



3Q22

# Earnings Release

## Video conference

October 27, 2022, Thursday  
10h (Brasilia) / 9h (New York)  
Simultaneous translation

Replay | Portuguese or English  
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[ri.logcp.com.br](http://ri.logcp.com.br)

**LOGG**  
B3 LISTED NM

**BELO HORIZONTE, October 26, 2022.** Log Commercial Properties e Participações S.A. ("Company" or "Log") ("B3:LOGG3"), one of the largest developers and lessors of class A logistics warehouses in Brazil, announces its results for the third quarter of 2022 ("3Q22"). The following financial information, unless otherwise stated, is presented in thousands of reais (BRL thousand), was prepared in accordance with accounting practices adopted in Brazil and with international financial reporting standards International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

# 3Q22 HIGHLIGHTS

Access the  
Results Center



## GROSS ABSORPTION

171K m<sup>2</sup>

The best of the last 4 quarters

321K m<sup>2</sup>  
ACCUMULATED 2022

## DELIVERIES

175K m<sup>2</sup>

86% leased

415K m<sup>2</sup>  
ACCUMULATED 2022

## STABILIZED VACANCY

1.73%

## LEASE REVENUE

58%

Growth  
3Q22 *versus* 3Q21

## CONCLUSION ASSET SALE

BRL 429 mn

Gross margin of 32.6%

## BTS (BUILT-TO-SUIT)

26K m<sup>2</sup>

New agreement signed

- 1 BUSINESS PERFORMANCE
- 2 FINANCIAL PERFORMANCE
- 3 CAPITAL MARKET
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## MANAGEMENT MESSAGE



### Log again reports excellent leasing activity reflecting positive trend in the logistics sector



**7 The best in the last 4 quarters: gross absorption totaled 171.4 thousand m<sup>2</sup> in the third quarter**, reflecting the positive dynamics of the market. Year-to-date gross absorption was 320.7 thousand m<sup>2</sup>. We closed a **new BTS agreement** in the metropolitan region of Salvador for **construction of 26 thousand m<sup>2</sup> for a relevant player in the food and beverage segment. Stabilized vacancy remains at historic lows and ended the quarter at 1.73%**. Log continues to focus on the development of projects strategically located in large consumption centers, remaining the one-stop-shop solution for customers seeking expansion.



**7 Record delivery with a high level of leasing: we delivered 3 assets totaling 174.5 thousand m<sup>2</sup>**, the largest delivery of assets in the Company's history in a single quarter (32.3% Log, after the sale of the Log Betim II asset) in the states of Minas Gerais and Espírito Santo. In line with our strategy of being close to the country's major consumption centers, **in the year, we have already delivered more than 415.0 thousand m<sup>2</sup> in 7 different cities** (59.8% Log, after the sale of the Log Betim II asset). We counted on **high level of lease of the assets delivered in 2022: nearly 90%**. We are currently developing 7 projects totaling 430.0 thousand m<sup>2</sup>.

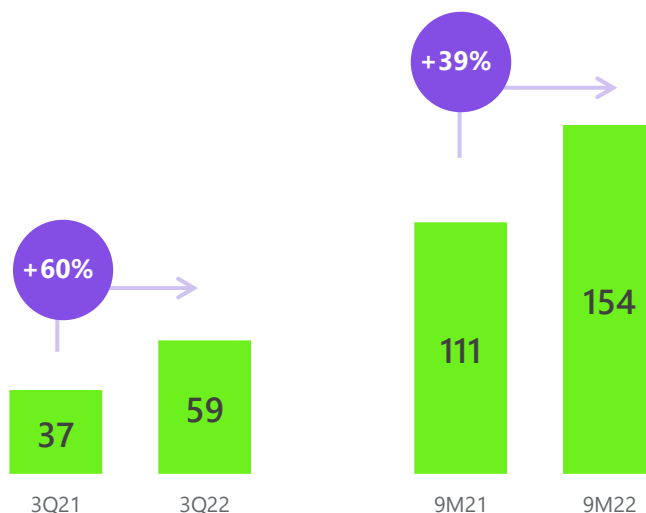
**7 Robust recycling track record:** proving our ability to execute the recycling strategy of part of our portfolio, **we completed the sale of two assets** (Log Betim II and Parque Torino, both in MG), held in July. **The sale totaled BRL 429 million, resulting in an average gross margin of 32.6% on the amount invested and 3.2% above the NAV** (net asset value). According to Material Facts disclosed by the Company, the completion of the sale of Log Betim II took place on September 28 and the conclusion of the sale of Parque Torino on October 6, therefore, part of the financial settlement will be reflected in the cash of 4Q22. We have noticed significant demand for our assets from institutional investors and investment funds. **The sale of assets is the main source of funding for our growth plan.** We have observed high liquidity and attraction for our assets, with relevant spreads. We will continue to access these resources more frequently and in greater amounts.





**7 Net revenue reached BRL 59 million in the third quarter, representing an increase of 60% compared to the same period in 2021.** Year-to-date, revenue reached BRL 154 million, an increase of 39% compared to 9M21. The significant growth in the year is due to: i) new deliveries of assets with different levels of average lease ticket, ii) new leases and iii) **contractual readjustments 1.4% above YoY inflation**, in the existing portfolio.

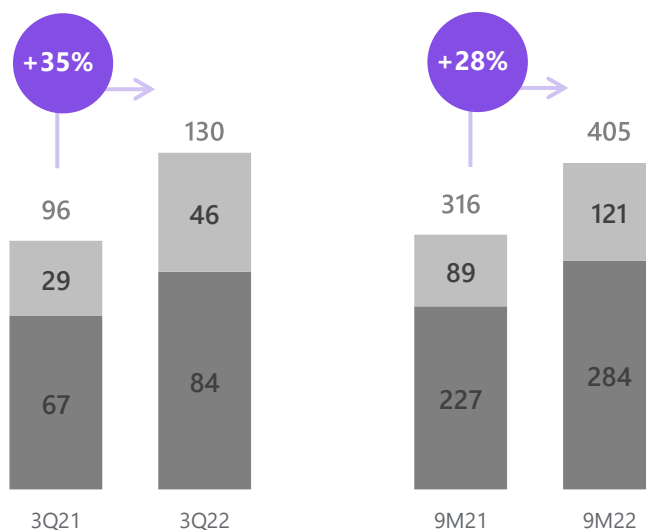
**NET REVENUE**  
BRL in millions



**7 Ebitda reached BRL 130 million in the third quarter, representing an increase of 35% compared to the same period in 2021.** The Ebitda margin in the quarter was 78%, in line with historical levels. Year-to-date, Ebitda reached BRL 405 million, an increase of 28% compared to 9M21.

**EBITDA**  
BRL in millions

■ Development activity  
■ Lease activity





## DEMAND | GROWTH DRIVERS



### Flight to Quality

It is estimated that the market for logistics warehouses in Brazil is approximately 172 million m<sup>2</sup>. Since the supply of high-quality logistics parks represents only around 15% of the total market supply, **there is a huge potential market for growth for Log.** Tenants have been demanding infrastructure more suited to their operations throughout Brazil, and Log represents the solution specialized in class A warehouses, being the **only player with national operations.**

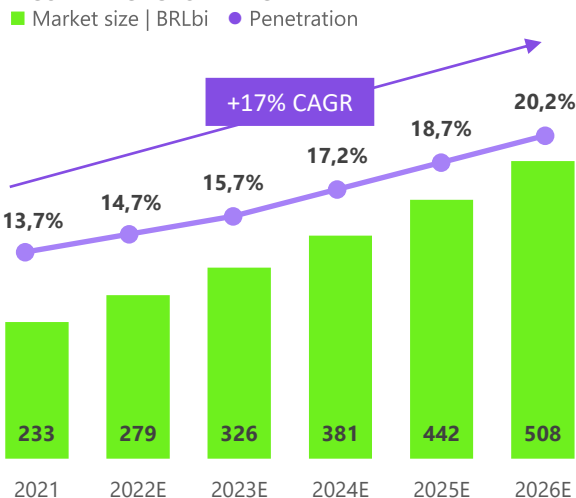


### E-commerce

A segment that registered strong progress during the pandemic, online shopping is increasingly consolidated among connected Brazilians. **The Brazilian e-commerce hit the mark of BRL 118.6 billion in sales in the first half of 2022<sup>1</sup>.** The value corresponds to an increase of 6% compared to the same period in 2021. The highlight remains with the category of food and beverages and fast-moving products. **The volume reflects the change in consumption habits of Brazilians. There are currently 49.8 million online shoppers in Brazil, which represents an increase of 18% when comparing the first half of 2022 with the same period of the previous year. The Food and Beverage category continues to stand out.** According to the survey, the variation in orders between the first half of 2022 and the same period of 2021 was 128%.



E-COMMERCE GROWTH ESTIMATE IN BRAZIL



According to recent studies, Brazilian e-commerce is expected to grow more than 2x in terms of BRL (+17% CAGR) between 2021 and 2026E.<sup>2</sup>

<sup>2</sup>Morgan Stanley Research | Global eCommerce: Industry Model Update: '22 Estimates Trimmed; Look for '23 Re-Acceleration (28 Sep 2022)

<sup>1</sup>Webshoppers 46 by NielsenIQ | Ebit, in partnership with Bexs Pay



## REAL ESTATE DEVELOPMENT



### 91% landbank acquired for "Todos por 1.5" plan



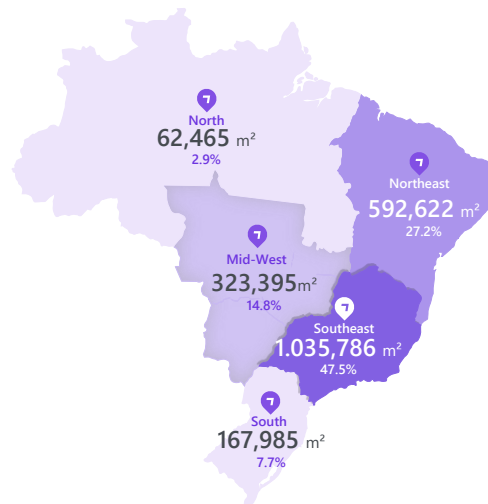
During the year, **we approved 327.7 thousand m<sup>2</sup> in projects that have already started.** Due to the know-how of our teams, we are able to work so that the projects are ready for construction and commercialization in less and less time, which shows the efficiency of our Real Estate Development team.



Geographic diversity is also a differential of our portfolio, in this way, our greenfield assets add new opportunities to our clients, optimize costs and processes and provide future access to restricted markets.

We continue with good land negotiations, without direct competition, in important consumption centers, most of which are negotiated via barter due to the attractive return that our business model offers. We added another 73 thousand m<sup>2</sup> plot (70% Log) to the landbank. **91% of the landbank needed to meet the "Todos por 1.5" plan** has already been acquired.

## Total Portfolio



**2.3 million m<sup>2</sup> moving 377 municipalities in metropolitan regions all over the country**

IBGE 2021 - Radius 100 km

**63%**

**of the Brazilian population lives near a LOG**

IBGE 2021 - Radius 100 km

**57%**

**of the Brazilian GDP flows close to a LOG**

IBGE 2021 - Radius 100 km

**1,371,514 m<sup>2</sup> ABL**

*91% landbank acquired "Todos Por 1.5"*

**327,707 m<sup>2</sup> ABL**

**projects approved 9M22**



## CONSTRUCTION

### Largest quarterly delivery in history: 175 thousand m<sup>2</sup> in 3Q22

Our logistics assets are designed to meet the needs of our customers, we meet the highest standards of constructive efficiency.

**In the third quarter, we produced the equivalent of 50 thousand m<sup>2</sup> and in the year 258 thousand m<sup>2</sup>.** The pace of production continues as expected.

**In 3Q22, we delivered three assets totaling approximately 174.5 thousand m<sup>2</sup> (32.3% Log)** in Itapeva-MG (Extrema-MG region), Viana in the metropolitan region of Vitória-ES and Log Betim II, in the Betim Industrial Park, metropolitan region of Belo Horizonte-MG. Total deliveries this year amount to 415 thousand m<sup>2</sup> (59.8% Log – after the sale of the Log Betim II asset in July/22), a record for the Company.

We currently have 7 projects under development, in 6 different states, totaling 430 thousand m<sup>2</sup>, always focusing on quality and execution time, already recognized by our customers.

in m <sup>2</sup>	Sep/21	Jun/22	Sep/22
Delivered	931,025	1,182,199	1,183,401*
Under construction	436,127	440,496	346,848
Landbank	914,682	690,003	652,004
<b>Portfolio %Log</b>	<b>2,281,834</b>	<b>2,312,698</b>	<b>2,182,253</b>

\*Considering the conclusion of the sale of the Parque Torino asset of 55 thousand m<sup>2</sup> of GLA, according to the Material Fact disclosed on 10/06/2022.



# 7

### projects under construction

SOUTHEAST	41,977 m <sup>2</sup>
MIDWEST	47,577 m <sup>2</sup>
NORTHEAST	257,294 m <sup>2</sup>

**1,183,401 m<sup>2</sup>**  
ABL delivered Sep/22

**Own Team**  
of engineers for development of the projects

**+1.7K**  
collaborators working in other 7 projects

**174,487 m<sup>2</sup>**  
deliveries ABL 3Q22

**50,020 m<sup>2</sup>**  
production ABL 3Q22



LEASE



Excellent lease activity



Reinforcing the assertiveness of our business model, in the third quarter we reached **171.4 thousand m<sup>2</sup> of gross absorption**, the best in the last 4 quarters. **Stabilized vacancy registered 1.73%**, well below the national average. Year-to-date, gross absorption totals 320.7 thousand m<sup>2</sup>.



It is important to note that we have a high volume of **leases in projects delivered in 2022: almost 90%**. Our existing customer base remains our biggest taker of space, making us increasingly a one-stop-shop solution for customers looking to expand.



Market data indicate that e-commerce has been reaching historic sales milestones in Brazil and we believe that this growth will continue strong in the coming years. **70% of our portfolio is made up of customers** who are directly or indirectly exposed to the growth of e-commerce.



171.4K m<sup>2</sup>

gross absorption 3Q22

Main sectors:

- ✓ Food and Beverage (23%)
- ✓ Pharmaceutical (21%)
- ✓ Health and Hygiene (15%)
- ✓ Other sectors (41%)

57%

of the quarter's absorption is linked to the e-commerce

1.73%

stabilized vacancy 3Q22

100%

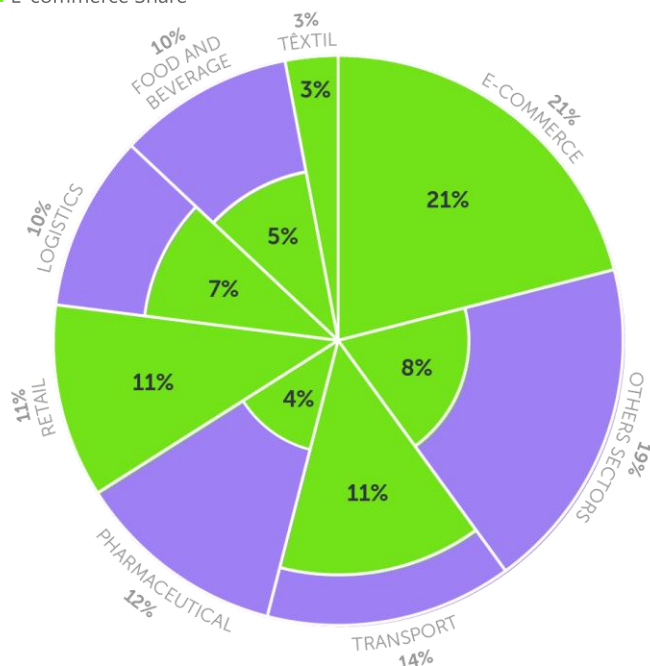
renewed contracts 3Q22

287

active contracts 3Q22

CLIENTS BY SEGMENT

■ E-commerce Share



70%

of the portfolio is composed of customers directly or indirectly linked to the growth of e-commerce





**VACANCY WAREHOUSES** % Log



	Sep/21	Jun/22	Sep/22
Stabilized	2.7%	2.18%	<b>1.73%</b>
Vacancy warehouses	4.4%	3.73%	<b>4.28%</b>
<b>Brazil<sup>1</sup></b>	10%	9.7%	<b>11.1%</b>

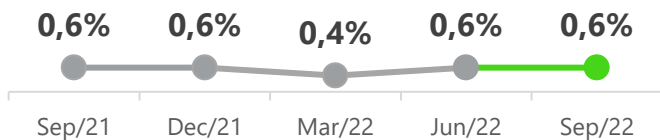
<sup>1</sup>Source: Colliers

At the end of September/22, we reached a stabilized vacancy rate of 1.73%, which reflects the quality of our assets and our commercial team.



**ACCUMULATED NET DEFAULTS**

Latest 12 months



The Company's net bad debt remains at minimum levels, demonstrating the excellent quality of our client portfolio.



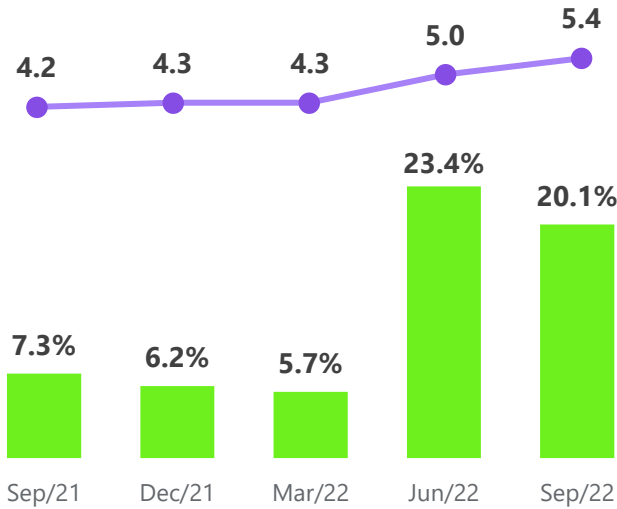
Goiânia II | GO





### CLIENT CONCENTRATION

- Share of largest client/gross revenue %
- Average occupied GLA/contract (in thousand m<sup>2</sup> of GLA)



We maintained the low risk of the portfolio, resulting in an average GLA per contract of 5.4 thousand m<sup>2</sup>. The largest customer, Amazon, has 4 contracts representing **20.1% of gross revenue and 11.5% of GLA**. The dispersion of customer concentration will naturally occur as we deliver new projects.

### AGREEMENT EXPIRATION SCHEDULE

	by Revenue	by GLA
Up to 12 months	17%	18%
13 to 24 months	11%	11%
25 to 36 months	12%	12%
37 to 48 months	11%	12%
Above 48 months	49%	48%

At the end of 3Q22, the average term of current contracts is **103 months**.



## ASSET MANAGEMENT



### Efficient asset management



Through our structure for managing condominiums, Log ADM, we continue to challenge ourselves to do our job better every day, providing more peace of mind to all our customers so that they can focus on their operations. Our condominium management structure acts as an important link for customer loyalty and retention, we have high NPS rates in our teams. **Currently, Log ADM manages more than 1 million m<sup>2</sup> of GLA.**



**Simplifying the customer journey:** through the creation of the digital platform, Log+, we created the **place for digital relationships with our customers, helping to improve their relationship with Log**, which streamlined maintenance service processes in addition to other services that impact your experience. In addition, we created the **Chatbot**, another relationship channel with the general public.

Log Salvador | BA



1,268,570 m<sup>2</sup>

GLA administered

29

properties under management

24

cities with properties under management

452

own employees

NPS

Quality Zone

100%

of the managed GLA is supplied with a renewable energy source

24%

reduction in energy costs with contracts in the free market





## CAPITAL STRUCTURE



### Strong balance to support growth



We have a solid capital structure to follow our growth cycle. The strong balance sheet is reflected in our AA+ risk rating by the credit agency S&P.



To meet the planned investments, we concluded the sale of two assets in July. The sale totaled BRL429 million, and financial settlements took place in September (Log Betim II) and early October (Parque Torino). In this sense, it is important to emphasize that part of the resources are not paid in at the end of this quarter.



The Company's capital allocation is intended to invest in opportunities for organic growth in our business. We have observed liquidity and appetite for our assets with relevant spreads. **The sale of assets is the main source of funding for the company, and we will continue to access these resources.** We will keep the net debt of the Company during the remainder of our growth cycle.

Log Belém | PA





### ASSET SALE



Log consolidates model as a developer of greenfield assets



# BRL929mn

generation of cash with sale of the assets



#### ASSERTIVE PRICING

# ≈ 3.4%

amount of sale above NAV



# 300K

GLA sold

#### AVERAGE GROSS MARGIN

# 40%

development spread

2019

3 assets



Log Goiânia- GO

2020

2 assets



Log Gaioli - SP

2021

1 asset



BTS Extrema - MG

2022

2 assets



Log Betim II - MG

...

RECYCLING PIPELINE



## FINANCIAL PERFORMANCE



### Net Revenue



Lease revenue in the quarter showed a significant growth of 58% compared to the same period of the previous year, due to: i) new deliveries of assets, ii) new leases and iii) contractual readjustments 1.4% above YoY inflation, in the existing portfolio.



<b>NET REVENUE</b> <i>in BRL thousand</i>	<b>3Q22</b>	<b>3Q21</b>	<b>Var. %</b>	<b>9M22</b>	<b>9M21</b>	<b>Var. %</b>
Leases	60,170	38,060	58.1%	154,760	113,676	36.1%
(-) Taxes	(3,245)	(2,161)	50.2%	(8,328)	(6,249)	33.3%
Other revenue	2,590	1,261	105.4%	9,410	3,747	151.1%
(-) Taxes	(334)	(155)	115.5%	(1,561)	(459)	240.1%
<b>Total</b>	<b>59,181</b>	<b>37,005</b>	<b>59.9%</b>	<b>154,281</b>	<b>110,715</b>	<b>39.3%</b>



<b>GROSS REVENUE</b> <i>in BRL thousand</i>	<b>3Q22</b>	<b>3Q21</b>	<b>Var. %</b>	<b>9M22</b>	<b>9M21</b>	<b>Var. %</b>
Revenue from leases	57,370	37,056	54.8%	145,777	110,797	31.6%
Revenue linearization	2,769	1,004	175.8%	4,080	2,879	41.7%
<b>Total</b>	<b>60,139</b>	<b>38,060</b>	<b>58.0%</b>	<b>149,857</b>	<b>113,676</b>	<b>31.8%</b>

### Depreciation and cost

The effects of any changes in the valuation of properties are reflected in the account "change in fair value of investment properties", in compliance with current accounting pronouncements. Depreciation is calculated and recorded in accordance in according to the expected useful life of the goods. In the DRE, the existing depreciation refers to the physical/administrative structure of the Company, such as furniture, equipment and others.

## Service provision cost

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Net revenue from condominium manag.	1,624	1,106	46.8%	4,404	3,288	33.9%
Cost of service provision	(849)	(584)	45.4%	(2,226)	(1,546)	44.0%
<b>Total</b>	<b>775</b>	<b>522</b>	<b>48.5%</b>	<b>2.178</b>	<b>1,742</b>	<b>25.0%</b>
<b>Log ADM Margin</b>	<b>47.7%</b>	<b>47.2%</b>	<b>0.5 p.p.</b>	<b>49.5%</b>	<b>53.0%</b>	<b>-3.5 p.p.</b>

The costs represent the administration carried out directly by Log ADM, which seeks to ensure quality management of the projects, aiming at cost reduction opportunities in the management of utilities and facilities.

## Operating income /expenses

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Commercial expenses	(2,181)	(2,416)	-9.8%	(6,613)	(6,861)	-3.6%
Vacancy expenses	(707)	(368)	92.1%	(2,438)	(1,407)	73.3%
General and administrative expenses	(9,693)	(6,479)	49.6%	(27,373)	(18,999)	44.1%
Other revenue/expenses, net	(1,361)	(882)	54.2%	(3,797)	10,407	-136.5%
<b>Total</b>	<b>(13,942)</b>	<b>(10,145)</b>	<b>37.4%</b>	<b>(40,221)</b>	<b>(16,860)</b>	<b>138.6%</b>

Evidencing gains in scale and efficiency of the commercial team, commercial and vacancy expenses remained stable, even with a larger leased area. The evolution of general expenses and administrative expenses, both in the third quarter and year to date, refer in part to expenses and investments in the sustainability agenda that has been incorporated into the Company. Even so, in the third quarter, expenses grew by a smaller amount than revenues. Other revenues refer substantially to the sale of BTS Extrema and Plaza Mirante Sul assets.

## Results from equity interest in investees

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Cabral	-	166	-100.0%	-	(3,579)	100.0%
Parque Torino	2,940	1,382	112.7%	8,168	3,857	111.8%
Loteamento Betim	5,283	718	635.8%	5,266	4,631	13.7%
SPE SJC	(10)	(8)	25.0%	(31)	(24)	29.2%
Others	(419)	-	-	(926)	-	-
<b>Total</b>	<b>7,794</b>	<b>2,258</b>	<b>245.2%</b>	<b>12,477</b>	<b>4,885</b>	<b>155.4%</b>

The quarterly and annual variation observed in Parque Torino refers to the maturation of the asset. It is important to mention that in October 2022 we concluded the sale of the Parque Torino asset. In the Betim Industrial Park (PIB), the positive variation is due to the realization of profit recorded after the sale of the Log Betim II asset, completed in September 2022.



## Operating income / expenses)

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Financial expenses	(35,551)	(10,961)	224.3%	(109,791)	(25,309)	333.8%
Interest	(52,082)	(10,961)	375.1%	(101,290)	(25,309)	300.2%
Equity Swap	16,531	-	-	(8,501)	-	-
Financial Income	20,221	14,315	41.3%	63,906	29,824	114.3%
<b>Total</b>	<b>(15,330)</b>	<b>3,354</b>	<b>-557.1%</b>	<b>(45,885)</b>	<b>4,515</b>	<b>-1,116.3%</b>

The Company's financial expenses and income were impacted by the increase in the CDI in the period. Within the scope of the Company's Share Buyback Program, there was an appreciation of the LOGG3 asset in the period, positively impacting financial expenses through an equity swap operation in the amount of approximately BRL 16.5 million.



## Income tax and social contribution

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Current	(9,803)	(2,732)	258.8%	(16,856)	(14,260)	18.2%
Deferred	7,065	(1,833)	485.4%	14,800	(10,662)	238.8%
<b>Total</b>	<b>(2,737)</b>	<b>(4,565)</b>	<b>-40.0%</b>	<b>(2,056)</b>	<b>(24,922)</b>	<b>-91.8%</b>

The quarterly change in current taxes occurs due to the sale of the GDP Meli asset. The evolution of the deferred tax balance is associated with the increase in the interest rate in the period.

## Deferred Taxes

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
Deferred operation	15,964	1,171	1,263.3%	17,899	5,681	215.1%
Deferred Equity Swap	(5,620)	-	-	2,891	-	-
Deferred operating result from the development of new assets	(3,279)	(3,004)	9.2%	(5,990)	(16,343)	-63.3%
<b>Total</b>	<b>7,065</b>	<b>(1,833)</b>	<b>485.5%</b>	<b>14,799</b>	<b>(10,662)</b>	<b>238.8%</b>

The table above shows the composition of the deferred income tax and social contribution, segregated between the impact arising from the operation, equity swap and the operating result from the development of new assets.

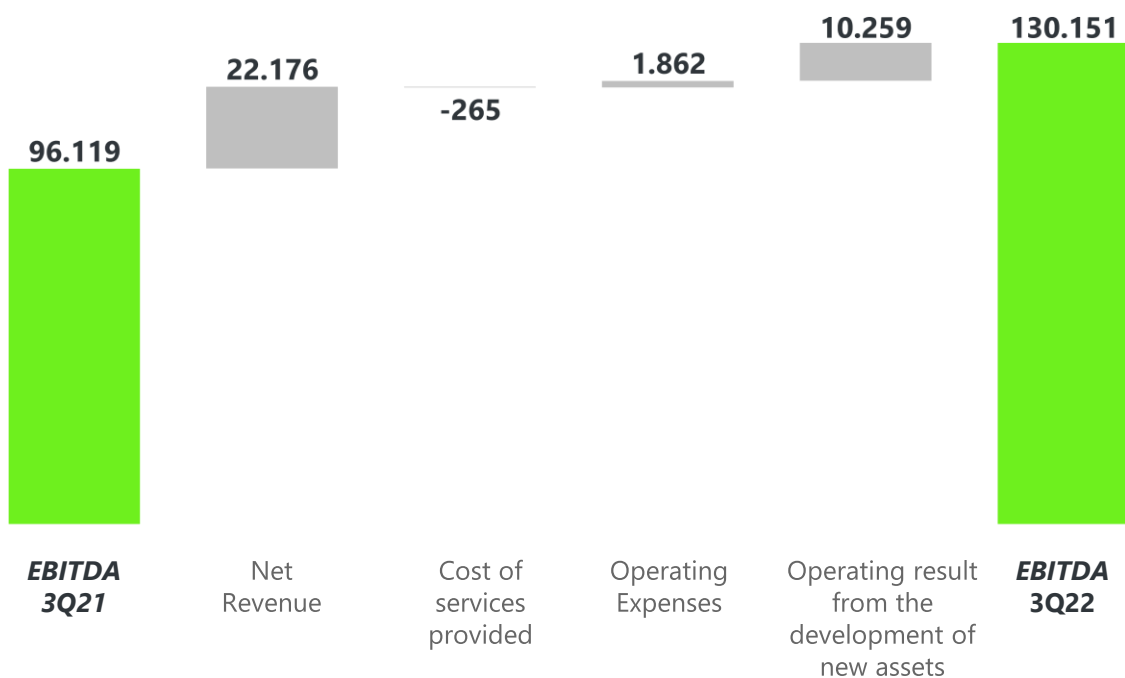
Log Londrina | PR





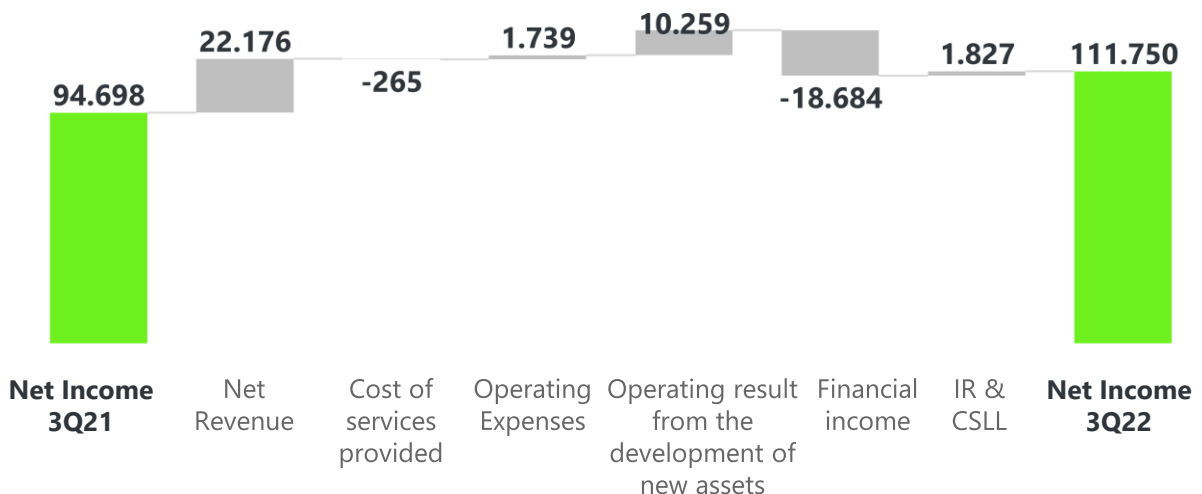
### Ebitda (Earnings before interest, taxes, depreciation and amortization)

in BRL thousand	3Q22	3Q21	Var. %	9M22	9M21	Var. %
<b>(=) Net income/loss</b>	<b>111,750</b>	<b>94,698</b>	<b>18.0%</b>	<b>355,933</b>	<b>295,243</b>	<b>20.6%</b>
(+) Income Tax (IR) & Social Security Contribution (CSLL)	2,738	4,565	-40.0%	2,056	24,922	-91.8%
(+) Financial income	15,330	(3,354)	557.1%	45,885	(4,515)	1,116.3%
(+) Depreciation	333	209	59.3%	947	611	55.0%
<b>EBITDA</b>	<b>130,151</b>	<b>96,119</b>	<b>35.4%</b>	<b>404,822</b>	<b>316,261</b>	<b>28.0%</b>
<b>EBITDA Margin</b>	<b>219.9%</b>	<b>259.7%</b>	<b>-39.8 p.p.</b>	<b>262.4%</b>	<b>285.7%</b>	<b>-23.3 p.p.</b>
Operating result in the development of new assets	(77,634)	(67,375)	15.2%	(279,563)	(218,456)	28.0%
Sale BTS Extrema	-	(1,861)	100.0%	-	(13,721)	100.0%
Sale Log Betim II	(1,372)	-	-	(1,372)	-	-
Unrealized income Log Betim II	(4,880)	-	-	(4,607)	-	-
Others	(208)	2,311	-109.0%	1,313	4,998	-73.7%
<b>EBITDA for Lease Activity</b>	<b>46,059</b>	<b>29,193</b>	<b>57.8%</b>	<b>120,593</b>	<b>89,082</b>	<b>35.4%</b>
<b>EBITDA Margin for Lease Activity</b>	<b>77.8%</b>	<b>78.9%</b>	<b>-1.1 p.p.</b>	<b>78.2%</b>	<b>80.5%</b>	<b>-2.3 p.p.</b>



## Net income

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
<b>(=) Net income/loss</b>	<b>111,750</b>	<b>94,698</b>	<b>18.0%</b>	<b>355,933</b>	<b>295,243</b>	<b>20.6%</b>
<b>Net Margin</b>	<b>188.8%</b>	<b>255.9%</b>	<b>-67.1 p.p.</b>	<b>230.7%</b>	<b>266.7%</b>	<b>-36.0 p.p.</b>
Operating result from the development of new assets	(77,634)	(67,375)	15.2%	(279,563)	(218,456)	28.0%
IR/CS deferred from operating income of develop. new assets	3,278	3,004	9.1%	5,988	15,035	-60.2%
Sale BTS Extrema	-	(1,861)	100.0%	154	(13,721)	101.1%
IR/CS Sale BTS Extrema	-	-	-	(1,891)	4,477	-142.2%
Sale Log Betim II	(1,372)	-	-	(1,372)	-	-
IR/CS Sale Log Betim II	1,228	-	-	1,228	-	-
Unrealized income Log Betim II	(4,880)	-	-	(4,880)	-	-
Equity Swap Operation	(16,996)	-	-	8,088	-	-
IR/CS Swap Equity Operation	5,779	-	-	732	-	-
Others	(490)	2,403	-120.4%	1,539	4,026	-61.8%
<b>Net Income Lease Activity</b>	<b>20,665</b>	<b>30,869</b>	<b>-33.1%</b>	<b>85,957</b>	<b>86,604</b>	<b>-0.7%</b>
<b>Net Margin Lease Activity</b>	<b>34.9%</b>	<b>83.4%</b>	<b>-48.5 p.p.</b>	<b>55.7%</b>	<b>78.2%</b>	<b>-22.5 p.p.</b>



### FFO (Funds From Operations)

<i>in BRL thousand</i>	3Q22	3Q21	Var. %	9M22	9M21	Var. %
<b>(=) Net income/loss</b>	<b>111,750</b>	<b>94,698</b>	<b>18.0%</b>	<b>355,933</b>	<b>295,243</b>	<b>20.6%</b>
Depreciation	333	209	59.3%	947	611	55.0%
Operating result from the development of new assets	(77,634)	(67,375)	15.2%	(279,563)	(218,456)	28.0%
IR/CS deferred from operating income of develop. new assets	3,278	3,004	9.1%	5,988	15,035	-60.2%
Sale BTS Extrema	-	(1,861)	100.0%	154	(13,721)	101.1%
IR/CS Sale BTS Extrema	-	-	-	(1,891)	4,477	-142.2%
Sale Log Betim II	(1,372)	-	-	(1,372)	-	-
IR/CS Sale Log Betim II	1,228	-	-	1,228	-	-
Unrealized income Log Betim II	(4,880)	-	-	(4,880)	-	-
Equity Swap Operation	(16,996)	-	-	8,088	-	-
Income Tax/CS Equity Swap Operation	5,779	-	-	732	-	-
Others	(490)	2,403	-120.4%	1,539	4,026	-61.8%
<b>FFO for Lease Activity</b>	<b>21,003</b>	<b>31,079</b>	<b>29.6%</b>	<b>86,909</b>	<b>87,215</b>	<b>17.4%</b>
<b>FFO Margin for Lease Activity</b>	<b>35.5%</b>	<b>84.0%</b>	<b>-48.5 p.p.</b>	<b>56.3%</b>	<b>78.8%</b>	<b>-22.4 p.p.</b>

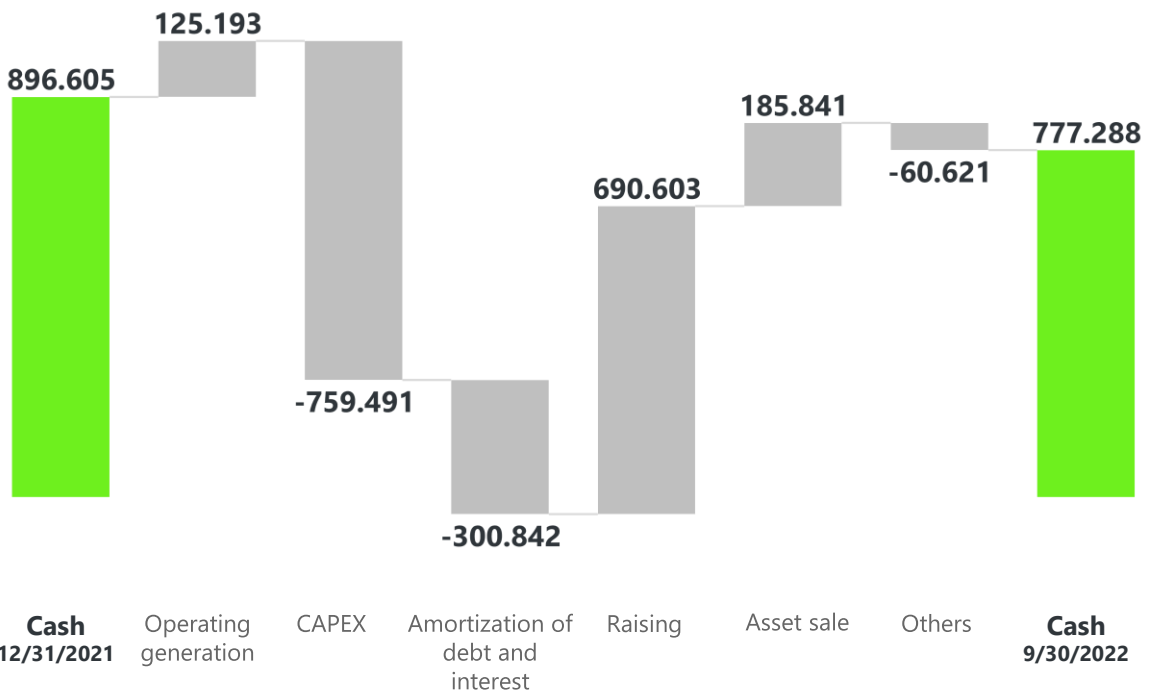
Log Recife | PE





## Cash, cash equivalents and securities (TVM)

<i>in BRL thousand</i>	09/30/22	12/31/21	Var. %
Cash and cash equivalents	272,199	207,564	31.1%
Marketable securities - Current assets	277,524	485,911	-42.9%
Marketable securities - Noncurrent assets	227,564	203,130	12.0%
<b>Total</b>	<b>777,288</b>	<b>896,605</b>	<b>-13.3%</b>



Log Itapeva | MG





## Accounts receivable

<i>in BRL thousand</i>	09/30/2022	12/31/2021	Var. %
Warehouse and retail leasing	43,252	34,206	26.4%
Sale of assets/companies	91,351	26,353	246.6%
Condominium management	699	457	53.0%
Others	29,402	23,501	25.1%
<b>Total</b>	<b>164,704</b>	<b>84,517</b>	<b>94.9%</b>

## Properties for investment – PPI

<i>in BRL thousand</i>	09/30/2022	12/31/2021	Var. %
Land	298,689	466,660	-41.6%
Ongoing Projects	831,609	880,883	5.9%
Projects 100% completed	3,552,383	2,425,163	37.6%
<b>Total</b>	<b>4,682,681</b>	<b>3,772,706</b>	<b>20.4%</b>

Log Gravataí | RS





## Indebtedness: loans, financing and debentures

<i>in BRL thousand</i>	Term	Effective Cost	9/30/2022	12/31/2021
Financ. to construction	Dec/13 to Oct/24	CDI + 1,92%	13,286	17,247
Financ. to construction*	Dec/13 to Sep/28	108,95% CDI	18,169	19,978
Debentures 12th issue	Jan/18 to Dec/27	CDI + 2,42%	52,627	60,106
Debentures 14th issue	Nov/21 to Nov/23	117% CDI + 0,26% a.a.	95,024	121,363
Debentures 15th issue	Jan/19 to Dec/28	CDI + 1,71%	43,873	49,118
Debentures 16th issue	Mar/20 to Mar/25	108% CDI + 0,34% a.a.	45,605	64,989
Debentures 17th issue	Sep/19 to Sep/24	116,5% CDI + 0,18% a.a.	153,788	235,266
Debentures 18th issue	Mar/24 to Mar/26	CDI + 2,21%	251,176	256,485
Debentures 19th issue*	Sep/25 to Sep/28	CDI + 1,58%	463,497	459,132
Debentures 20th issue - 1st series	Mar/26 to Mar/27	CDI + 1,55%	131,287	-
Debentures 20th issue - 2nd series*	Mar/27 to Mar/29	CDI + 1,85%	177,445	-
Debentures 21st issue	Jul/26 to Jul/27	CDI + 1,65%	413,380	-
(-) Cost of raising			(21,917)	(15,979)
<b>Total</b>			<b>1,837,240</b>	<b>1,267,705</b>

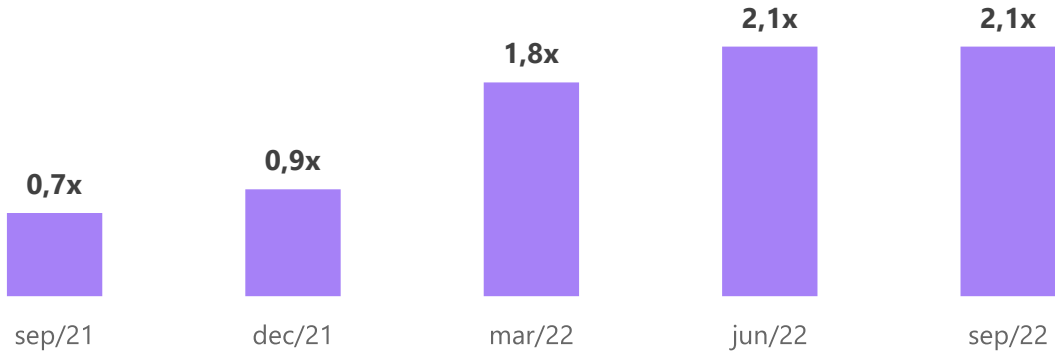
Effective cost: considers the cost of the contractual debt + other funding costs (fees, legal advice, trustee and/or securitization agent - in the case of debentures, notary, etc.) and debt maintenance.

\*Hedge instrument contracted since the beginning of the operation. The values reported are the effective costs of the hedging instrument.



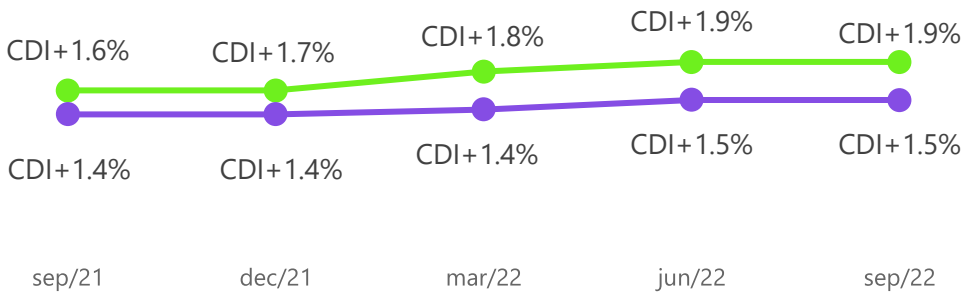
### NET DEBT / EBITDA

● Net Debt / EBITDA



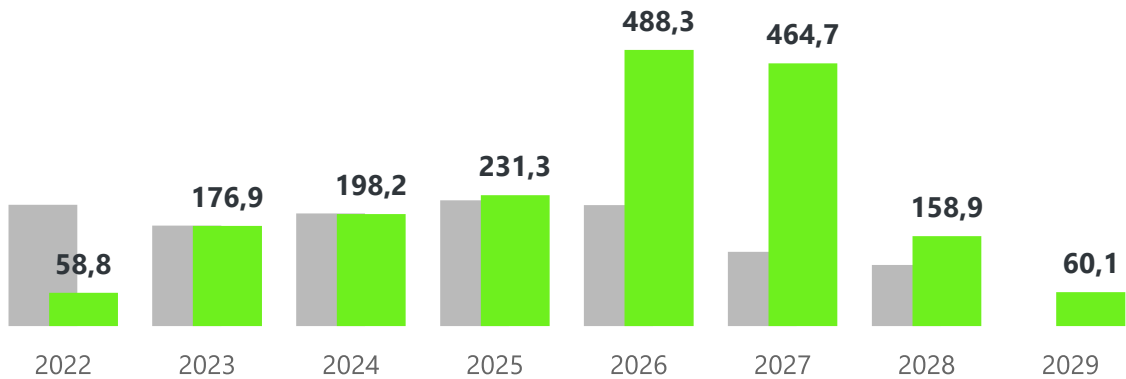
### COST OF DEBT

● Face Cost ● Effective Cost



### DEBT AMORTIZATION SCHEDULE IN BRL MILLION

● 12/31/2021 ● 09/30/2022





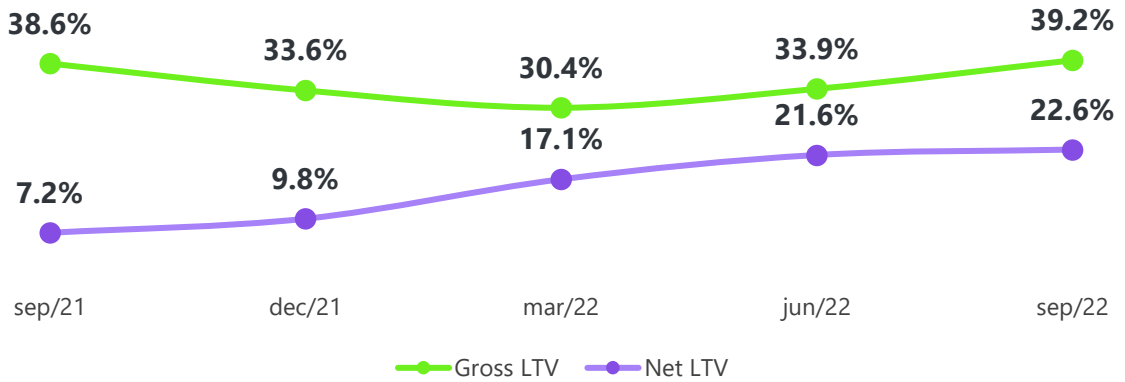
## Debt indicators



<i>in BRL thousand</i>	09/30/2022	12/31/2021	Var. %
(+) Loans and financing and debentures	1,837,240	1,267,705	44.9%
(-) Cash and cash equivalentes	777,288	896,605	-13.3%
(=) Net debt	1,059,951	371,100	185.6%
(=) Shareholder's equity	3,719,905	3,340,742	11.3%
<b>(=) Net debt / PL</b>	<b>28.5%</b>	<b>11.1%</b>	<b>17.4 p.p.</b>



## Loan to value



Log Viana II | ES







### CAPITALS MARKET



## 11 analysts with active coverage



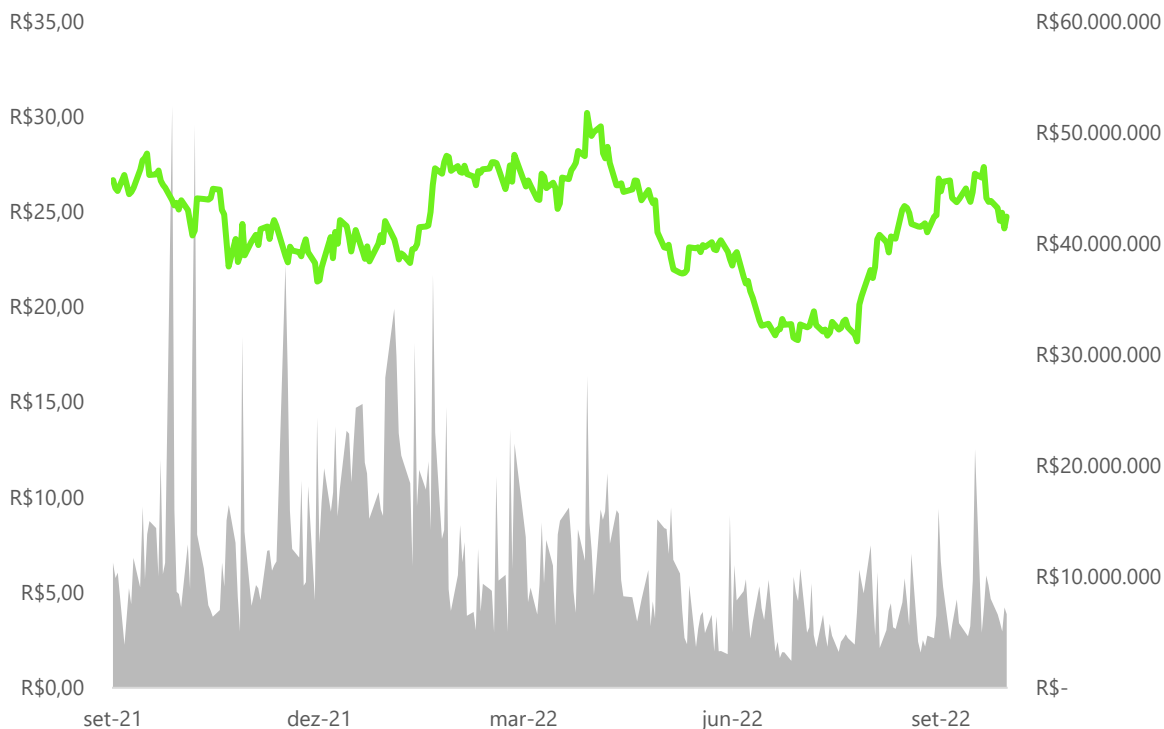
# BRL 2.5 BN BRL 7 MN

Market Cap

ADTV 30 Base Date: 09/30/22



■ Volume Traded ● Stock Price



Shareholding Structure	# shares	Total %
Controlling group and administrators	41,518,679	40.65%
Treasury	1,901,322	1.86%
Free Float	58,739,153	57.49%
<b>Total</b>	<b>102,159,154</b>	<b>100%</b>

LOGG3 Source: Broadcast | Base date: 9/30/2022

Final price	BRL24.75
Highest price 3Q22	BRL27.61
Lowest price 3Q22	BRL17.94
Valuation 3Q22	35.47%
Valuation 2022	0.98%

**IBRA**

**IGCT**

**IGCX**

**IGNM**

**IMOB**

**ITAG**

**SMLL**



# FOR A GREENER FUTURE

Did you know that 100% of the energy used in Log's projects comes from clean and renewable sources?

This makes **your operation more sustainable, and you reduce your Company's Greenhouse Gas (GHG) emissions, and you can even reduce these emissions from your GHG inventory, at no cost.** If your business moves, Log moves!

With this initiative, in 2022, approximately 5 thousand tons of carbon dioxide (CO<sub>2</sub>) will no longer be emitted. To have a dimension of what this amount represents, it is equivalent to about 430 round trip air trips between Rio and São Paulo in the same period.

Talk to our sustainability team and learn how to issue your **renewable energy certificate!**

[ri@logcp.com.br](mailto:ri@logcp.com.br)

100%   
of energy comes from  
clean and renewable  
sources

↓ 5K ton  
of CO<sub>2</sub> are no longer  
emitted each year



## ESG



### Log wins the Gold Seal of the Brazilian GHG Protocol Program



We certified our first inventory of greenhouse gas emissions, referring to the year 2021 and, in the first year, we won the Gold Seal of the Brazilian GHG Protocol Program. This is the highest level of recognition granted to companies that demonstrate compliance with transparency criteria in the publication of their GHG emissions data.



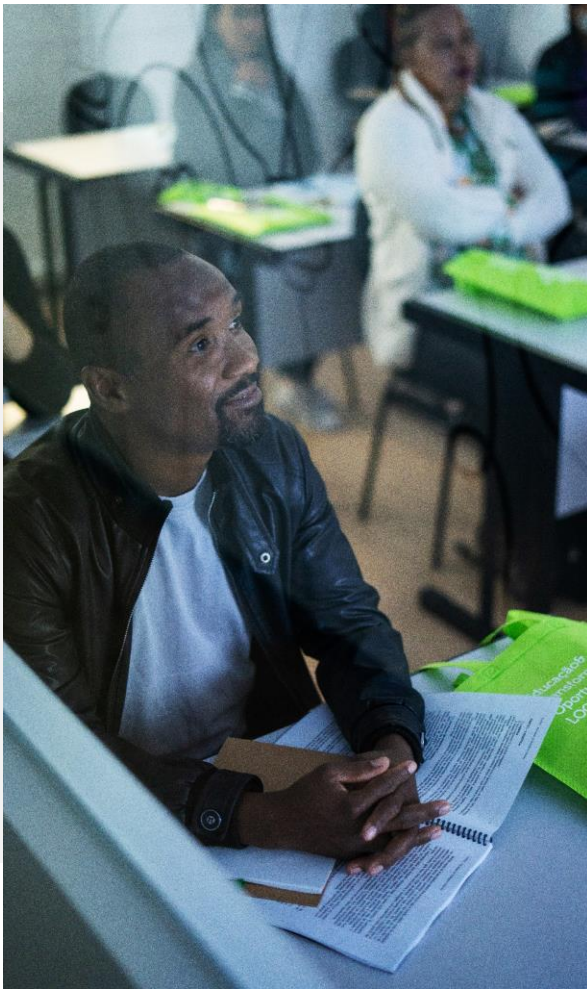
The achievement is a recognition of the effort of our entire company, which has been constantly working towards the decarbonization and definition of GHG emission targets in offices, projects already delivered and logistics condominiums under construction. Our objective is to continue evolving in the processes of environmental conservation and to generate even more favorable results.



#### GEE ISSUE IN EQUIVALENT CO<sup>2</sup> TONS

#### tCO<sub>2</sub>e

Scope 1	Direct emissions arising from activities controlled by us	2,204
Scope 2	Emissions arising from the purchase of electricity	287
Scope 3	Other indirect emissions	23,177
<b>Total</b>		<b>25,668</b>



### Inauguration Log Social BVE

With the objective of contributing even more to the personal growth and professional training of its employees and customers, as well as the residents of the neighboring communities of its logistics condominiums, we expanded the Log Social Program, inaugurating, in July of this year, a new project, at LOG Betim Via Expressa, in the municipality of Betim, metropolitan region of Belo Horizonte, Minas Gerais. For this year, our goal is to offer more than 25 thousand hours/class of professional training through the program.



### CASE OF THE QUARTER: COMMUNITY GARDEN



Continuing to support the communities surrounding our projects, in September this year, we developed a community garden in the condominium next to LOG Salvador, located in the municipality of Simões Filho, in the metropolitan region of the capital of Bahia.



In the same month, between the 10th and 17th, we promoted the Workshop Colors and Flavors, where practical and theoretical training on planting and vegetable cultivation techniques was offered to local residents, for the development and maintenance of the garden.



In the social sphere, the community garden in Simões Filho enables the production of and access to healthier food for more than 150 families, in addition to promoting social integration and encouraging harmony in the community.



In the environmental sphere, the vegetable garden offers positive returns to the environment, helping to reinforce the importance of preserving green areas, and contributing to the sustainability of the space where residents live.

The community garden developed by our company also meets four Sustainable Development Goals, the SDGs, established by the United Nations General Assembly, to end poverty, protect the environment and climate and ensure that people, everywhere on the planet, can enjoy peace and prosperity.

Among the goals are SDG 2, which advocates zero hunger and sustainable agriculture, and SDG 3, which addresses the health and well-being of people. SDG 11, which seeks to make cities and communities more inclusive, safe, resilient and sustainable, and SDG 12, which advocates responsible consumption and production, are also served by the community garden.



Community garden – Simões Filho/BA



Community garden – Simões Filho/BA

[Click here to see other cases](#)





## FINANCIAL STATEMENTS



### State of Income *In BRL THOUSAND*



	3Q22	3Q21	Var. %	9M22	9M21	Var. %
<b>Net revenue from lease and services provided</b>	<b>59,181</b>	<b>37,005</b>	<b>59.9%</b>	<b>154,281</b>	<b>110,715</b>	<b>39.3%</b>
<b>Costs of services provided - condominium management</b>	(849)	(584)	-45.4%	(2,226)	(1,546)	-44.0%
<b>Gross profit</b>	<b>58,332</b>	<b>36,421</b>	<b>60.2%</b>	<b>152,055</b>	<b>109,169</b>	<b>39.3%</b>
<b>Operating income (expenses)</b>	<b>71,488</b>	<b>59,488</b>	<b>20.2%</b>	<b>251,820</b>	<b>206,481</b>	<b>22.0%</b>
Selling expenses	(2,888)	(2,784)	-3.7%	(9,051)	(8,268)	-9.5%
General and administrative expenses	(9,693)	(6,479)	-49.6%	(27,373)	(18,999)	-44.1%
Other operating income (expenses), net	(1,361)	(882)	-54.2%	(3,797)	10,407	-136.5%
Changes in the fair value of investment property	77,634	67,375	15.2%	279,563	218,456	28.0%
Results from equity interest in investees	7,794	2,258	245.2%	12,477	4,885	155.4%
<b>Income before financial income and taxes</b>	<b>129,820</b>	<b>95,909</b>	<b>35.4%</b>	<b>403,874</b>	<b>315,650</b>	<b>28.0%</b>
<b>Financial income (expenses)</b>	<b>(15,330)</b>	<b>3,354</b>	<b>-557.1%</b>	<b>(45,885)</b>	<b>4,515</b>	<b>-1116.3%</b>
Financial Charges	(35,551)	(10,961)	-224.3%	(109,791)	(25,309)	-333.8%
Financial income	20,221	14,315	41.3%	63,906	29,824	114.3%
<b>P/L before Income Tax and social security contribution</b>	<b>114,490</b>	<b>99,263</b>	<b>15.3%</b>	<b>357,990</b>	<b>320,165</b>	<b>11.8%</b>
<b>Income Tax and social security contribution</b>	<b>(2,738)</b>	<b>(4,565)</b>	<b>40.0%</b>	<b>(2,056)</b>	<b>(24,922)</b>	<b>91.8%</b>
Financial expenses	(9,803)	(2,732)	-258.8%	(16,856)	(14,260)	-18.2%
Financial income	7,065	(1,833)	485.4%	14,800	(10,662)	238.8%
<b>Net income for the period</b>	<b>111,750</b>	<b>94,698</b>	<b>18.0%</b>	<b>355,933</b>	<b>295,243</b>	<b>20.6%</b>
Shareholders of the Company	<b>110,578</b>	<b>94,658</b>	<b>16.8%</b>	<b>341,816</b>	<b>281,362</b>	<b>21.5%</b>
Noncontrolling interests	<b>1,172</b>	<b>40</b>	<b>2845.0%</b>	<b>14,117</b>	<b>13,881</b>	<b>1.7%</b>



## Balance Sheet IN BRL THOUSAND



ASSETS	09/30/2022	12/31/2021	Var. %
<b>Current assets</b>	<b>657,148</b>	<b>775,097</b>	<b>-15.2%</b>
Cash and cash equivalents	272,199	207,564	31.1%
Marketable securities	277,524	485,911	-42.9%
Receivables	75,853	61,190	24.0%
Recoverable taxes	25,560	14,252	79.3%
Prepaid expenses	3,921	4,029	-2.7%
Other	2,091	2,151	-2.8%



LIABILITIES	09/30/2022	12/31/2021	Var. %
<b>Current liabilities</b>	<b>484,702</b>	<b>511,425</b>	<b>-5.2%</b>
Suppliers	32,734	44,604	-26.6%
Loans, financing and debentures	200,613	214,610	-6.5%
Derivative financial instruments	10,821	-	-
Labor and social liabilities	13,977	9,138	53.0%
Tax liabilities	29,927	15,457	93.6%
Land payables	16,420	46,383	-64.6%
Barters	155,361	70,290	121.0%
Dividend payable	-	87,627	-100.0%
Other	24,849	23,316	6.5%



<b>Noncurrent assets</b>	<b>5,468,005</b>	<b>4,384,806</b>	<b>24.7%</b>
Marketable securities	227,564	203,130	12.0%
Derivative financial instruments	17,356	-	-
Receivables	88,851	23,327	280.9%
Prepaid expenses	13,771	12,088	13.9%
Recoverable taxes	43,565	36,909	18.0%
Deferred income tax and social contribution	34,463	7,428	364.0%
Other	12,699	7,764	63.6%
Investments in subsidiaries and joint ventures	327,541	313,663	4.4%
Investment property	4,682,681	3,772,706	24.1%
Property and equipment	14,389	4,927	192.0%
Intangible assets	5,125	2,864	78.9%



<b>Noncurrent liabilities</b>	<b>1,920,548</b>	<b>1,307,736</b>	<b>46.9%</b>
Lease liability	71,747	4,244,159	6.6%
Loans, financing and debentures	1,636,627	1,053,095	55.4%
Derivative financial instruments	1,010	3,620	-72.1%
Land payables	1,000	3,034	-67.0%
Barters	92,692	160,300	-42.2%
Deferred taxes	101,809	77,828	30.8%
Other	15,663	5,615	178.9%



<b>Equity</b>	<b>3,719,905</b>	<b>3,340,742</b>	<b>11.35%</b>
Equity attributable to Company shareholders	3,636,247	3,311,569	9.8%
Noncontrolling interests	83,658	29,173	186.8%

**TOTAL ASSETS** **6,125,153** **5,159,903** **18.7%**

**TOTAL LIABILITIES AND EQUITY** **6,125,153** **5,159,903** **18.7%**



## Statement of Consolidated Cash Flow IN BRL THOUSAND



	3Q22	3Q21	Var. %	9M22	9M21	Var. %
<b>OPERATING ACTIVITIES</b>						
Net Income for the period	111,750	94,698	18.0%	355,933	295,243	20.6%
Adjustments to reconcile net income to net cash generated by (used in)	(61,800)	(63,741)	3.0%	(233,674)	(206,815)	-13.0%
Reduction (increase) in operating assets	(29,886)	(11,050)	-170.5%	(43,180)	(29,294)	-47.4%
Increase (decrease) in operating liabilities	41,203	5,122	704.4%	11,148	35,519	-68.6%
Income tax and social security contribution paid	(3,288)	(8,799)	62.6%	(12,644)	(15,045)	16.0%
<b>Cash provided by (used in) operating activities</b>	<b>57,979</b>	<b>16,230</b>	<b>257.2%</b>	<b>77,583</b>	<b>79,608</b>	<b>-2.5%</b>



<b>INVESTMENT ACTIVITIES</b>						
Increase in / acquisition of investments	(3,080)	(8,043)	61.7%	(7,561)	(20,206)	62.6%
Decrease in marketable securities	383,293	391,897	-2.2%	1,015,952	648,683	56.6%
Increase in marketable securities	(400,279)	(575,348)	30.4%	(784,389)	(1,065,483)	26.4%
Dividends received from subsidiaries	2,400	1,200	100.0%	6,160	6,278	-1.9%
Receipt for the sale of subsidiaries / assets	178,331	2,062	8,548.4%	185,841	199,468	-6.8%
Aquisition of investment properties	(224,730)	(198,168)	-13.4%	(743,706)	(380,342)	-95.5%
Other	(4,252)	(168)	-2,431.0%	(8,224)	(475)	-1,631.4%
<b>Net cash used in investment activities</b>	<b>(68,317)</b>	<b>(386,568)</b>	<b>82.3%</b>	<b>(335,927)</b>	<b>(612,077)</b>	<b>45.1%</b>



<b>FINANCING ACTIVITIES</b>						
Proceeds from loans, financing and debentures, net	397,589	438,977	-9.4%	690,603	686,962	0.5%
Amortization of loans, financing and debentures	(81,455)	(19,377)	-320.4%	(143,225)	(147,541)	2.9%
Interest paid	(81,473)	(16,641)	-389.6%	(126,729)	(28,568)	-343.6%
Lease payments	(132)	(126)	-4.8%	(339)	(372)	8.9%
Dividend paid	-	-	-	(87,627)	(33,240)	-163.6%
(Payment) receipt on derivative financial instrument	(23,076)	-	-	(30,887)	-	-
Disposal (acquisition) of treasury shares	(11,862)	(29,242)	59.4%	(19,518)	(29,242)	33.3%
Proceeds from exercised stock options	297	-	-	334	3	11,033.3%
Contributions from noncontrolling shareholders	(524)	5,135	-110.2%	40,368	(5,202)	876.0%
<b>Net cash (used in) provided by financing activities</b>	<b>199,364</b>	<b>378,726</b>	<b>-47.4%</b>	<b>322,980</b>	<b>442,800</b>	<b>-27.1%</b>

<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>189,026</b>	<b>8,388</b>	<b>2,153.5%</b>	<b>64,635</b>	<b>(89,669)</b>	<b>172.1%</b>
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<b>CASH AND CASH EQUIVALENTS</b>						
At the beginning of the period	83,173	355,798	-76.6%	207,564	453,855	-54.3%
At the end of the period	272,199	364,186	-25.3%	272,199	364,186	-25.3%



## GLOSSARY



**GLA (Total):** gross leasable area, corresponds to the sum of areas available for lease.

**GLA % Log:** GLA referring to Log's interest in the projects.



**Approved GLA:** total areas with approved project and all other licenses, including areas already delivered.



**Delivered GLA:** areas delivered for lease.

**GLA FII:** GLA sold to FII LGCP11.



**GLA Partners:** GLA corresponding to the percentage that Log partners own in the projects (excluding the GLA of FII LGCP11).

**Gross Absorption:** refers to the occupation that occurred within the analyzed period. Includes areas subject to new lease contracts and contract renewals (referring to current year maturities).



**Net Absorption:** real increase or decrease in occupied space between periods. Sum of areas subject to new lease contracts, contract renewals (referring to current year maturities) and returns in the period.

**Contract Backlog:** Remaining amount receivable until the end of the contract term.

**EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization):** net income plus expenses with income tax and social contribution, financial result and depreciation.

**EBITDA for Leasing Activities:** considers, through EBITDA, increases or decreases for items that we understand not to be part of the result of our leasing activity, such as asset sales, or that do not affect our cash generation, such as fair value investment property and the fair value of investment property in jointly-owned subsidiaries.

**ESG: "Environmental, Social and Corporate Governance" - Translated from English, "Environmental, Social and Corporate Governance".** It refers to the three central factors in measuring the sustainability and social impact of an investment in a company or business.

**FFO (Funds From Operations):** net income before depreciation.

**FFO for Leasing Activities:** considers, through the FFO, additions or reductions to eliminate the effects of gain or loss from the disposal of assets, such as, for example, events with gains on the sale of properties and fair value adjustments and other effects "not box".

**FII:** Real Estate Investment Fund.

**Greenfield:** development of new projects for logistics sheds since the beginning of the work.

**12-month Net Bad Debt:** calculated by the remaining % of the balance of maturities accumulated in the last 12 months minus the amount of receipts in the same period.

**Joint Ventures (JVs):** joint venture in which two or more parties have joint control.

**Loan to Value:** ratio (%) resulting from dividing gross or net debt by the fair value of investment properties.

**EBITDA Margin:** EBITDA divided by net operating revenue.

**EBITDA Margin for Leasing Activities:** EBITDA for Leasing Activities divided by net operating revenue.

**FFO Margin:** FFO divided by net operating revenue.

**FFO Margin for Lease Activities:** FFO for Lease Activities divided by net operating income.

**Potential Portfolio % Log:** total GLA owned by the Company, in its different stages of development, that is, it includes the GLA of projects approved, under approval and delivered.

**Same Client Rent (SCR):** same client rent.

**Vacancy:** GLA available for lease.

**Stabilized Portfolio Vacancy:** GLA available for lease from the portfolio of properties that reach 90% occupancy or one year or more of operation, whichever comes first.

**Yield on Cost (YoC):** annualized potential revenue from assets (considering 100% occupancy) divided by CAPEX of the respective projects.



# Modular Warehouses 100% Class

# A

PRESENCE IN ALL REGIONS OF BRAZIL

31

projects delivered

7

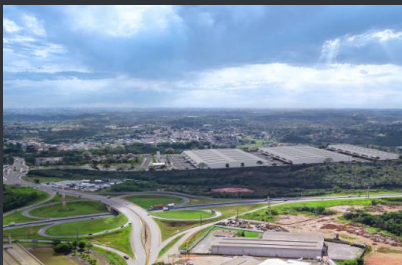
projects under construction

+1mn

m<sup>2</sup> of GLA delivered

+1.5mn

m<sup>2</sup> of GLA until 2024



## LOG SALVADOR / BA

With 113,562.31 m<sup>2</sup> of GLA, LOG Salvador will be strategically located 20 minutes from downtown Salvador and with easy access to the main highways in the Northeast region of Brazil, BA-526 and BR-324.

[SEE IN MAP →](#)



## LOG MACEIÓ / AL

With 52,546.10 m<sup>2</sup> of GLA, LOG Maceió will have modules in a class A warehouse, located in Cidade Universitária with easy access to the main capitals of the Northeast region of Brazil.

[SEE IN MAP →](#)



## LOG VIANA II / ES

LOG Viana II has more than 68 thousand m<sup>2</sup> of GLA and is located 13km from the Port of Vitória, just over 30 minutes from Vitória Airport and easy access to the cities of Vitória, Vila Velha and Serra via BR 101, in addition to , has LEED certification.

[SEE IN MAP →](#)

[Click to see the full portfolio](#)



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