 000 000	*Shares owned by Varner Invest AS, directly and/or indirectly controlled by Marius Varner with family.*
Johan Johansson (Member)	3 000 000	*Shares owned by Joh Johannson Eiendom AS, directly and/or indirectly controlled by Johan Johannson.*
Lars Ove Løseth (CEO)	2 170 096	*Shares owned by Alti Invest AS and LL Medinvest AS, directly and/or indirectly controlled by Lars Ove Løseth.*
Kathrine Mauset (CFO)	4 000	*Shares owned by KWM Rådgivning AS, directly and/or indirectly controlled by Kathrine Mauset*
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 (Chief Accounting Manager)	1 000	
Total	**7 678 196**	

NOTE 7 – ADMINISTRATIVE AND OTHER COSTS

Other operating expenses	Q3-2021	YTD
Advertising	471 875	471 875
Consultancy fees and external personnel	194 042	194 042
Other operating costs	641 164	641 164
Total operating expenses	**1 307 081**	**1 307 081**

Specification auditor's fee	Q3-2021	YTD
Statutory audit	0	0
Other assurance services	546 672	546 672
Other non-assurance services	0	0
Tax consultant services	0	0
Total	**546 672**	**546 672**

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	Q3-2021	YTD
Administrative expenses	3 931 246	3 931 246

Admininistrative 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 8 – FINANCIAL INCOME AND EXPENSES

Finance income	Q3-2021	YTD
Gain on loans and receivable	0	0
Interest income	0	0
Foreign exchange gains	6 761	6 761
Total financial income	**6 761**	**6 761**

Finance expenses	Q3-2021	YTD
Interest on debts and borrowings	17 344 019	17 344 019
Interest arising from revenue contracts	0	0
Foreign exchange losses	9 576	9 576
Other financial expenses	718 051	718 051
Total financial expenses	**18 071 646**	**18 071 646**

Income tax

	30.09.2021
Tax payable	6 006 482
Change in deferred tax	165 126 762
Income tax expense	**171 133 244**
Profit/loss before income tax	781 791 846
Income tax expense calculated at 22%	171 994 206
Changes in deferred tax not recognized at intital recognition	0
Expenses not deductible for tax purposes	-381 707
Other	-479 255
Income tax expense	**171 133 244**

Deferred tax liabilities

	Loss carried forward	Financial derivative instruments	Investment property	Other items	Total
01.01.2021	0	0	0	0	0
Change related to new acquisitions	0	0	558 370 866	0	558 370 866
Changes in deferred tax recognized in income statement			165 126 762		165 126 762
Effect of changes in tax rate					0
Deferred tax as of 30.09.2021	**0**	**0**	**723 497 628**	**0**	**723 497 628**

Temporary differences not included in the calculation of deferred tax

	30.09.2021
01.01.	0
Change related to new acquisitions	558 370 866
Reverseals	
Effect of changed tax rate	
31.12.	**558 370 866**

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Recognized deferred tax assets	**0**
Recognized deferred tax liability	**165 126 762**

Movement in deferred tax liabilities

	30.09.2021
01.01.	0
Changes not recognized in income statement (mainly acquired tax losses)	0
Changes in deferred tax recognized in income statement	165 126 762
30.09.2021	**165 126 762**

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

	30.09.2021
Current income tax charge thru profit or loss	6 006 482
Current income tax from acquisitions	11 142 675
Total current income tax liabilities	**17 149 157**

Loss carried forward

Loss carried forward as of 30. September:

	30.09.2021
Indefinite	0
Total loss carried forward	**0**

NOTE 10 – EARNINGS PER SHARE

The basic earnings per share are calculated as the ratio of the profit for the year that is due to the shareholders of the parent of NOK 611 303 505 divided by the weighted average number of ordinary shares outstanding, 7 513 717.

	Q3-2021	YTD
Profit for the year/period	611 303 505	611 303 505
Average number of shares	20 034 530	7 513 717
Earnings per share for the period	**30,51**	**81,36**

	Q3-21	YTD
Profit for the year due to holders of ordinary shares	0	0
Profit for the year from continuing operations	611 303 505	611 303 505
Loss from discontinued operations	0	0
Profit for the year due to the holders of ordinary shares	**611 303 505**	**611 303 505**

NOTE 11 – LEASES

Lease liabilities

Undiscounted lease liabilities and maturity of cash outflows	Total
Less than 1 year	1 736 144
1-2 years	1 256 560
2-3 years	1 016 768
3-4 years	914 000
4-5 years	914 000
More than 5 years	10 342 500
Total undiscounted lease liabilities at 30.09.2021	**16 179 972**

Summary of the lease liabilities	Total
At initial application 01.01.2021	0
New lease liabilities recognised in the year (from acquierred companies)	14 075 625
Cash payments for the principal portion of the lease liability	-366 394
Cash payments for the interest portion of the lease liability	-67 642
Interest expense on lease liabilities	67 642
Currency exchange differences	
Total lease liabilities at 30 September 2021	**13 709 230**
Current lease liabilities	**1 483 408**
Non-current lease liabilities	**12 225 822**
Total cash outflows for leases	**-434 036**

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 PROPERTY

NOK million	**2021**
Opening balance as at 01 January 2021	0
Additions from acquisitions	4 468 285 102
Net gain/loss on changes in fair value	739 114 898
As at 30 September	**5 207 400 000**

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

Investment property is valued at its fair value based on a valuation carried out by the independent appraisers Cushman & Wakefield 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:

Valuation inputs	**30.09.2021**
Valutation method	DCF
Valutation level	3
Fair Value NOK	5 207 400 000
Weighted average yield (%)	5,66 %
Yield range	5,25 % - 6,29 %
Long term operating expense growth (%)	2,0 %
Long term growth in rental income	2,0 %
Number of properties	5
GLA sqm	113 113
Market rent NOK	324 000 000
Owners costs %	11,9 %
Fair Value NOK / sqm	46 037

Changes in fair value is recognised in the period to which the profit/loss relates. The latest independent valuation was carried out on 30 September 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 pay back mortgage.

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NOTE 12 – INVESTMENT PROPERTY

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 21 Long-term debt.

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 13 – INVESTMENTS IN ASSOCIATED COMPANIES

The associate, Alti Forvaltning AS, is recognized using the equity method.
Further information about Alti Forvaltning is disclosed below:

	Alti Forvaltning AS
Book value 31.12.2020	-
Investments/disposals	55 115 313
Share of profit post-tax Q3-21	1 933 181
Depreciation excess value Q3-21	(1 551 473)
Exhange rate differences	-
Capital contribution	-
Dividend	-
Book value 30.09.2021	**55 497 020**

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 significant influence over Alti Forvaltning AS since all decisions required consensus from the other shareholder.

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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 30+ 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:

	Q3-21	YTD
Total revenue	21 673 087	52 425 515
Profit from continued operations	-	-
Post-tax profit for discontinued operations	-	-
Other income and expenses	-17 806 726	-47 346 437
Comprehensive income post tax	3 866 361	5 079 078
The Groups share of comprehensive income	1 933 181	1 933 181
Current assets	43 006 963	43 006 963
Non-current assets	4 182 939	4 182 939
Current liabilities	39 388 967	39 388 967
Non-current liabilities	-	-
Equity	7 800 935	7 800 935
The Groups share of equity	3 900 467	3 900 467
+ goodwill		
+ excess value trademark	51 596 552	51 596 552
- amortisation trademark		-
+ translation differences		-
- eliminations		-
= Book value 30.09.2021	**55 497 020**	**55 497 020**

Alti Forvaltning has no contingent liabilities or capital commitments as of 30.09.2021.

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 iquidity 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 21 "Long-term debt" for information about debt structure. Per 30.09.21 all interest-bearing debt had floating rates. To adjust the exposure to the change in interest rates for the interest-bearing debt, the Group entered into interest rate swap agreements during Q4 with a notional amount of NOK 887 millions, 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.

Below is a specification of these interest rate swap agreements.

Financial instrument	Principal amount	Remaining term in years	Swap rate	Start date	Maturity date
Interest rate swap 1	400 000 000	10,0	1,883 %	01.10.2021	01.10.2031
Interest rate swap 2	141 418 200	9,7	1,990 %	03.01.2022	01.10.2031
Interest rate swap 3	142 846 667	10,0	2,050 %	13.10.2021	01.10.2031
Interest rate swap 4	114 306 667	10,0	2,050 %	13.10.2021	01.10.2031
Interest rate swap 5	88 662 210	10,0	1,884 %	01.10.2021	01.10.2031
Total	**887 233 743**		**1,949 %**		

The floating interest rate is three-month NIBOR for all contracts. An increase in interest rates by 1% will increase financial expenses with NOK 26,6 million per year.

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 862 428,- per Q3, and expected losses NOK 606.713,-.

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.

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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 at 30 September 2021 amounted to 292 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 generete a healthy cash flow in order to be an attractive borrower.

For maturity structure of long-term debt, see note 21.

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

30.09.2021

		Expected cash flows				
Financial liability	**Booked amount**	**Year 1**	**Year 2**	**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	511 82 094	51 182 094	-	-	-	51 182 094

* Assumed semi-annual instalments equal to 1% of outstanding loan for Bank loan 1
** Assumed average NIBOR of 2%

Financial covenants

There are covenants the Group´s bank loan agreements relating to the following parameters: loan to value (LTV), interest cover ratio and minimum liquidity.
The Group was not in breach of any covenants per Q3 2021, they are met with good margin, and mangement asseses that the risk of breaching these requirements is considered low the next 12 months.

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Covenants that apply to Bank Loan 1 (see note 21) are

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

Covenants that apply to Bank Loan 2

- Minimum total equity of 30 %

Loan to Value (LTV)

	NOK million
Fair value of investment properties (*)	5 207 400 000
Loan to value (**)	45,6 %

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

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.

NOK million	01.01.2021	Q3-2021
Interest-bearing loans and borrowings	0	2 665 986 630
Less: cash and cash equivalents	0	291 831 582
Net debt	**0**	**2 374 155 048**
Equity	0	2 639 327 935
Total assets	**0**	**5 566 323 602**
Equity ratio (equity / total assets)		**47,4 %**

NOTE 15 – CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

30.09.2021	Financial instruments at amortised cost
Assets	
Debt instruments	
Accounts receivable	257 609
Cash and cash equivalents	291 831 582
Total Financial assets	**292 089 191**
Liabilities	
Interest bearing loans and borrowings	
Bank Loan 1	2 386 050 711
Bank Loan 2	265 453 771
Other financial liabilities	
Trade and other payables	13 299 357
Total financial liabilities	**2 664 803 839**

NOTE 16 – FAIR VALUE

Determination of fair value

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

Bank loans have been recognised at amortised cost, see note 21 "Long-term debt". Per 30.09.2021 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 12 "Investment property"

NOTE 17 – TRADE RECEIVABLES

NOK	30.09.2021
Trade receivables	864 322
Provision for bad debt	606 713
Net trade receivables	**257 609**

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.

	Trade receivables						
	Days past due						
September 2021	Current	Prepayments	< 30 days	30-60 days	61-90 days	> 91 days	Total
Trade receivables	-1 259 269	-4 038 910	1 489 106	1 225 232	71 639	3 376 524	864 322

Compensation of NOK 1 287 726,- has been received in October covering a portion of the trade receivables >91 days.

NOTE 18 – OTHER CURRENT ASSETS

NOK million	30.09.2021
Accrued income, not invoiced	6 616 107
Pre-paid costs, advance payments and accruals	3 965 388
Receivables from associated companies	-
Total other current assets	**10 581 495**

NOTE 19 – CASH AND CASH EQUIVALENTS

	30.09.2021
Short-term bank deposits	291 831 582
Cash and cash equivalents in the balance sheet	**291 831 582**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 30.09.21

	30.09.2021
Cash at banks	291 831 582
Overdraft facility	30 000 000
Available liquidity 30.09.2021	**321 831 582**

The Group had no unused credit facilities of 30 september 2021.

NOTE 20 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

Aurora Eiendom´s share capital per 30.09.2021	
Number of shares	20 550 400
Par value	75
Share capital	1 541 280 000

Aurora Eiendom has one class of shares. All issued shares have equal voting rights and the rigth to receive dividend. There are no share options ore other rights to subscribe for or acquire shares issued by Aurora Eiendom per 30.09.21.

Changes to share capital and premium:

	No. of shares	Share capital	Par value	Subscription price	Premium
Ordinary shares					
Issued and fully paid 25.01.21 (incorporation)	3 000	30 000	10	10	0
Reverse share split 09.06.2021	400	30 000	75		
Equity issue 09.06.2021	13 770 000	1 032 750 000	75	100	344 250 000
Equity issue 07.07.2021	6 230 000	467 250 000	75	100	155 750 000
Equity issue 07.07.2021	550 000	41 250 000	75	100	13 750 000
Transaction costs					-27 005 570
Share capital at 30 September 2021	**20 550 400**	**1 541 280 000**			**486 744 430**

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

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NOTE 20 – SHARE CAPITAL AND SHAREHOLDER INFORMATION

At September 30th, Aurora Eiendom had 140 shareholders. The 20 main shareholders were:

	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 %
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	500 000	2,43 %
CARUCEL INVEST AS	500 000	2,43 %
UTHALDEN EIENDOM AS	400 000	1,95 %
BRØDRENE JOHANSSEN EIENDOM AS	300 000	1,46 %
BYGGTEKNIKK INVEST AS	300 000	1,46 %
PEAK INVEST AS	300 000	1,46 %
KVERVA EIENDOM AS	250 000	1,22 %
NÆRINGSLIVETS HOVEDORGANISASJON	168 000	0,82 %
VIVO INVEST AS	167 000	0,81 %
OALD INVEST AS	165 000	0,80 %
SKANDINAVISKA ENSKILDA BANKEN AB	160 000	0,78 %
FINE LINE HOLDING AS	155 000	0,75 %
Total 20 largest shareholders	**18 525 000**	**90,14 %**
Total	**20 550 400**	**100,00 %**

NOTE 21 – LONG-TERM DEBT

			Carrying amount
Secured	Nominal interest rate	Maturity date	30.09.2021
Bank loan 1	2,45 %	01.07.2024	2 400 000 000
Bank loan 2	2,15 %	01.07.2024	265 986 630
Total secured long-term debt			**2 665 986 630**
Total long-term debt			2 665 986 630
1st year's principal repayments on long-term debt			112 021 015
Unamortised fees			14 383 694
Total long-term debt excluding the 1st year's principal repayments			**2 539 581 921**

Transaction costs in Q3 2021 to be amortised: 15 788 423

See Note 14 for description of interest rate risk.

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 per cent of the outstanding loan if LTV is equal to or below 50 per cent
- 1 per cent of the outstanding loan if LTV is higher than 50 per cent but equal to or below 65 per cent
- 1.5 per cent of the outstanding loan if LTV is above 65 per cent.

Bank loan 2

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

NOTE 21 – LONG-TERM DEBT

Pledged as security

Investment property is pledged as security for the Group's bank loan.
Carrying value of the investment property pledged as security is MNOK 5 207.

Additional information to the statement of cash flows

	None current loans	Non current lease liabilities	Current portion of loans	Non current lease liabilities
At January 2021	**0**	**0**	**0**	**0**
Cash flows				
New loans	2 665 986 630			
Payment of lease liabilities				-366 394
Transaction cost on loans	-15 788 423			
Non cash flows				
Additions thru acquisitions		-12 592 217		1 483 408
Reclassification to current	112 021 015	-366 394	-112 021 015	366 394
At 30 September 2021	**2 539 581 921**	**12 225 822**	**112 021 015**	**1 483 408**

NOTE 22 – TRADE AND OTHER PAYABLES

	30.09.2021
Trade accounts payables	13 299 357
Debt to associates and joint ventures	0
Liabilities to associated companies	0
Government taxes, tax deductions etc.	21 836 981
Other current liabilities	28 225 488
Accrued interest expenses	16 045 756
Other payables	**66 108 225**

Trade payables are non-interest bearing.

NOTE 23 – EVENTS AFTER THE BALANCE SHEET DATE

After the balance sheet date the Group has entered into interest rate swaps.
See note 14 Financial Risk Management for details.

Responsibility Statement

To the best of our knowledge, we declare that:

- The consolidated financial statements for the third quarter 2021 have been prepared in accordance with IFRS
- The information in the consolidated financial statements pr 30.09.2021 provides a true and fair picture of the overall assets, liabilities, financial position and financial result for Aurora Eiendom AS

SURNADAL, 15.11.2021

PETTER A. STORDALEN
Chairman of the Board

LARS LØSETH
Board member

JOHAN JOHANNSON
Board member

MARIUS VARNER
Board member

LARS OVE LØSETH
CEO

BDO AS
Svartvassvegen 2
6650 Surnadal

Independent Auditor's Report

To Aurora Eiendom AS

Opinion

We have audited the consolidated financial statements of Aurora Eiendom AS for the third quarter of 2021.

The consolidated financial statements comprise: • Balance sheet as of September 30, 2021 • Income statement and extended income statement for the quarter then ended • Statement of changes in equity for the quarter then ended • Cash flow statement for the quarter then ended • Notes to the consolidated financial statements, including a summary of significant accounting policies.	In our opinion: • The consolidated financial statements are prepared in accordance with the law and regulations. • The accompanying consolidated financial statements give a true and fair view of the financial position of the group Aurora Eiendom AS as at 30 September 2021, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 laws regulations and the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA rules), 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

Management is responsible for the other information. The other information comprises the Letter from the CEO and other information in the Q3 Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the financial statements of the group does not cover the other information and we do not express any form of assurance conclusion thereon.

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 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.

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

The Board of Directors and the Managing Director (management) are responsible for the preparation and fair presentation of the financial statements of the group 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 of the group, management is responsible for assessing 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 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 consolidated 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

Surnadal, 15. november 2021
BDO AS

Thomas Bjørseth
State Authorised Public Accountant

Contact information

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Financial calendar

DATE	REPORT
Wednesday 16.02.2022	Quarterly Report – Q4 2021
Friday 25.03.2022	Annual Report 2021
Wednesday 11.05.2022	Quarterly Report – Q1 2022