



Log COMMERCIAL PROPERTIES
4Q25 Results Conference Call
February 12, 2026

Operator:

Good morning, ladies and gentlemen. At this time, we welcome you to the LOG Commercial Properties earnings video conference for the 4Q25. Joining us today are Sérgio Fischer, CEO; Rafael Saliba, CFO and Investor Relations Officer; and Henrique Schuffner, Finance and Investor Relations Director.

Please note that this presentation is being recorded and simultaneously translated. The translation is available by clicking the interpretation button. For those listening in English, you may mute the original Portuguese audio by selecting 'mute original audio'.

During the Company's presentation, all participants will have their microphones disabled. Ensuing this, we will begin the Q&A session. To ask a question, click on the Q&A icon and enter your name and company. When your name is announced, a request to enable your microphone will appear.

Now, please be advised that any forward-looking statements made during this conference call regarding LOG's business outlook, operational and financial targets constitute management's projections and may or may not materialize. Investors should understand that political, macroeconomic and other operational factors may impact the Company's future results and cause the outcomes to differ materially from those expressed in such forward-looking statements.

To open LOG Commercial Properties' 4Q25 earnings video conference, I give the floor to Sérgio Fischer.

Sérgio Fischer:

Good morning, everybody, and thank you for attending our 4Q25 earnings. The year 2025 was very positive for logistics warehouse. We had the lowest vacancy rate for the year. In this highly active market, LOG has become consolidated as one of the main platforms in Brazil with a streamlined platform and good locations. We ended the year with a stabilized vacancy of 0.81%, absorption of 545,000 m² and 256,000 pre-leased assets and, of course, working on all other assets developed by LOG.

In the 1Q, we announced a review of contracts to deal with customers whose values were lagging behind vis-à-vis the market. We concluded 46% of the negotiations of this first stage of review, with an increase in average ticket of 43%. This increase in ticket will be gradual with a cash effect of 25% at the moment of signature. We got to 2.7% in SCR above the inflation for the 14th consecutive quarter.

LOG will continue to explore market opportunities to offer value to shareholders based on the demand of the sector and based on minimum values. This enables us to develop top-quality assets, and this should drive the quality of results for next quarters.



In the 4Q25, we delivered 98,400 m² of GLA in LOG Fortaleza and others and LOG PIB and Belo Horizonte. The leasing thing and yield on cost was 14%. And we had 287,000 GLA distributed in Central West, Southwest and Northeast.

LOG concluded the year with more than 623,000 m² under construction, divided in 15 works located in 11 states. This should support the delivery volume in coming quarters. We had record EBITDA in accordance with the LOG 2 Million program because of our sound and very sustainable activity.

Rafael Saliba:

We recently announced a binding agreement to structure a new investment vehicle that has the aim the acquisition of a portfolio of 12 operational assets of LOG, encompassing 340,000 m² of GLA. The volume of this transaction is R\$1.050 billion. When concluded, this will be the greatest transaction ever announced by LOG. Besides bringing about greater efficiency for the Company's capital structure, it allows us to have the necessary investments for the plan foreseen for 2026, unlocking the value of the projects that are under development.

We have consolidated our strategy of offering value to shareholder and the recycling of assets has amounted to R\$4.6 billion. And this shows the resiliency of the Company's strategy, the liquidity of its assets in different scenarios. Besides financing the growth of development activities in the Company with the development of 993,000 m² of GLA, this also strengthens the cash for shareholders.

In the 4Q, adjusted net revenue was 1.6x EBITDA. After the conclusion of our assets, we had a substantial reduction of leverage to levels recorded in 2024-2025. With this cash surplus, LOG paid out to shareholders R\$985 million in dividends and for share buyback. The distribution of dividends for the year 2025 totaled R\$346,000. We were included in IDIV of B3 index that encompasses companies with the best dividend activity in terms of capital structure.

And in an environment of greater economic uncertainty and with a higher cost of capital, we have sought to have a better capital efficiency in our business, working better with leasing and offering more attractive returns for investors, with a strong cash distribution alongside the development activities and service rendering.

Henrique Schuffner:

In the 4Q, the net revenue for leasing was an advance of 16% vis-à-vis the same period last year, R\$65.2 million. Now in 2025, the net revenue reached R\$248.8 million. The average ticket was R\$22.76 with prices above inflation for the 14th consecutive quarter. Same client rent reached 2.7%. This shows that LOG is able to adjust fast-to-market changes.

Now net default reached minimum levels reaching 0.52%, because of our client portfolio and a very good management. Our strategy of diversification and expansion of revenues will be based on our logistic assets. This reflects the Company's model of activity going beyond simple leasing. The LOG ADM ended the quarter with a growth of 45% vis-à-vis the previous quarter. 564,000 m² refers to the assets of third parties not developed by LOG. This shows the operational efficiency of the services offered by the Company.

In the 4Q25, the net revenue for services reached R\$6.7 million with a margin of 62.7%, representing 47% of SG&A. During the year, the net revenue for services totaled R\$21.8 million, a growth of 47%



vis-à-vis the same quarter in 2024. The leasing EBITDA was R\$55.7 million; for the year, R\$213.8 million with a growth of 19.5% vis-à-vis the previous year.

The development EBITDA was R\$388.3 million for the year, an increase of 23.4% when compared to the same period in the previous year. The consolidated EBITDA was R\$148 million. This was another record that we achieved, reaching R\$602.1 million with a significant growth vis-à-vis the previous year.

Net income for the semester was R\$78.7 million. We had an increase of 5.6% compared to 2024, all of this within the guidance set forth for 2025. Profit per share was R\$4.6.

We will now go on to the question-and-answer session. Thank you very much for your attention.

Marcelo Motta, JPMorgan:

Thank you for taking our questions. We have 2. First, if you could speak about that new financial vehicle you are creating, the features of the assets. There are 12 properties, if I am not mistaken. Will there be a change in the projects for these assets vis-à-vis the assets that have already been built?

The second question, how will this change your CAPEX plan and your deliveries for this year? Perhaps you will simply fund the CAPEX that you expected for this year. If there is an upside, if this will increase the pace now that you will be somewhat more comfortable. Thank you.

Sérgio Fischer:

Motta, thank you for the question. Well, our assets are fixed. There are 12 properties in 10 different cities throughout Brazil. What we wanted to do was work with a small sample of the LOG portfolio that is very relevant. We also have a sectoral classification and classification of clients.

So this is the type of bias that we use to focus on the LOG portfolio. These are fixed properties. They have already been clearly defined, and most of this transaction was imagined to maintain the management of these assets. LOG will work with the commercial part, managing the condominiums of this, which represents relevant revenues. This is very positive for the present day moment if we add on the revenues that we imagine that will come in. We are very enthusiastic with this.

Besides the record volumes, this is a transaction that will transform the Company, transform its balance. We should get to net debt EBITDA of 0x. So this is what will fuel the imminent growth that is taking place.

We have a very relevant pace of work that are underway. I can say that this is the best harvest in the history of the Company. We have been able to deliver geographic diversification, assets in regions with enormous demand and highly leasable assets.

And the average rate of growth was 14%, so we do want to capture these growth opportunities. All of these assets are already performing. They are part of the LOG portfolio. And of course, our activities are as I have just mentioned. We have an extensive land bank. Most of it has already been approved. 1.2 million GLAs or more within the Company. We do have the ability to grow considerably through these movements in the coming year, and this includes 2026.



And we have to get ready to service this demand that is taking place. The demand is growing considerably abroad, and we have to take care of our clients and we have to have that ability to continue growing with these clients and, of course, bringing good returns for the projects.

André Mazini, Citi:

Good morning, and thank you for taking our questions. We have 2. The first, if you could speak about your service revenue, 147% growth, and this is one of your areas of concentration. In LOG ADM, you are also working with third-party properties. You are managing the assets sold as well as working on services. Services for assets of LOG, a variety of services. I do not know if you are working with equipment, with forklifts. And of course, this has high growth. Are you going to maintain this? Or will this become stabilized at lower figures for the full year of 2026?

The second question, if there is a risk of a flight of price instead of flight of quality, you are based on the IPCA that so far is positive. Have you seen some clients say, well, that warehouse based on IGP seems to have a lower cost? Well, perhaps in the long term, both indices will be very similar, but presently, the IGP is negative. So perhaps the warehouses of your competitors will have a lower cost and the clients will focus on that specified price.

Sérgio Fischer:

Thank you, André. I will answer the second question. Mazini, let's be very objective here. We have not seen in any of our clients a churn. We had a reduction of churn in the last 2 years going from 10% to 5% this last year. The negotiations that we have with the client, the client comes to renew the contract and the negotiations are highly positive. We reported that work of review of contracts that we have carried out in the first batch, the nominal ticket of clients increased 43%.

This is a very positive, very open, very honest conversation. And once again, the sector finds itself at a highly positive moment. The vacancy rate as a whole is 7%. In our case, because of the diversification and the quality portfolio disseminated throughout the country, we do not have any case with vacancy outside of our average. Our average is very close to 0. We have a great deal of bargaining power. We have clients that leave basically because of their operations. This is the reason why they leave LOG, but the churn has had a significant drop in the last 2 years.

To speak about the market, I am highly optimistic of this movement of a price increase. For many years, we were losing out to inflation. The situation has been different in the last 2 years. We are carrying out reviews of contracts above inflation, and I do not see that this will change. There's still a gap to close in the Company, and we are focusing on this. And the top line of the ticket seem to be increasing. So this will continue to grow throughout these revisions. This is a positive moment. We do not have the exit of clients due to flight to price. And this is a very positive moment working with prices above the IPCA.

Rafael Saliba:

I am going to speak to you about the services. This is Henrique. We have 3 pillars of growth, the service revenues for the Company. And until the beginning of last year, as we develop our assets and carry out a recycling, we maintain a very high percentage of the service rendering for those assets. So as the Company complies with that 2 Million plan, we have already recorded growth in the service, which is natural because of the quality of our services, and because we have mobilized fully. Our NPS is



79%, highly positive. It shows excellence in service. Even with this growth of 2 digits, almost 3 digits, we are able to maintain the quality of services by enhancing the pace of services. These are the pillars of our development.

The second pillar began in a more aggressive way at the beginning of last year and more in midyear, the commercial efforts in the open market. We have sought out and have managed to work with assets developed by third parties who are seeking us out because of the recognition of our services. The NPS, I think, is an example of this. So this is the second pillar of growth.

Nowadays, we have 600,000 to 700,000 m² managed under this modality of service rendering. This is a very relevant pillar. We continue on with our commercial efforts in the market. And every quarter, we have grown the area under management.

The third pillar are the new services. As part of the value ecosystem of a logistic warehouse, there's a variety of services rendered. And we have been speaking about this. We have energy, we have insurance. We are broadening our capacity within the existing products, and we are also creating different products, gardening services, the services for the entrants. These are simple services. They do not represent the risk of liability for the Company, which is one of our concerns. And because of this, we have a growth in service rendering. We should be able to obtain these services and observe them during this year.

And the main source of revenue for the future, and I will speak about this in greater detail, is the management of assets, that operation, that new vehicle that will be transformational for the Company, expanding the level of revenues we have with this type of initiative. We already have high margins of practically 70%. And as we have new services coming in, we will have new services with different margins in a new composition.

What is important is that we are adding value to each service included in the operation. And in the future, the more representatives will, of course, be part of our assets. We have the potential of a growth of 4x in the present day of revenues that we have at present. This is our vision going forward, Mazini.

Pedro Lobato, Bradesco BBI:

Thank you for taking my question. My question is to explore the issue of competition. It's very clear that the sector is at its best moment in history. We have seen the LOG results. And besides LOG results, the prices have increased in the market as a whole. Do you feel the pressure of new entrants? Which is your view of new areas in the coming 2 years? If this is a source of concern for you or if you understand that competition will remain as it is at present? Thank you very much.

Sérgio Fischer:

Pedro, thank you for the question. We presently do not see competition. There is no vehicle or company in the country that does what we do. In Porto Alegre, we have a very good market. We have the largest portfolio in the sector, which is what clients want. Clients want to sign up with LOG because of the services they are going to receive. And that client portfolio has performed very well with the pre-leasing we do during construction. 70% of our contracts are closed with our customer base. So presently, we do not see anybody doing this or getting organized to do something transformational as we do, not in a highly relevant way.



Competition has increased in the last 2 years, but it's still at the same level. Competition for the warehouses is for warehouses class B, not class A. We do not know what will happen going forward. If there is a drop, this will become a concern, if a real estate fund comes to develop new assets. And we focus on this with a great deal of attention. We do not see this happening in the midterm. We are thoroughly enjoying the market at present, Pedro.

Matheus Meloni, Santander:

Good morning. Thank you for taking my questions. I have 2 follow-ups here in truth. First of all, regarding your CAPEX, which is the evolution of your plan LOG 2 Million vis-à-vis what you presented originally? Are you going to increase the pace or slow down the pace of this program in the coming years?

The second follow-up refers to the service area. I would like to gain an understanding of the size of third-party assets that you are able to manage without compromising your quality, and understand what you see that is different in the GLA of third parties and the GLA that you develop yourselves with higher efficiency, of course? I understand the challenges of managing GLA that is not yours.

Sérgio Fischer:

Thank you for the questions. Let's begin with the second one. We are positively impacted with our capacity to grow in the management of the GLA of third parties. There are some important features here. This year, we closed the operation for construction of a third party. A client from LOG requested that we do so. This has been recurrent, and this line item has grown faster than we had imagined. We have modeled that we will get to R\$3 million managed this year. And this could happen before during this year because of the contracts negotiated.

These are class A projects, very similar to our projects. In our projects, we have a higher number of clients, modular warehouses with clients. So we work with great efficiency, and day after day, we learned how to deal with this. What we have been able to obtain in the market is something that we can work with very well. And this is the reason why we have been able to grow this area with excellence.

Regarding your first question, the level of CAPEX for the 2 Million plan. We are online with a plan that began in 2025. We have 70% of the plan in-house with a relevant progress. We will have significant deliveries until 2027. We are working with 600,000 m² of GLA until 2027. But with that footprint, we only begin work with a specific GLA for the market if there is demand in that area. We do not build for the sake of building. We want to have strong pre-leasing and, of course, we want to deliver good assets as we have always done. And it is significantly known to thoroughly understand the demand in the area, and we are going to deliver those 2 Million GLAs leased.

Gustavo Fabris, BTG:

Good morning. We have 2 questions at our end. The first and faster one, how do you look upon the inflation scenario for the construction area? The cost is 14% at the end. How sustainable is this looking forward?

The second question is based on a previous question. Because of the transaction you just announced, how does it position yourself for future sales of asset this year? A large part of the GLA has already been sold. You have received this amount in cash. Are you planning to sell further assets this year?

Or are your capital structure and funding appropriate for the developments you have this year? These are my 2 questions.

Sérgio Fischer:

Thank you for the questions. Let's speak about inflation. Our cost of construction has been below the IPCA in the last 2 years. We have lower exposure this year in terms of inflation, which is what causes pressure. We have a very relevant scale of standardized construction, a very long list of suppliers. I do not see that this scenario will change. We are going to take on construction in line with the INCC, the construction index.

The yield is increasing because the CAPEX is stable. And because of this, we have been able to deliver these highly relevant and record figures for the Company. Last year, we delivered 300,000 GLAs above 3%, a very important framework. And I do not think there will be a change in terms of what we will do in 2026. I imagine we will maintain this performance perhaps with higher volume.

Regarding the sale of assets, we still have a significant recycling of our portfolio. I think the moment demands is because of the high interest rate. We are going to continue to work on recycling. We do want to create new businesses this year, and we have some under negotiation. There's more than one transaction under negotiation. The fact is that we would like to have a record year in sales. We will push for this to happen. There will be more liquidity in the market this year. The last year was very difficult, especially in the first half of the year. And with the reduction in the interest rate, we see that real estate funds are going to the market and making offers. We could perhaps carry out transactions with them.

There is greater liquidity in the market, and we have the capacity of carrying out better transactions. In this transaction, we received 80% of the resources upon closing, very positive, especially if we consider the volume.

Gustavo, we have that after deal role. And what is this after deal role? We are working on revenues. We are increasing services and also gaining revenues from the management of the portfolio, which is very important. 50 bps in the management of revenue, which is very relevant. This is something we do very well. It is not monetized. And through time, we will monetize this further so that we can double the revenues of the Company in the coming years with services.

Igor Machado, Goldman Sachs:

Good morning. Thank you for taking our questions. We have 2 follow-ups here. First of all, regarding the investment vehicle. I think it's been made clear that we are speaking of 2 assets. But I would like to better understand who you see as a potential investor. Would these be individual people? Can this change? And if you could have new acquisitions through this vehicle subsequently.

The second follow-up refers to the demand that has been broadly remarked on. The market is extremely heated, very active. Will this scenario change in the regions where you would like to expand to? Or do you have a different plan regarding this? Thank you very much.

Sérgio Fischer:



Thank you for the questions, Igor. Let's answer the question on demand, and then we will speak further about our transaction. Igor, when we concluded our plan, at the end of 2024, we reached the ideal number of working areas for the Company. We looked at the depth of demand in each area. We do not make projects for cities with less than 1 million inhabitants. This is important to have perpetual demand and to maintain the price of the assets after delivery.

And I think we have already attained all of this geographical selection. There are no areas we would like to go to. We have very good pricing, and the 2 Million plan has been fully modeled based on these sites. We are working with 6 or 7 projects with a very good diversification, and we will maintain this in the case of new sites.

Rafael Saliba:

Regarding our investment vehicle, you asked about the potential type of investor. This is an operation that arises with a warranty for the investor. There's no risk of demand in this sense. But because of what is happening in the market and the quality, the attractiveness of the assets, we will have enormous attraction for these assets. And eventually, this will open up the avenue for new businesses we can carry out.

We have diversified our relationship with potential buyers. And with this transaction, which is the largest ever, we show that we are able to access different areas with transaction levels that are accretive for the Company.

We already spoke about the use of the assets. In an environment with greater uncertainty, we already have conceived projects with guaranteed land bank. So we are unharnessing the value that refers to these projects, and we are less exposed to the reallocation of capital.

And of course, the macro environment is more challenging when it comes to profitability. We are accelerating the development of projects and the recycling of projects. As Sérgio mentioned, we want to keep selling and selling better ever more. And this vehicle is there to show that we are quite flexible in terms of sales, and the assets are there.

João Pedro Rodrigues, XP:

Thank you very much. Good morning. My question is a look at your capital structure and the potential of the 2 assets. If you are intending and using those proceeds of that sale, is this to generate CAPEX, guarantee the CAPEX for the year? Whether this is going to be used to lengthen your indebtedness or to pay for debt that you have, or if this will be used for the payout of dividends. Thank you for taking my questions, and congratulations.

Sérgio Fischer:

The transaction, due to its volume, aids in the plan for the capital of the Company. We have R\$400 million that are maturing this year, and these resources will help us to lengthen our debt. It's also important to say that doubtlessly, there will be a reduction in the spread, the average spread for the Company during the year because of these payments. And as I mentioned previously, this will unharness value and guarantee part of the CAPEX for the year in an environment that we see, this has a great deal of value. It allows us to continue on with this increased pace according to our 2 Million plan.



It's too early to speak about dividends at this point. We have always delivered value to the shareholders. In the last 3 years, we have paid out R\$4 billion. We want to maintain the payment of dividends, but the magnitude of dividends cannot be foreseen now.

We have to move on with our investments and the recycling plan of assets to have a clear vision of the amount of dividends. We will continue to pay out dividends. The question is the magnitude, the size of dividend.

At present, we still cannot give you a figure. We do have a very robust investment plan. The Company priority is to maintain a very low leverage and focus on net debt to EBITDA below 1x. So gradually, we will reduce our leverage as intended. And when it comes to our plan for dividends, we will see new flows of disinvestment to be able to gauge the flow of dividends.

Operator:

The question-and-answer session ends here, we would like to return the floor to Sérgio Fischer for the closing remarks.

Sérgio Fischer:

Thank you all for your attendance. I would like to underline 3 important points that allow us to have a very positive moment. First of all, the pipeline that I mentioned. We have a harvest of projects that will be built during the coming 2 years. There's a great deal of demand for this. This is very relevant. In the last 2 years, LOG has delivered a share of 15% to 20% of all warehouses in Brazil and with very positive results of around 14%. So the pipeline is unequal. And there's a great deal of room to grow.

Regarding services, I think the market does not pay attention to them. We harp on this very much because of the value generated, not only in intangible terms, customer satisfaction and excellence of service, but also because of the returns. As we mentioned before, we are working with modeling to increase this line of revenues twofold. We had an increase of 50% vis-à-vis last year, and the margin as we grow the services will tend to improve.

And the last point is the recycling. We had a difficult year for 2025. Despite the difficulty, we were able to sell relevant volumes with good negotiations. And the transaction this year falls into that activity. We had 80% paid up front. We see greater clarity in this market, and we will continue to carry out good transactions during 2026.

Thank you very much, and we hope to see you at our next call.

Operator:

The LOG CP video conference ends here. Should you have any additional questions, please speak to the IR department through e-mail. We would like to thank all of you for your attendance. Have a very good day.

"This document is a transcript produced by MZ. MZ uses its best efforts to guarantee the quality (current, accurate and complete) of the transcript. However, it is not responsible for possible flaws, as outputs depend on the quality of the audio and on the clarity of speech of participants. Therefore, MZ is not responsible or liable, contingent or otherwise, for any



injury or damages, arising in connection with the use, access, security, maintenance, distribution or transmission of this transcript. This document is a simple transcript and does not reflect any investment opinion of MZ. The entire content of this document is sole and total responsibility of the Company hosting this event, which was transcribed by MZ. Please, refer to the Company's Investor Relations (and/or institutional) website for further specific and important terms and conditions related to the usage of this transcript"