NB | AURORA

NB Aurora S.A. SICAF-RAIF

Condensed Interim Report as of 30 June 2018

For the period from 1 January 2018 to 30 June 2018

Registered office
28-32, Place de la Gare
L-1616 Luxembourg
Grand Duchy of Luxembourg
R.C.S Luxembourg
B 218101

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GENERAL INFORMATION

Directors (*)	Francesco Moglia Maria Pierdicchi (Independent) Patrizia Polliotto (Independent) Alessandro Spada (Independent) Karl Pardaens
Alternative Investment Fund Manager	Neuberger Berman AIFM Limited Lansdowne House 57 Berkeley Square 4th Floor London, W1J 6ER United Kingdom
Portfolio Manager	Neuberger Berman Europe Limited Lansdowne House 57 Berkeley Square 4th Floor London, W1J 6ER United Kingdom
Auditor	KPMG Luxembourg, S.C. 39, avenue John-F. Kennedy L-1855 Luxembourg
Administrator, Registrar, and Transfer Agent	Société Générale Bank & Trust S.A. 11, avenue Emile Reuter L-2420 Luxembourg
Depositary and Paying Agent	Société Générale Bank & Trust S.A. 11, avenue Emile Reuter L-2420 Luxembourg

(*) Patrizia Micucci (resigned as of 4 April 2018) and Roberto Timo (resigned as of 23 July 2018).

The General Meeting of Shareholders as of 23 July 2018 has acknowledged the resignation of Mr. Roberto Timo from the Board of Directors and has appointed Mrs. Patrizia Polliotto, Mr. Alessandro Spada and Mr. Karl Pardaens as additional members of the Board of Directors pursuant to Articles 23.1 and 26.1 of NB Aurora S.A. SICAF-RAIF's Articles of Association. The composition of NB Aurora S.A. SICAF-RAIF's Board of Directors is therefore the following: (i) Francesco Moglia; (ii) Maria Pierdicchi (Independent); (iii) Patrizia Polliotto (Independent); (iv) Alessandro Spada (Independent); (v) Karl Pardaens.

NB AURORA S.A. SICAF-RAIF
CONDENSED INTERIM REPORT
For the period from 1 January 2018 to 30 June 2018

DIRECTORS' REPORT

The Board of Directors presents the condensed interim report as of 30 June 2018 (the "financial statements") for NB Aurora S.A. SICAF-RAIF (the "Company" or "Aurora").

Principal activities

Aurora investment objective is to achieve long-term capital appreciation through equity and equity-related investments primarily in a portfolio of small and medium sized and unlisted Italian companies. The Company does not have any branches nor does it conduct any research and development activities. Aurora has not repurchased any of its shares.

The Company's investment strategy is to acquire further stakes, predominantly minority stakes, in unlisted small and mid-cap companies, providing companies with capital to finance their business growth and international expansion plans alongside the entrepreneurs.

The Company has a corporate form of a "société anonyme" qualifying as a "fonds d'investissement alternatif réservé" or "RAIF" in the form of an "société d'investissement á capital fixe" incorporated under the laws of the Grand Duchy of Luxembourg on 14 September 2017.

Aurora's Class Ordinary shares (ISIN LU1738384764) are listed since 4 May 2018 on the Investment Vehicles Market - Professional Segment, a regulated market operated by Borsa Italiana S.p.A. (the "MIV"). The Company is the first permanent capital vehicle listed on the MIV.

On 25 May 2018, Aurora completed the acquisition of 44.55% of the units of Fondo Italiano for a consideration of Euro 75.4 million (excluding transaction costs).

Review of development of the business

The Company was incorporated on 14 September 2017. On 4 May 2018 (the "Listing Date"), the Company commenced investing in accordance with the investment objective (the "Listing").

The Board of Directors' determination of key performance indicators for the reporting period is represented by the financial results as disclosed in the interim financial report.

Results, activities and future developments

The financial position and results for the period are presented in the following pages of this report.

As of 30 June 2018, Aurora incurred costs for the Listing on the MIV and for the acquisition of Fondo Italiano Units. Before the Listing Date, the Company share capital was Euro 50,000, represented by 50,000 fully paid Special Shares. As of the Listing Date, the Company issued and listed 15,000,000 Class A Ordinary Shares corresponding to Euro 150 million and issued 150,000 Class B Ordinary Shares corresponding to Euro 1.5 million. The Company is authorised to issue new shares within the limits of the authorised capital of the Company, being Euro 600 million. As of 30 June 2018, the subscribed capital of the Company is equal to Euro 151,550,000 consisting of 15,200,000 shares without indication of a par value, all of which will are fully paid up and represented by 15,000,000 Class A Ordinary Shares, 150,000 Class B Ordinary Shares and 50,000 Special Shares, representing Euro 150,000,000 of share capital of the Company for the Class A Ordinary Shares, Euro 1,500,000 of share capital of the Company for the Class B Ordinary Shares and Euro 50,000 of share capital of the Company for the Special Shares.

DIRECTORS' REPORT (CONTINUED)

Results, activities and future developments (continued)

As described in detail in the following pages of this report, on 25 May 2018 Aurora has completed the acquisition of 44.55% of the units of Fondo Italiano for a total consideration of Euro 75.4 million (excluding transaction costs).

Aurora expects to create value through the existing investment in Fondo Italiano Units and other future equity investments primarily in portfolio of small and medium sized and unlisted Italian companies.

Directors

The names of Directors at any time during the period are set out on page 1. Patrizia Micucci who resigned from the Board of Directors on 4 April 2018 purchased 30,000 of Aurora's Class A Ordinary Shares on 4 May 2018 for a total consideration of Euro 300,000. Sunrise S.S., an entity closely associated with Patrizia Micucci, purchased 75,000 of Aurora's Class B Ordinary Shares on 12 July 2018 for a total consideration of Euro 750,000.

No other Directors who held office during the period ended 30 June 2018 and as at the date of this report hold interests in the issued share capital of the Company at any time during the period and as at the date of this report.

Related parties transactions

Related parties transactions are described on page 24 of this condensed interim report as of 30 June 2018.

Subsequent events

The General Meeting of Shareholders on 23 July 2018 has acknowledged the resignation of Mr. Roberto Timo from the Board of Directors and has appointed Mrs. Patrizia Polliotto, Mr. Alessandro Spada and Mr. Karl Pardaens as additional members of the Board of Directors pursuant to Articles 23.1 and 26.1 of NB Aurora S.A. SICAF-RAIF's Articles of Association. Mrs. Polliotto and Mr. Spada qualify as Independent Directors in accordance with the Corporate Governance Code adopted by Borsa Italiana S.p.A.. It is noted that, due to the fact that no list of candidates had been received from the Class A shareholders, as provided by Article 26.1 of the Articles of Association, such Directors have been proposed by the holders of Special Shares. The composition of NB Aurora S.A. SICAF-RAIF's Board of Directors at the date hereof is therefore the following: (i) Francesco Moglia; (ii) Maria Pierdicchi (Independent); (iii) Patrizia Polliotto (Independent); (iv) Alessandro Spada (Independent); (v) Karl Pardaens.

After 30 June 2018, NB Aurora realized additional capital gains on investments for a total consideration of Euro 9.2 million. In particular:

On 19 July 2018, Fondo Italiano sold interest in Rigoni di Asiago for a total consideration of Euro 39 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 17.4 million with a realized capital gain for NB Aurora of Euro 7.9 million.

On 19 July 2018, Fondo Italiano sold his interest in San Lorenzo for a total consideration of Euro 21.8 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 9.7 million with a realized capital gain for NB Aurora of Euro 3.2 million.

On 24 July 2018, Fondo Italiano received Euro 3.4 million of receivables from IEN; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 1.5 million with a realized capital gain for NB Aurora of Euro 0.2 million.

DIRECTORS' REPORT (CONTINUED)

Subsequent events (continued)

On 6 August 2018, Fondo Italiano sold his interests in Truestar for a total consideration of Euro 3.0 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 1.3 million with a realized capital gain for NB Aurora of Euro 1.3 million.

On 10 August 2018, Aurora received a cash distribution of Euro 28.1 million from Fondo Italiano which was mainly related to the disposals of the Fondo Italiano Investments in Rigoni, San Lorenzo and IEN receivable collection.

In addition, on 4 July 2018, Fondo Italiano signed a binding agreement to sell his interest in Megadyne to Partner's Group for an undisclosed amount. Closing is expected to take place in the third quarter of 2018.

There were no other events occurring after the reporting date which require disclosure in the condensed interim financial statements of the Company.

Accounting records

The Board of Directors have appointed Société Générale Bank & Trust S.A. as administrator of the Company, the accounting records of the Company are maintained at the registered office.

Going concern

The Board of Directors consider it appropriate to prepare the condensed financial statements under the going concern assumption.

Independent auditor

KPMG Luxembourg, *société coopérative* ("KPMG") was appointed as approved audit firm (*cabinet de révision agréé*) of the Company on the date of incorporation of the Company until the general meeting of shareholders convened to approve the Company's annual accounts for the first financial year is held. KPMG is a member of the Luxembourg institute of registered auditors (*Institut des réviseurs d'entreprises*) under audit firm registration number 149.133. The financial statements for the interim period ending 30 June 2018 are subject to limited review by KPMG.

Corporate Governance Code

The Board of Directors have taken a number of steps to ensure, on a voluntary basis, compliance with certain provisions of the Corporate Governance Code of Borsa Italiana S.p.A.. The Corporate Governance Code is available to the public on Borsa Italiana website (www.borsaitaliana.it).

Signed for and on behalf of the Board of Directors on 5 September 2018:

Director

KARL PARDAENS
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors are required to prepare financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, which give a true and fair view of the state of affairs of the Company at the end of each financial period and of the profit or loss of the Company for the period then ended.

In preparing the condensed interim financial statements, the Board of Directors should:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable; and
- prepare the condensed interim financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business as a going concern.

The Board of Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company. This responsibility includes designing, implementing and maintaining such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors are also responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Article 4(2) (c) of the Luxembourg law of 11 January 2008 relative aux obligations de transparence concernant l'information sur les émetteurs dont les valeurs mobilières sont admises à la négociation sur un marché réglementé (as amended) the undersigned confirm that to the best of their knowledge, the condensed set of financial statements covering the six months period ended 30 June 2018, which has been prepared in accordance with IFRS as adopted by the EU, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required under Article 4(3) of the Transparency Law.

Furthermore, the undersigned confirm that to the best of their knowledge, the interim management report covering the six months period ended 30 June 2018 includes a fair review of important events that have occurred during the first six months of the current financial year, and their impact on the condensed set of financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the current financial year.

Approved by the Board of Directors on 5 September 2018 and signed on its behalf by:

	KARL PARDAENS
Director	Director

NB AURORA S.A. SICAF-RAIF
CONDENSED INTERIM REPORT
STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 January 2018 to 30 June 2018

	Note	From 1 January 2018 to 30 June 2018 * €
Income		
Realised and change in unrealised gains on financial assets and liabilities at fair value through profit or loss	5(i)	32,341,438
Interest income		6,430
Total investment income		**32,347,868**
Expenses		
Professional fees	5(ii)	4,174,814
Management fees	5(ii)	1,223,914
Administration, custody and transfer agent fees		62,759
Audit fees		19,305
Director's fees		17,121
Interest on term loan		15,534
Other expenses		6,334
Total expenses		**5,519,781**
Total income for the period		**26,828,087**
Other comprehensive income		
Items that will not be reclassified in P&L		-
Items that are or may be reclassified subsequently to P&L		-
Total comprehensive income for the period		**26,828,087**
Earnings per share		
Class A Shares		
Basic		**5.508**
Diluted		**5.508**
Class B Shares		
Basic		**5.508**
Diluted		**5.508**
Special Shares		
Basic		**1.765**
Diluted		**1.765**

* The Company was incorporated on 14 September 2017. As such, 30 June 2017 comparatives are not available.

The accompanying notes form an integral part of the condensed interim report.

STATEMENT OF FINANCIAL POSITION
As of 30 June 2018

	Note	As of 30 June 2018 €	As of 31 December 2017 €
Non-current assets			
Financial assets at fair value through profit or loss	4(i)	107,756,134	-
Total non-current assets		**107,756,134**	-
Current assets			
Cash at bank	4(ii)	68,074,490	50,000
Pledged deposit	4(iii)	32,501,184	-
Total current assets		**100,575,674**	50,000
Total assets		**208,331,808**	50,000
Net asset value			
Share capital	4(iv)	145,945,878	50,000
Retained earnings/(deficit)		26,743,987	(84,100)
Total net asset value		**172,689,865**	(34,100)
Current liabilities			
Borrowings	4(v)	31,185,000	-
Trade and other payables	4(vi)	4,456,943	84,100
Total current liabilities		**35,641,943**	84,100
Total net asset value and liabilities		**208,331,808**	50,000

The accompanying notes form an integral part of the condensed interim report.

STATEMENT OF CHANGES IN EQUITY
For the period from 1 January 2018 to 30 June 2018

	Share Capital	Accumulated (Losses)/Gains and other movements	Total Net asset value
	€	€	€
As of 14 September 2017	-	-	-
Issuance of shares	50,000	-	50,000
Loss for the period	-	(84,100)	(84,100)
As of 31 December 2017	50,000	(84,100)	(34,100)
Issuance of shares	151,500,000	-	151,500,000
Profit for the period	-	26,828,087	26,828,087
Listing costs	(5,604,122)	-	(5,604,122)
As of 30 June 2018	145,945,878	26,743,987	172,689,865

The accompanying notes form an integral part of the condensed interim report.

STATEMENT OF CASH FLOWS
For the period from 1 January 2018 to 30 June 2018

	From 1 January 2018 to 30 June 2018 €
Cash flows from operating activities	
Profit for the period	26,828,087
Adjustments for:	
-Fair value of the financial asset	(32,341,438)
-Interest income	(6,430)
-Interest charges	17,551
	(32,330,317)
Changes in Trade and other payable:	
Professional fees payable	3,034,935
Management fees payable	1,223,914
Administration, custody and transfer agent fees payable	57,759
Audit fees payable	19,305
Director's fees payable	17,121
Other payable	4,275
	4,357,309
Interest received	5,246
Interest paid	(2,017)
Net cash used in operating activities	**(1,141,692)**
Cash flows from investing activities	
Acquisition of Fondo Italiano Units	(75,414,696)
Deposit pledged	(32,500,000)
Net cash used in investing activities	**(107,914,696)**
Cash flows from financing activities	
Proceeds from borrowings (net of commission fees)	31,185,000
Proceeds from issuance of shares (net of listing costs)	145,895,878
Net cash provided by financing activities	**177,080,878**
Net increase in cash and cash equivalents for the period	**68,024,490**
Cash and cash equivalents at the beginning of the period	50,000
Cash and cash equivalents at the end of the period	**68,074,490**

The accompanying notes form an integral part of the condensed interim report.

1. GENERAL INFORMATION

Overview

NB Aurora S.A. SICAF-RAIF (the "Company" or "Aurora") was incorporated on 14 September 2017 as a "fonds d'investissement altenatif réservé" in the form of a "sociéte d'investissement á capital fixe" incorporated under the laws of the Grand Duchy of Luxembourg.

The Company qualifies as an alternative investment fund ("AIF") within the meaning of the Luxembourg law on alternative investment fund managers.

The Company is registered with the Luxembourg Registre de Commerce et des Sociétés under number B 218101 and has its registered office at 28-32, Place de la Gare, L-1616 Luxembourg, Grand Duchy of Luxembourg.

The Company appointed Neuberger Berman AIFM Limited as Alternative Investment Fund Manager ("AIFM"). The Board of Directors have delegated certain management, administration and marketing duties related to the Company to the AIFM. The AIFM is authorised by the Financial Conduct Authority ("FCA") as an Alternative Investment Fund Manager. The AIFM has delegated certain discretionary portfolio management functions and marketing functions to Neuberger Berman Europe Limited (the "Portfolio Manager").

The Company had no employees during the period ended 30 June 2018.

Listing on Borsa Italiana

On 26 April 2018, Aurora announced that the private placement to professional clients only of its Class A Ordinary Shares was closed collecting orders for an amount equal to Euro 150 million. The private placement was aimed at the listing of the Shares on the Investment Vehicles Market - Professional Segment, organised and managed by Borsa Italiana S.p.A..

On 27 April 2018, Aurora announced that Luxembourg Financial Sector Supervisory Authority (Commission de Surveillance du Secteur Financier - CSSF) approved the prospectus for the admission to listing of its Class A Ordinary Shares on the Investment Vehicles Market - Professional Segment organised and managed by Borsa Italiana S.p.A.. The prospectus is available on the website of the Company (www.nbaurora.com), as well on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Borsa Italiana S.p.A. (www.borsaitaliana.it).

Aurora's Class A Ordinary Shares (ISIN LU1738384764) are listed since 4 May 2018 on the MIV. The Company is the first permanent capital vehicle listed on the MIV.

Fondo Italiano Units Acquisition

A sale and purchase agreement was entered into on 8 August 2017, as amended on 30 November 2017 between the holders of the Fondo Italiano Units, as sellers, and NB Secondary Opportunities Fund IV LP ("NB SOF"), as purchaser, for the acquisition, subject to certain conditions, of 100% of the Fondo Italiano Units. Completion of the transaction occurred on 30 November 2017. The price of the acquisition for 100% of the Fondo Italiano Units was set at Euro 310 million and the final adjusted purchase price has been set at Euro 264.2 million.

1. GENERAL INFORMATION (CONTINUED)

Fondo Italiano Units Acquisition (continued)

On 29 November 2017, NB SOF and Aurora agreed the main terms and conditions, and on 12 February 2018, the Company and NB SOF, also on behalf of its affiliates, entered into a co-investment agreement (the "Co-Investment Agreement"), subsequently amended on 23 March 2018, 4 April 2018 and on 21 May 2018, setting forth the terms and conditions of the envisaged transfer of certain units (up to 44.55%) of Fondo Italiano d'Investimento ("Fondo Italiano") to Aurora.

On 25 May 2018, Aurora completed the acquisition of 44.55% of the units of Fondo Italiano. The price paid by the Company, as determined pursuant to the terms of the Co-Investment Agreement, was Euro 75.4 million (excluding transaction costs).

The table below shows the NB Aurora acquisition cost of Fondo Italiano allocated by the Board of Directors of NB Aurora to the investments held by Fondo Italiano at the acquisition date (net other asset has been split among the investments):

	NB Aurora (44.5%)
Forgital	21,367,085
Rigoni	9,451,774
Ligabue	7,212,600
Mesgo	6,877,514
SanLorenzo	6,455,520
GMM	6,331,141
Megadyne	5,696,560
La Patria	4,869,144
Sira	1,853,560
Amut	1,611,551
DBA Group	1,299,979
IEN	1,252,541
Elco	1,135,727
Zeis	-
Truestar	-
Mape	-
IMT	-
Total investments	75,414,696

2. BASIS OF PREPARATION

(a) Statement of compliance

These first condensed interim financial statements as of 30 June 2018 and for the six months period from 1 January 2018 to 30 June 2018 have been prepared in accordance with the provisions of International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, (hereinafter IAS 34), and should be read in conjunction with the Company's audited interim financial statements for the period from 14 September 2017 (date of incorporation) to 31 December 2017 ("Last Annual Financial Statements"). They did not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events or transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

2. BASIS OF PREPARATION (CONTINUED)

(b) Consolidation Exemption

The accounting policies applied by the Company in these condensed interim financial statements are consistent with those applied by the Company in its last annual financial statements. The same accounting policies are also expected to be reflected in the Company's annual financial statements as at and for the year ending 31 December 2018.

Principles and basic characteristics for preparation and presentation of consolidated financial statements are given in IFRS 10. According to IFRS 10, an investor to have control over an investee must have all three of the followings: (i) power over the investee; (ii) exposure or rights to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the investor's returns. When all of these three elements of control are present then an investor is considered to control an investee and consolidation is required. When one or more of the elements is not present, an investor will not consolidate. From the investor's point of view, control is defined as the right to variable returns from the involvement with the investee together with the ability to affect those returns through the power over the investee. Certain companies invest in other entities with no intention to either exercise control or hold an investment for an unlimited time period. Instead, their aim is to use advantage of the changes of the fair value of the investments or earn an investment income. Private equity funds may be examples of those companies that are denoted as investment entities. IASB issued amendments to IFRS 10 presenting exception from preparation of consolidated financial statements for investment entities. Under IFRS 10, the Company qualifies as an investment entity since it meets the below criteria: (i) obtains funds from one or more investors and provides those investors with investment management service; (ii) business purpose is to invest solely for returns from capital appreciation, investment income or both, and (iii) measures and evaluates the performance of its investments on a fair value basis. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. The Board of Directors concluded that Aurora meets the conditions of investment company and therefore measures its investment in Fondo Italiano at Fair Market Value and will benefit of the exception from preparation of the consolidated financial statements.

(c) Basis of measurement

The condensed interim financial statements are prepared on a historical cost basis except for financial instruments and financial assets and liabilities which are measured at fair value through profit or loss. Other financial assets and liabilities are stated at amortised cost.

(d) Functional and presentation currency

The condensed interim financial statements are presented in Euro ("EUR or €") and rounded to the nearest EUR. EUR is both the functional and presentation currency of the Company.

(e) Significant accounting estimates and judgements

The preparation of the Company's condensed interim financial statements requires the Board of Directors to make judgements, estimates and assumptions that may affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosures of contingent liabilities. The significant accounting estimates and judgements made by management are disclosed in this report. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future. In the process of applying the Company's accounting policies, Board of Directors main estimates and assumptions relate to the fair market valuation of Fondo Italiano Units.

2. BASIS OF PREPARATION (CONTINUED)

(e) Significant accounting estimates and judgements (continued)

Going concern

The condensed interim financial statements have been prepared on a going concern basis as the Board of Directors anticipate that the Company will continue in business for the foreseeable future. Furthermore, the Board of Directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

Segment reporting

As of 30 June 2018, segment reporting is not relevant for these condensed interim financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial instruments

(i) Classification

The Company has adopted since the beginning of the period the IFRS 9, *Financial Instruments* ("IFRS 9").

IFRS 9, Financial Instruments: Classification and Measurement ("IFRS 9")

IFRS 9, issued on 24 July 2014 is the IASB's replacement of IAS 39. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

IFRS 9 uses business models and contractual cash flow characteristics to determine whether a financial asset is measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income, replacing the four-category classification in IAS 39. The approach is also based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk.

IFRS 9 introduces a substantially-reformed model for hedge accounting with enhanced disclosures about risk management activity.

As part of IFRS 9, the IASB has introduced a new expected loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses from when financial instruments are first recognised and it lowers the threshold for recognition of full lifetime expected losses.

The Directors have assessed the impact of the adoption of IFRS 9 on the condensed interim financial statements of the Company and concluded that there is no impact on the Company's financials, since the Company has only cash at the end of the last year, before application of this new standard.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (continued)

(i) Classification (continued)

In accordance with IFRS 9, the Company has classified its financial assets and liabilities into the following categories:

- Financial assets and liabilities measured subsequently at fair value, either through profit or loss or through other comprehensive income; and
- Financial assets and liabilities measured at amortised cost.

The classification is determined by the Company's business model for managing financial assets and the contractual terms of the cash flows.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets including cash and cash equivalents are classified as loans and receivables.

Other financial liabilities

Other financial liabilities include all financial liabilities, and accrued expenses measured at amortised cost. The Company includes in this category amounts relating to market authority fees, custody fees, transfer agent fees and administration fees payable.

(ii) Recognition

The Company recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

A regular way purchase of financial assets is recognised using trade date accounting. From this date any gains or losses arising from changes in fair value of the financial assets or liabilities are recorded in the Unaudited Statement of Comprehensive Income.

(iii) Initial Measurement

Financial investments and financial instruments categorised at fair value through profit or loss are recognised initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

(iv) Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss, at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market for the asset or liability; or in the absence of a principal market, in the most advantageous market for the asset or liability to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

In accordance with IFRS 13, *Fair Value Measurement* ("IFRS 13"), when available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (continued)

(iv) Subsequent measurement (continued)

A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

Regarding the Financial Assets, subsequent to initial recognition at fair value and remeasured at fair value on a recurring basis, they are grouped into Levels I to III, defined as follows:

- Level I: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level II: inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level III: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period. Where discounted cash flow techniques are used, estimated future cash flows are based on best estimates and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data available at the reporting date. Fair values for unquoted equity investments are estimated, if possible, using price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income within net gain/(loss) from financial instruments at fair value through profit or loss in the period in which they arise.

The Company has an established control framework with respect to the measurement of Fair Values. The Valuation Committee is required to be functionally independent from Portfolio Manager, oversee the Fair Value measurement, performed by the Investment Team that is involved on the investment management of the Company through the Portfolio Manager ("Investment Team"). Investment Team report the Fair Value measurement, including level 3 Fair Value, to the Board of Directors and regularly review significant unobservable inputs and valuation adjustments.

(v) Amortised cost measurement

The amortised cost of a financial asset and a financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount used and the maturity amount, minus any reduction for impairment. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument (or, when appropriate, a shorter period) to the carrying amount of the financial instrument on initial recognition.

When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Financial instruments (continued)

(vi) Derecognition

Aurora derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which Aurora neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Aurora enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Aurora derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Aurora also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(vii) Impairment

From 1 January 2018, the Company assesses on a forward looking basis the expected credit losses associated with any debt instruments carried at amortised cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For other financial assets, the Company applies a simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the financial asset.

(viii) Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amounts reported in the Unaudited Statement of Financial Position, when a current legally enforceable right to offset the recognised amounts exists and there is intent to settle on a net basis or to settle the asset and the liability simultaneously.

(b) Foreign currency translation

Transactions in foreign currencies are translated at the foreign currency exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to EUR, the functional currency, at the foreign currency closing exchange rate prevailing at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to EUR at the foreign currency exchange rates prevailing at the dates that the values were determined.

(c) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments, with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accrual basis. According to IAS 32, transaction costs are recognized directly in Equity. As at June 30 2018, listing costs are equal to Euro 5.60 million (the "Listing Costs"). There is no tax effect on these Listing Costs.

(e) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of shares outstanding, adjusted for own shares held, for the effects of all dilutive potential shares.

(f) Standards, interpretations and amendments to published standards that are not yet effective in the EU relevant for the Company

A number of new standards, amendments to standards and interpretations have been issued but are not yet effective for the condensed interim financial statements of the Company for the period ended 30 June 2018 and have neither been applied nor early adopted in preparing these condensed interim financial statements.

(g) Adoption of new and amended accounting standards

The Board of Directors anticipate that the adoption of new standards, interpretations and amendments that were in issue at the date of authorisation of these condensed interim financial statements, but not yet effective, will have no material impact on the unaudited condensed interim financial statements of the Company in the period of initial application.

4. STATEMENT OF FINANCIAL POSITION INFORMATION

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss (Euro 107,756,134 as of 30 June 2018) refers to the fair value of the 44.55% of the Units that Aurora holds in Fondo Italiano performed on May 25, 2018.

The following table shows the carrying amounts of Fair Value of financial assets, including levels in the fair value hierarchy.

	Level I	Level II	Level III	Total
	€	€	€	€
30 June 2018				
Investment in Fondo Italiano Units	-	-	107,756,134	107,756,134

In order to determine the Fair Value of the Investment in Fondo Italiano Unit, Investment Team from one side continues to make reference to the recent acquisition performed by NB Secondary at November 30 2017 and on the other side performs a market-based valuation of each investment held by Fondo Italiano using the comparable company earnings multiple approach, i.e. by reviewing the valuation multiples of comparable companies, both in the public markets and in private transactions.

4. STATEMENT OF FINANCIAL POSITION INFORMATION (CONTINUED)

(i) Financial assets at fair value through profit or loss (continued)

The favourable and unfavourable effects of using reasonable alternative assumptions for the valuation has been calculated by recalibrating the model using a 10% shift in the significant unobservable input of each investment. The most significant unobservable input used in determining fair value is EBITDA multiple. The impact on fair value of the reasonably possible alternative assumptions for the investments would result in the 10% approximate increase of Euro 9 million and 10% approximate decrease of Euro 9 million.

The following table presents the reconciliation of level 3 financial assets for the period from 1 January 2018 to 30 June 2018:

	Fondo Italiano Units
	€
As of 1 January 2018	-
Purchases	75,414,696
Unrealised gain	32,341,438
As of 30 June 2018	**107,756,134**
Unrealised gain relating to financial assets still held as of the reporting date	**32,341,438**

There were no transfers between levels during the period.

(ii) Cash at bank

As of 30 June 2018, cash and cash equivalents comprise balances held with Société Générale Bank & Trust S.A. of Euro 7.2 million and Euro 60.9 million with Banca IMI S.p.A..

(iii) Pledged deposit

To facilitate the acquisition of the units of Fondo Italiano, the Company used a financing for some Euro 31.5 million provided by Intesa Sanpaolo S.p.A.. Aurora is obliged to maintain cash pledged on its bank account until the borrowing is fully repaid (expected by the end of the year). Cash pledged as collateral of Euro 32.5 million is presented in the Statement of Financial Position.

(iv) Share capital

Authorised and issued share capital

The Company is incorporated with an initial share capital of Euro 50,000 represented by 50,000 fully paid-up Special Shares without nominal value.

4. STATEMENT OF FINANCIAL POSITION INFORMATION (CONTINUED)

(iv) Share capital (continued)

Authorised and issued share capital (continued)

As of the Listing Date, 4 May 2018, Aurora listed 15,000,000 Class A Ordinary Shares for a consideration of Euro 150 million and issued 150,000 Class B Ordinary Shares for a consideration of Euro 1.5 million. As of 30 June 2018, the subscribed capital of the Company is equal to Euro 151,550,000 consisting of 15,200,000 shares without indication of a par value, all of which will are fully paid up and represented by 15,000,000 Class A Ordinary Shares, 150,000 Class B Ordinary Shares and 50,000 Special Shares, representing Euro 150,000,000 of share capital of the Company for the Class A Ordinary Shares, Euro 1,500,000 of share capital of the Company for the Class B Ordinary Shares and Euro 50,000 of share capital of the Company for the Special Shares.

Class A Ordinary Shares are held by Professional Investors and listed on the MIV. A "Professional Investor" means an investor who is considered to be a professional client or has requested to be treated as a professional client within the meaning of Annex II to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

Class B Ordinary Shares and Special Shares will be held by the AIFM and/or certain affiliates, employees and related persons.

The authorised capital, including the initial share capital and any share premium, is set at Euro 600 million.

Movement in the Class A Shares, Class B Shares and Special Shares during the period ended 30 June 2018 was as follows:

Share Class	As of 31 December 2017	Issued	As of 30 June 2018
Special Shares	50,000	-	50,000
Class A Shares	-	15,000,000	15,000,000
Class B Shares	-	150,000	150,000
Total	50,000	15,150,000	15,200,000

The Company is a closed-end company and therefore no Class A Shares, Class B Shares and/or Special Shares are subject to redemption.

Listing costs

According to IAS 32, transaction costs on issuance of share capital are recognised directly in equity. As of 30 June 2018, Listing costs are equal to Euro 5.60 million and mainly comprises:

- bank placement commission for Euro 3.37 million;
- legal costs for Euro 1.81 million; and
- other consultant costs for Euro 0.42 million.

Voting rights

Each Share holds one vote with no restrictions on voting rights.

4. STATEMENT OF FINANCIAL POSITION INFORMATION (CONTINUED)

(iv) Share capital (continued)

Earnings per share

The calculation of basic and diluted earnings per share is presented in the table below. There is no dilutive impact for the period ended 30 June 2018 or 31 December 2017.

	For the period from 1 January 2018 to 30 June 2018	For the period from 14 September 2017 to 31 December 2017
Class A Shares	**€**	**€**
Income for the period	**26,475,086**	n/a
Weighted average number of shares	**4,806,630**	n/a
Basic earnings per share	**5.508**	n/a
Diluted earnings per share	**5.508**	n/a
Class B Shares		
Income for the period	**264,751**	n/a
Weighted average number of shares	**48,066**	n/a
Basic earnings per share	**5.508**	n/a
Diluted earnings per share	**5.508**	n/a
Special Shares		
Income/(Loss) for the period	**88,250**	(84,100)
Weighted average number of shares	**50,000**	50,000
Basic earnings per share	**1.765**	(1.682)
Diluted earnings per share	**1.765**	(1.682)

(v) Borrowings

The acquisition of the units in Fondo Italiano by the Company was partially funded by the available proceeds raised from the Listing and partially by a bank loan provided by Intesa Sanpaolo S.p.A.. According to the Company's prospectus, the Company can invest into a single asset up to 40% of gross assets. In order to maximise the benefit for the investors of the Company arising from the acquisition of the maximum amount (in accordance with the terms of the Co-Investment Agreement) of the units of Fondo Italiano whilst complying with the aforementioned threshold of 40%, the Company arranged temporary financing provided by Intesa Sanpaolo S.p.A. for an amount of Euro 31,500,000. The Company paid an arrangement fee of Euro 315,000.

Interest rate periodicity is 50 bps per annum. The maturity date of the loan is 6 months.

4. STATEMENT OF FINANCIAL POSITION INFORMATION (CONTINUED)

(vi) Trade and other payables

Current liabilities mainly include the payable for Listing Costs and Fondo Italiano acquisition.

Detail of trade and other payables is presented in the table below:

	As of 30 June 2018	As of 31 December 2017
	€	€
Professional fees payable	3,034,935	-
Management fees payable	1,223,914	-
Administration, custody and transfer agent fees payable	91,759	34,000
Audit fees payable	54,405	35,100
Director's fees payable	17,121	-
Interest on term loan payable	15,534	-
Market authority fees payable	15,000	15,000
Other payable	4,275	-
Trade and other payables	**4,456,943**	84,100

5. STATEMENT OF COMPREHENSIVE INCOME INFORMATION

(i) Revenues

Unrealised gains/(losses) on financial assets and liabilities at fair value through profit and loss

Unrealised gains on financial assets and liabilities at fair value through profit and loss reflects the change in fair market value of the Fondo Italiano Investments as a whole based on the original adjusted purchase price of Euro 75.4 million and the fair value of Euro 107.7 million as at 30 June 2018.

(ii) Costs

As described before, Euro 5.6 million are recognised directly as share capital decreased. The remaining costs mainly refers to the Fondo Italiano Units acquisition.

Aurora is charged an annual Management fees payable to the AIFM quarterly in advance, starting from the first day of trading. As of 30 June 2018, Management fees calculated as described above and starting from the first day of trading are some Euro 0.35 million.

Aurora has been charged Euro 0.87 million Management fees related to this portion (44.55%) of Management fees to be paid to NB SOF during the period 1 December 2017 to 25 May 2018 (acquisition date).

Professional fees mainly include costs related to the acquisition of Fondo Italiano of Euro 3.74 million. It also includes consulting and accounting fee of Euro 0.44 million.

5. STATEMENT OF COMPREHENSIVE INCOME INFORMATION (CONTINUED)

(iii) Taxation

The Company is not liable to any Luxembourg tax on profits or income. The Company is, however, liable in Luxembourg to a tax of 0.01% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Company at the end of the relevant calendar quarter. No stamp duty or other tax is payable in Luxembourg on the issue of shares. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Company.

Dividends, interest and capital gains held by the Company, if any, received by a Luxembourg SICAF-RAIF from investments, may be subject to taxes and/or withholding taxes in the countries concerned at varying rates, such (withholding) taxes usually not being recoverable. A Luxembourg SICAF-RAIF may be liable to certain other foreign taxes.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Company's profitability.

The Company's Board of Directors has delegated the risk management function to the AIFM. The AIFM believes that it has taken the necessary steps to ensure that risk is properly identified, controlled and managed. The Company's risk management objectives and policies are consistent with those disclosed in the financial statements for the period ended 31 December 2017.

Market risk

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and price risk.

Currency risk

The Company may hold financial assets and liabilities and enter into transactions denominated in currencies other than the EUR, which is the functional currency of the Company. Consequently, the Company may be exposed to risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than the Euro.

The Company holds only financial assets in Euro, therefore currency risk is remote.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company is exposed to some interest rate risk through its exposure to interest rates on its term loan. The interest rate risk is minimal considering the short maturity and that interest is 0.5%.

Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether caused by factors specific to an individual investment or its issue or factors affecting all instruments traded in the market.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company.

As of 30 June 2018, the carrying amounts of cash at bank represent the Company's maximum exposure to the credit risk in relation to the financial assets. For all financial assets to which the impairment requirements have not been applied, the carrying amount represents the maximum exposure to credit loss. The AIFM considers the credit risk associated as minimal as all of the Company's cash balances are held with a reputable financial institution which the AIFM believes is of high credit quality.

Cash at bank include balances held with high credit quality banks.

Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with its financial liabilities.

The Company's Private Placement Memorandum does not provide for the redemption of shares at the option of the shareholder. The Company is therefore not exposed to the liquidity risk of meeting redemptions from holders of participating shares. The AIFMs liquidity management approach is to continuously monitor the Company's assets to ensure that there is sufficient liquid assets to meet the Company's obligations. The Company may utilise short and long term loans to maintain sufficient liquidity.

No risk in borrowing repayment considering cash pledged and cash available to repay the debt.

Financial Assets at fair value through Profit and Loss, Cash at bank, Pledged deposit and Trade and other payables are measured at fair value. Borrowings are measured at amortised cost.

Other risks

As of 30 June 2018, the Company invests in Fondo Italiano which primarily invests in minority direct equity investments in private Italian small and medium size enterprises. The Company is therefore open to the underlying risk exposures of Fondo Italiano.

The investment in Fondo Italiano gives rise to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and concentration risk.

7. ASSETS AND LIABILITIES NOT CARRIED AT FAIR VALUE BUT FOR WHICH FAIR VALUE IS DISCLOSED

For all of the Company's financial assets and financial liabilities not carried at fair value, disclosure of fair value is not required as the carrying amount is a reasonable approximation of fair value.

8. RELATED PARTY TRANSACTIONS

In accordance with IAS 24, *Related Party Disclosures* ("IAS 24"), parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

The following provides details on the related parties of the Company and transactions with the related parties:

(a) Board of Directors

The listing of the Board of Directors is shown on page 1. Maria Pierdicchi (Independent Director appointed on 4 April 2018) is entitled to receive remuneration of Euro 35,000 per annum and Roberto Timo (Independent Director resigned on 23 July 2018) was entitled to receive Euro 20,000 per annum for acting as Directors to the Company. Francesco Moglia did not receive any remuneration during the period.

(b) AIFM

The Company will be charged an annual management fee payable to the AIFM quarterly in advance, starting from the Listing Date.

The Special Shares of the Company are held by the AIFM and/or their certain affiliates, employees and related persons.

(c) Portfolio Manager

The former senior investment team of Fondo Italiano has joined Neuberger Berman Group LLC and is involved in the investment management of the Company through the Portfolio Manager, more specifically the Portfolio Manager's Italian branch, pursuant to the terms of the Portfolio Management Agreement.

(d) NB Alternative Adviser LLC

NB Alternatives Advisers LLC owns 50,000 fully paid up Special Shares at the end of the period.

There were no other related party transactions during the period.

9. SUBSEQUENT EVENTS

The General Meeting of Shareholders on 23 July 2018 has acknowledged the resignation of Mr. Roberto Timo from the Board of Directors and has appointed Mrs. Patrizia Polliotto, Mr. Alessandro Spada and Mr. Karl Pardaens as additional members of the Board of Directors pursuant to Articles 23.1 and 26.1 of NB Aurora S.A. SICAF-RAIF's Articles of Association. Mrs. Polliotto and Mr. Spada qualify as Independent Directors in accordance with the Corporate Governance Code adopted by Borsa Italiana S.p.A.. It is noted that, due to the fact that no list of candidates had been received from the Class A shareholders, as provided by Article 26.1 of the Articles of Association, such Directors have been proposed by the holders of Special Shares. The composition of NB Aurora S.A. SICAF-RAIF's Board of Directors at the date hereof is therefore the following: (i) Francesco Moglia; (ii) Maria Pierdicchi (Independent); (iii) Patrizia Polliotto (Independent); (iv) Alessandro Spada (Independent); (v) Karl Pardaens.

9. SUBSEQUENT EVENTS (CONTINUED)

After 30 June 2018, NB Aurora realized additional capital gains on investments for a total consideration of Euro 9.2 million. In particular:

On 19 July 2018, Fondo Italiano sold interest in Rigoni di Asiago for a total consideration of Euro 39 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 17.4 million with a realized capital gain for NB Aurora of Euro 7.9 million.

On 19 July 2018, Fondo Italiano sold his interest in San Lorenzo for a total consideration of Euro 21.8 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 9.7 million with a realized capital gain for NB Aurora of Euro 3.2 million.

On 24 July 2018, Fondo Italiano received Euro 3.4 million of receivables from IEN; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 1.5 million with a realized capital gain for NB Aurora of Euro 0.2 million.

On 6 August 2018, Fondo Italiano sold his interests in Truestar for a total consideration of Euro 3.0 million; that means for the pro-quota owned by NB Aurora in Fondo Italiano (44.55%) an amount of Euro 1.3 million with a realized capital gain for NB Aurora of Euro 1.3 million.

On 10 August 2018, Aurora received a distribution of Euro 28.1 million from Fondo Italiano which was mainly related to the disposals of the Fondo Italiano Investments in Rigoni, San Lorenzo and IEN receivable collection.

In addition, on 4 July 2018, Fondo Italiano signed a binding agreement to sell his interest in Megadyne to Partner's Group for an undisclosed amount. Closing is expected to take place in the third quarter of 2018.

There were no other events occurring after the reporting date which require disclosure in the condensed interim financial statements of the Company.

10. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The Board of Directors approved the condensed interim financial statements on 5 September 2018.

KPMG Luxembourg, Société coopérative
39, Avenue John F. Kennedy
L - 1855 Luxembourg

Tel.: +352 22 51 51 1
Fax: +352 22 51 71
E-mail: info@kpmg.lu
Internet: www.kpmg.lu

To the Board of Directors of
NB Aurora S.A. SICAF-RAIF
28-32, place de la Gare
L-1616 Luxembourg

Report of the Réviseur d'Entreprises agréé on the review of condensed interim report

Introduction

We have reviewed the accompanying condensed interim statement of financial position of NB Aurora S.A. SICAF-RAIF ("the Company") as at June 30, 2018, the condensed interim statements of comprehensive income, changes in equity and cash flows for the 6 month period then ended, and notes to the condensed interim financial statements ("the condensed interim financial statements") as set out on pages 6 to 25. Management is responsible for the preparation and presentation of this condensed interim financial statements in accordance with IAS 34, "Interim Financial Reporting", as adopted by European Union. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as adopted, for Luxembourg, by the Institut des Réviseurs d'Entreprises. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at June 30, 2018 as set out on pages 6 to 25 are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting", as adopted by European Union.

Luxembourg, September 5, 2018

KPMG Luxembourg
Société coopérative
Cabinet de révision agréé

M. Tabart