



# Earnings Release

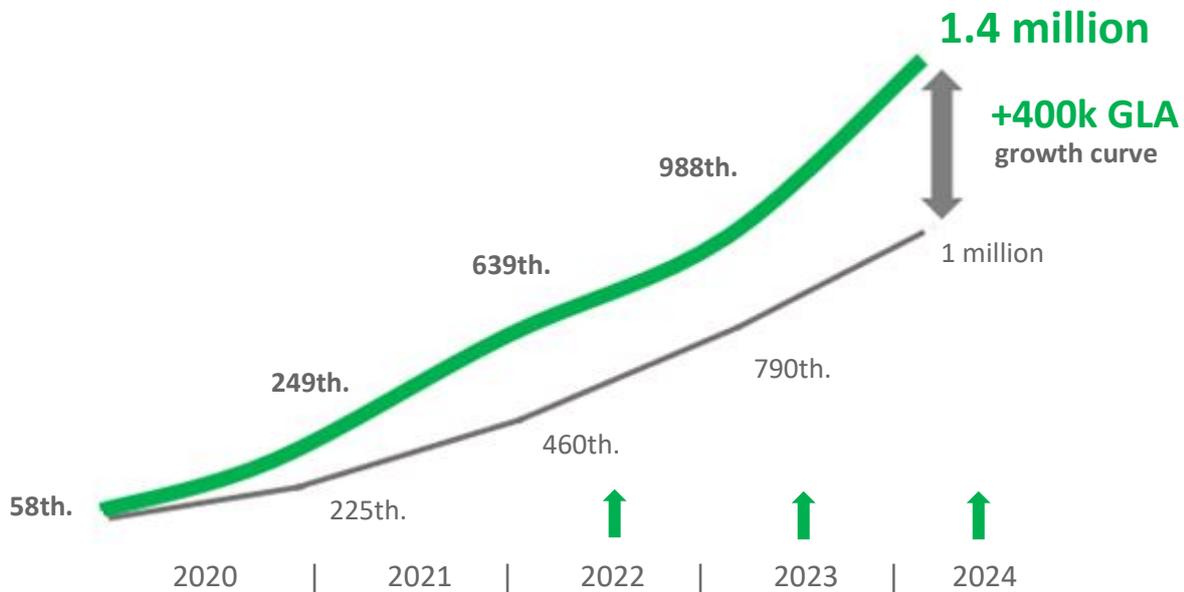
**2020** ↗

**LOGG**  
B3 LISTED NM

Belo Horizonte, February 9, 2021 – LOG Commercial Properties and Participações S.A. (hereafter referred to as LOG or the Company) (B3: LOGG3), announces its results for the fourth quarter of 2020 (4Q20). The financial information is presented in thousands of Brazilian Reais (R\$ Thousands), save where otherwise indicated, and is based on the consolidated financial statements prepared and presented in accordance with accounting practices adopted in Brazil and by the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board – IASB, as applies the Brazilian real estate institutions, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Counsel (CFC), consistent with any and all standards issued by the CPC.

## MUCH MORE THAN A PROPERTY COMPANY

**Accelerated Growth Curve:** at the end of 2020, the company decided to revise its original ‘Todos por 1’ plan, scaling up to ‘Todos Por 1.4’, upping our ambitious goal by 40%, thus forecasting 1.4 MM m<sup>2</sup> of Deliverable GLA by the end of 2024. In 2020, we scaled up the expansion of our landbank, amassing a total of 1 MM m<sup>2</sup> which will support production for the next three years.

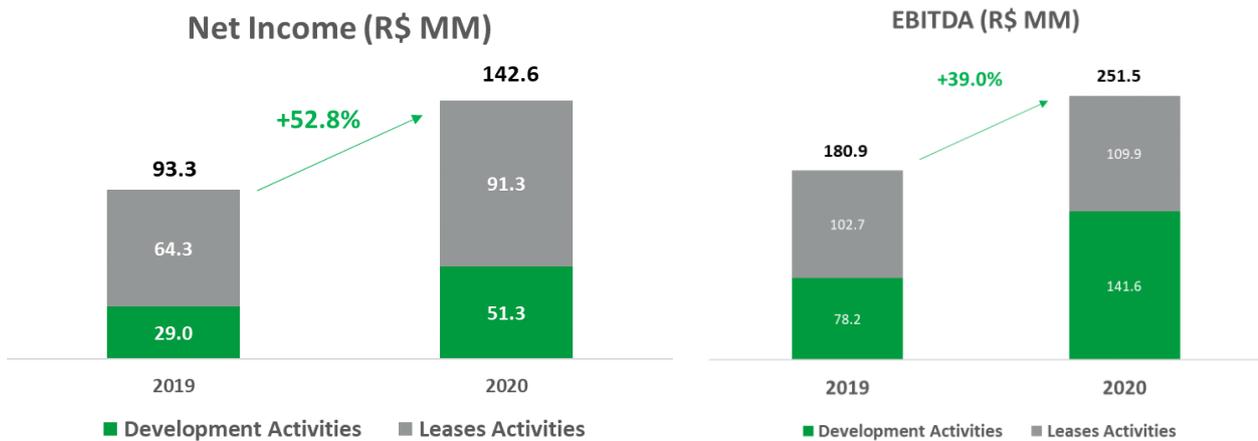


**Recurrent Generating Value:** we have consistently delivered new assets every year since the company’s foundation. As a result, we carry with us a history of success and a history of recurrent building value. In 2020, the company garnered more than R\$ 114 MM in new assets newly developed assets. In line with the ‘Todos Por 1.4’ growth plan, we have maintained margins above 40% for newly developed assets, as a result of the spread between development yields and cap rates already established in the market, securing gains for GLA over R\$ 1,000, potentially corresponding to some R\$ 1.4 billion in value throughout this growth cycle.

**7 Recycling assets:** we have concluded our second cycle of recycling assets with the sale to FII LGCP11, raising capital in the amount of more than R\$ 90 MM, further supporting the company’s strategy and strengthening the market’s warm reception for acquiring new assets. The company currently carries approximately R\$ 1.4 billion in mature assets, in order to carry out the strategy. In addition, the company sold nearly 2.5 thousand m<sup>2</sup> in strip malls, further strengthening LOG’s trend in concentrating its activities in the logistics development sector.

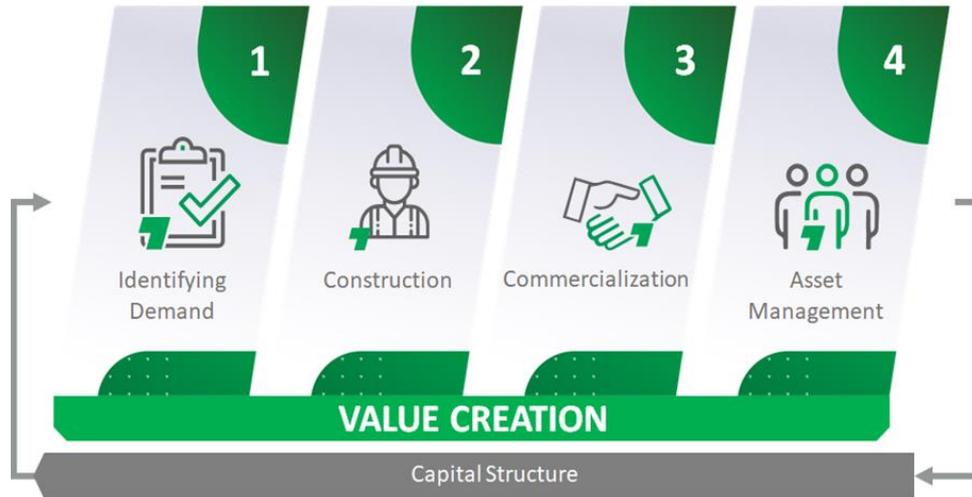
(in BRL thousand)	1st Tranche	2nd Tranche
Sales revenue from mature assets	164,863	90,739
Costs asset history	70,987	44,236
Gross profit	93,876	46,502
Gross margin	57%	51%
Generating value by GLA	1,843	1,552

**7 Solid results in 2020:** indicators have remained solid and reflect a groundbreaking moment in company sales. These positive results have remained stable over the last few years, a strong demonstration of the resilience of the company’s business mode.



# 1. BUSINESS PERFORMANCE

The company reported strong results in 4Q20 in each phase in the cycle of the business model, increasing the GLA growth curve, resulting in the scaling up of the original “Todos Por Um” plan to an “Todos Por 1.4” plan, reinforcing LOG’s sales team commitment, dedicated to adding value to the business.



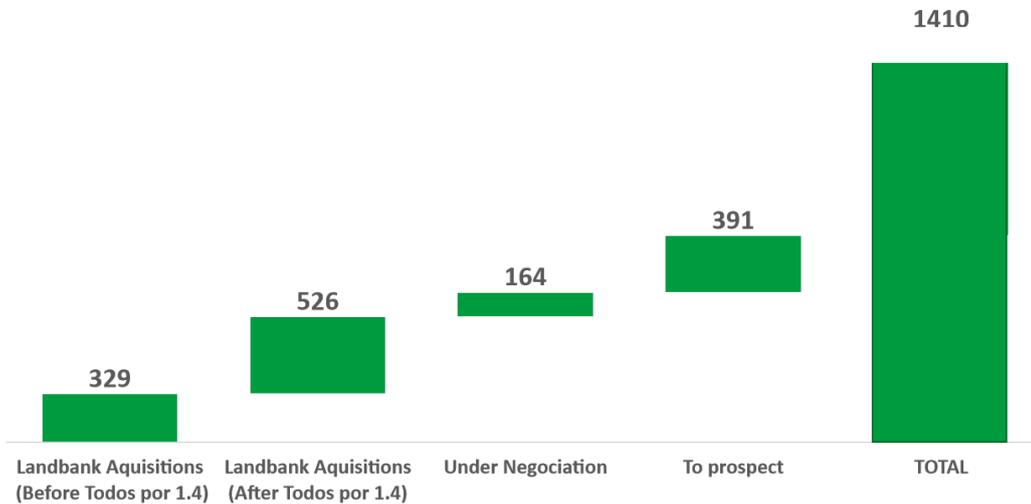
## 1.1 Identifying demand: geographic diversification

LOG’s asset portfolio is well-distributed geographically, with a market presence in all regions in Brazil, while remaining closely located to the main consumer centers in the country. Currently, we are present in 32 cities and 13 states.



**7** We have added 3 more properties and 164 thousand m<sup>2</sup> of GLA %LOG to our landbank, in addition to increasing our goal for land acquisition to 980 thousand m<sup>2</sup>, in-line with the increase to our “Todos Por 1.4” plan.

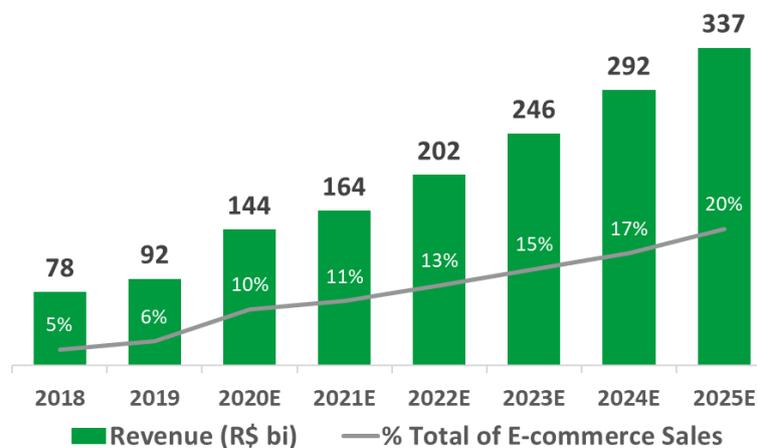
### Landbank Aquisitions Todos por 1.4 (in th m<sup>2</sup> of GLA)



**7** Main drivers of growth:

- **Flight to quality** - gaps in the Brazilian logistics infrastructure have led to many companies migrating from obsolete warehouses to modern, Class A assets. This has been one of the main drivers that has fueled the company’s growth, whether it be for current clients, or large to mid- size companies, that have yet to be added to our portfolio and client list.
- **E-commerce** – accelerated expansion of e-commerce has created rising demand for Class A assets throughout Brazil, leveraging the potential for the company’s business model.

### E-commerce sales in Brazil

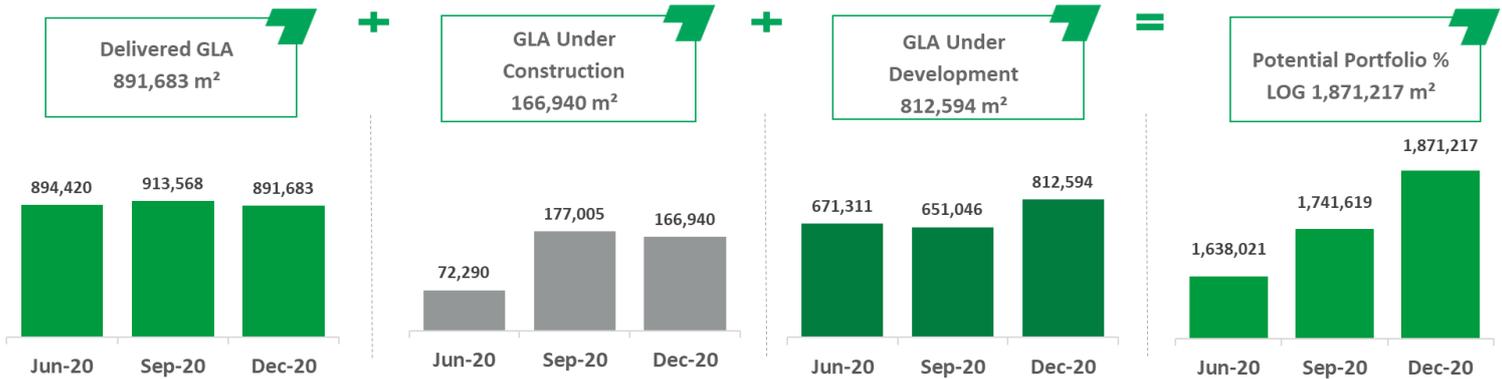


Source: eBit e Estimativas Santander

## 1.2 Construction: steadily increasing efficiency in construction

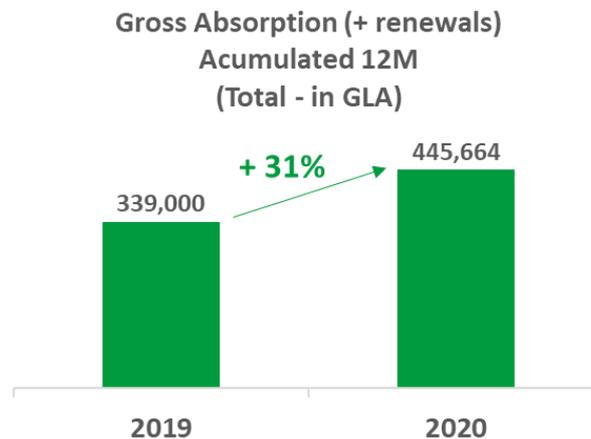
7 We concluded 10.3 thousand m<sup>2</sup> of GLA %LOG in LOG PIB BTS 2 in 4Q20, finalizing construction in 9 months. LOG reached 58.1 thousand m<sup>2</sup> of GLA %LOG delivered throughout 2020.

7 Production forecasts stand at more than 400 thousand m<sup>2</sup> of GLA up to the end of 2021, supporting the company's capacity for construction and efficiency for cost and time lines in any region in the country.



## 1.3 Sales: Unique Model

7 Record gross absorption in 12M accumulated.

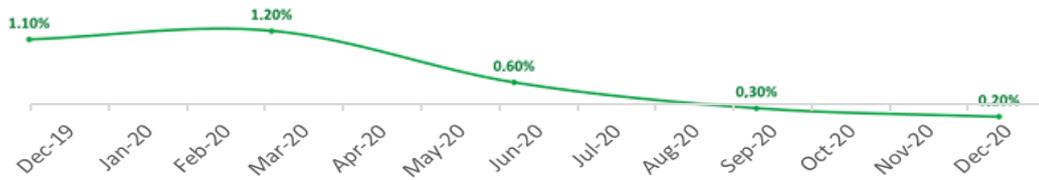


7 Despite the extraordinary year of 2020, the company registered its lowest levels of default in the last five years, nearing zero.

### Net Default – Over last 5 years



### Accumulated Net Default – 12 months



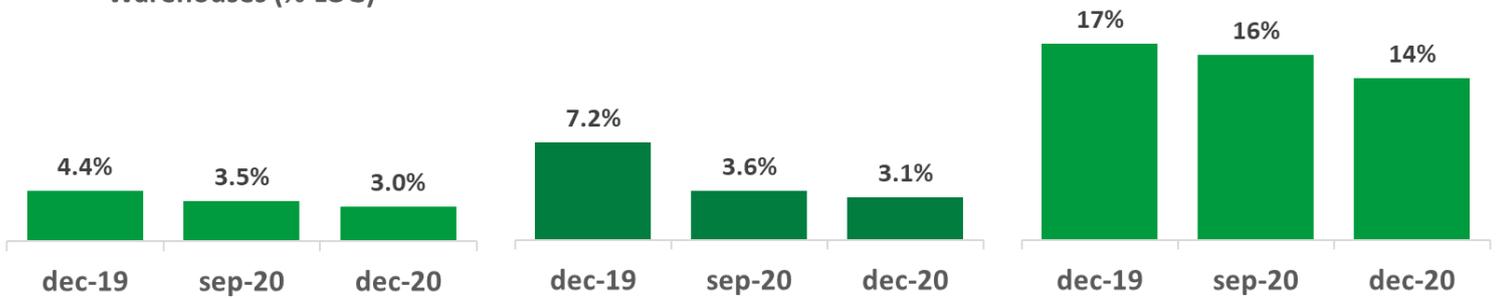
Currently, the company is carrying a backlog of R\$ 646.0 millions in contracted assets.

Lowest stabilized vacancy, 3.0% for portfolio at the end of 4Q20, demonstrating the strength of demand for LOG assets.

#### Stabilized Vacancy Warehouses (% LOG)

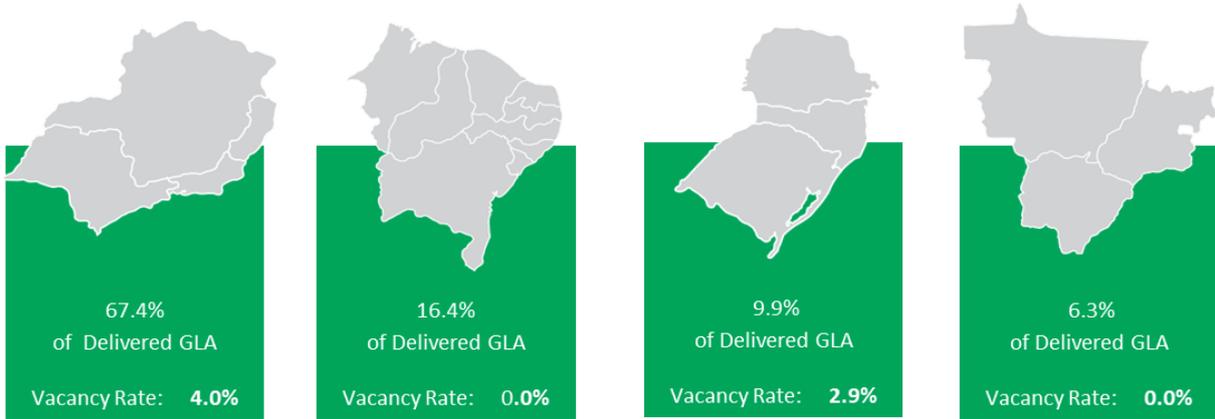
#### Vacancy Warehouses (% LOG)

#### Vacancy Warehouses Brazil<sup>1</sup>

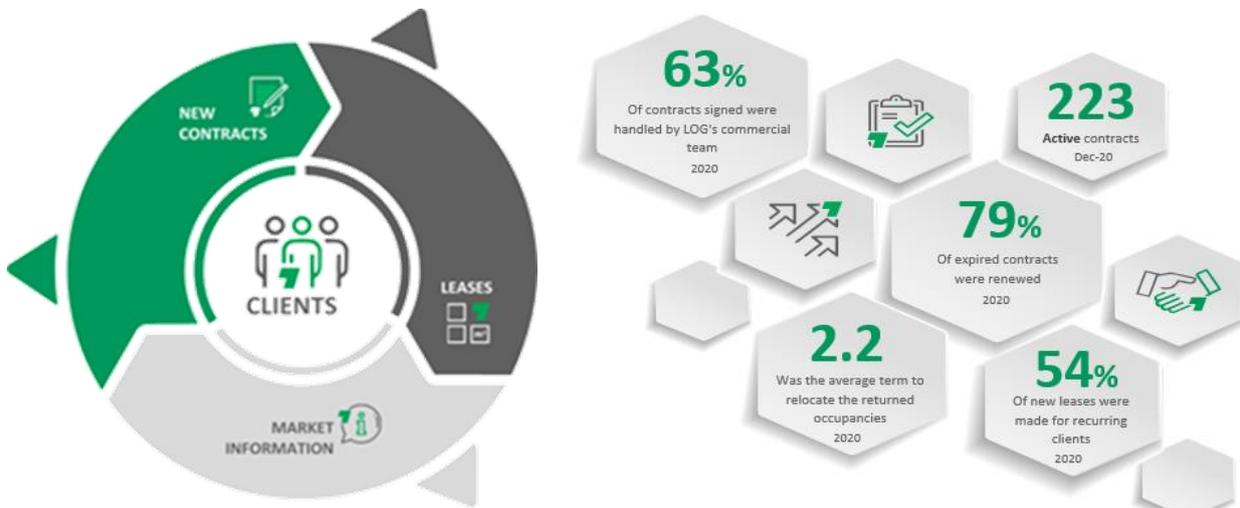


<sup>1</sup> Vacancy rates provided by Colliers, last available report based on data from December/20

### Stabilized Vacancy by Region



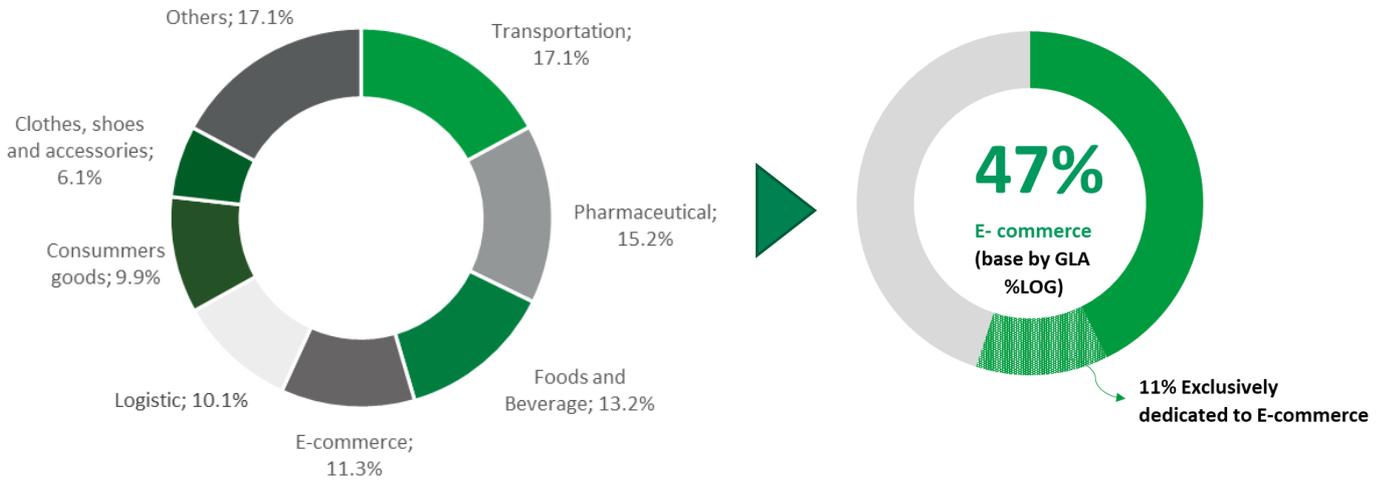
LOG is the only logistics asset property developer present in ALL regions in the country, setting it apart as a one-stop-shop solution for retailers looking to expand their operations geographically.



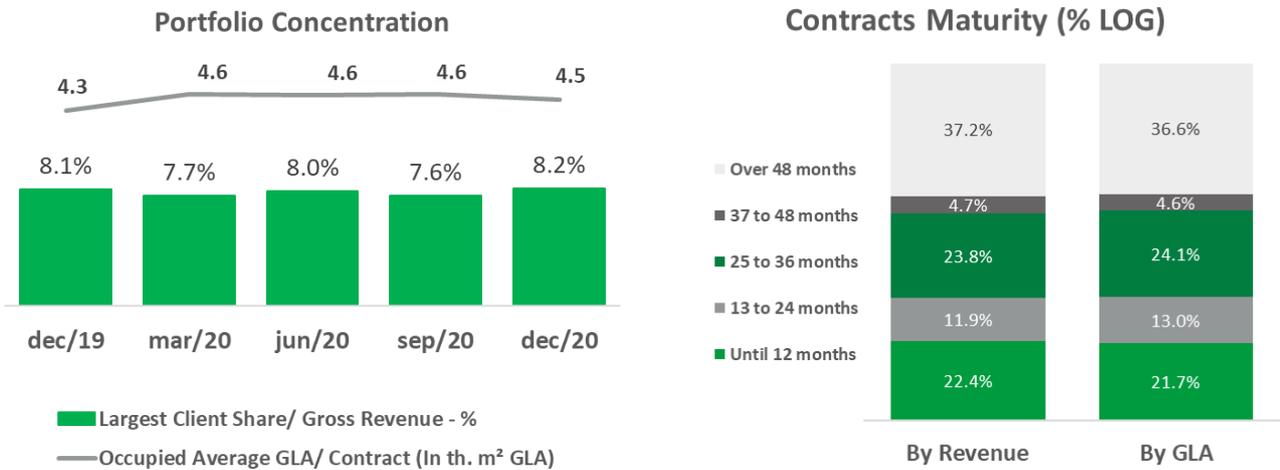
Our extensive client base of 223 contracts has afforded the company intelligent internal sales, which in turn, has resulted in assertive development and low vacancy rates.

- In 2020, LOG's sales team recorded 63% of all closed contracts.
- 11.3% of the GLA delivered by LOG is dedicated exclusively to e-commerce operations, in which 47% of the portfolio directly or indirectly handles products, fueling growth in online business and sales.

### Tenant Portfolio by Product Type (in % of leased GLA % LOG)



The company has managed to maintain a low-risk client portfolio, in which contracts have been spread across 223 contracts, resulting in average GLA of 4.5 thousand m<sup>2</sup> per contract. The client with the greatest occupation stands at 7.0% of %LOG GLA.

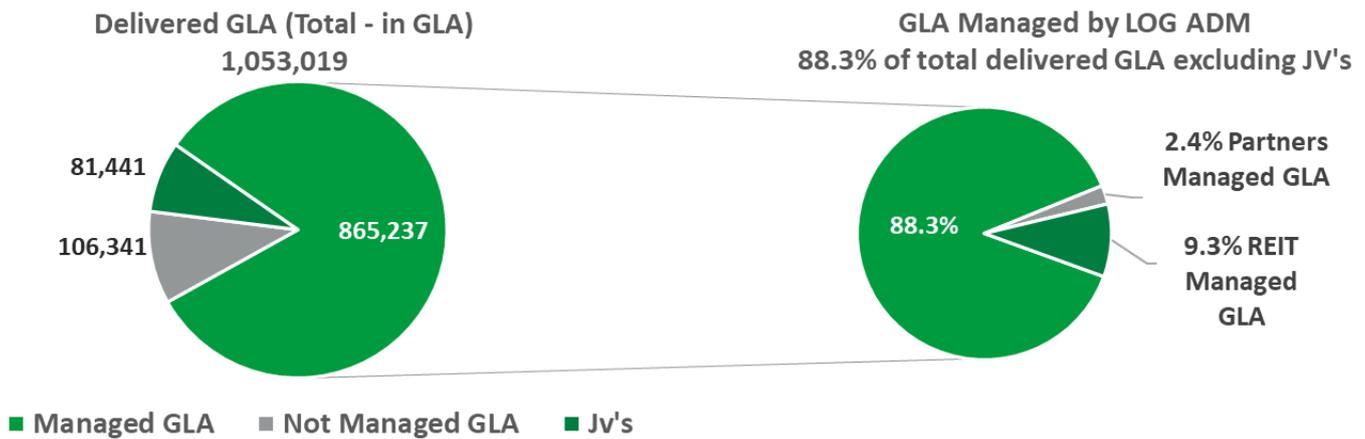


More than 37% of the revenue from contracts is forecast to expire in a period of over 48 months, and more than 65% over a period of 25 months.

## 1.4 Asset management: LOG ADM

LOG ADM handles the administration of 865.2 thousand m<sup>2</sup> GLA, which represents 87.8% of the total GLA delivered, not considering joint venture (JV) GLA.

7 Excellence in the quality of services and the proximity of our clients has led to milestone NPS ratings, the highest in the company's history.



## 1.5 Capital structure: strong liquidity

The company closed out another quarter registering solid performance indicators, and maintains strong liquidity faced with the challenges taken on for the upcoming years. The company reported a net debt of R\$ 56.1 million in December/20.

Our average nominal cost for current debt is low, standing at CDI + 0.9%, notwithstanding equity costs. The company remains watchful for new opportunities to stretch its profile, keeping a keen eye on interest rates, aiming to generate open cash flow for investments.

In 4Q20, the company reported strong asset recycling through the FII LGCP11 real estate investment trust. The operation included the sale of minority shares of five mature large assets, totaling 29.7 thousand m<sup>2</sup> to the real estate investment trust, FII LGCP11. In addition, 25 thousand m<sup>2</sup> of assets and strip mall properties were sold, further leading the company to concentrate on assets targeting logistics development.

## 2. FINANCIAL PERFORMANCE

### 2.1 Operating Revenue

Net Operating Revenue (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Net Operating Revenue</b>	<b>36,353</b>	<b>34,694</b>	<b>4.8%</b>	<b>141,537</b>	<b>128,034</b>	<b>10.5%</b>
Revenue from leases	37,428	35,882	4.3%	144,870	131,873	9.9%
(-) Taxes	(2,076)	(2,063)	0.6%	(7,081)	(7,182)	-1.4%
Revenue from Property Management	1,140	999	14.1%	4,271	3,810	12.1%
(-) Taxes	(139)	(124)	12.1%	(523)	(467)	12.0%

The table below highlights the opening of gross revenue for rentals recognized for revenue and the linear adjustment:

Operating Revenue (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Operating Revenue</b>	<b>37,428</b>	<b>35,882</b>	<b>4.3%</b>	<b>144,870</b>	<b>131,873</b>	<b>9.9%</b>
Revenue from leases	35,245	33,991	3.7%	138,155	131,455	5.1%
Straight-lining revenue	2,183	1,891	15.4%	6,715	418	1506.5%

### 2.2 Depreciation cost (Accounting Pronouncements)

In order to meet the current accounting standards, as regards attributing fair value to investment properties, the cost of depreciation for accounting for investment properties was included on financial statements up to 2Q14 was eliminated, in which adjustments were made once and exclusively through fair value variations of such assets. The effects of future valuation and real estate assessment is reflected in the category 'variation of fair value of investment properties'. Nevertheless, from an accounting perspective, tallying depreciation has not been altered. Therefore, for tax calculation purposes, the calculation of depreciation according to the standards established by the Internal Revenue Service remain. On the financial statements, existing depreciation refers to the company's physical administrative structure as real estate, equipment and others.



## 2.3 Cost of services

Revenue from condominium management (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
Revenue from leases	547	311	75.9%	2,049	1,181	-79.2%
Revenue from leases - Warehouses	1,001	866	15.6%	3,748	3,343	-76.4%
Revenue from leases - Retail	(454)	(555)	-18.2%	(1,699)	(2,162)	73.0%
Net Margin	54.6%	35.9%	18.7 p.p	54.7%	35.3%	- 6.5 p.p

Cost represents expenses on the administration of developments, LOG ADM.

## 2.4 Operating expenses

Operating Expenses (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
Operating Expenses	(11,363)	(13,935)	-18.5%	(39,491)	(36,306)	8.8%
Administrative expenses	(6,081)	(4,636)	31.2%	(21,796)	(17,006)	28.2%
Selling expenses	(2,628)	(2,454)	7.1%	(10,296)	(8,990)	14.5%
Other expenses/revenues	(2,654)	(6,845)	-61.2%	(7,399)	(10,310)	-28.2%

The increase in administrative and commercial expenses results from the growth of operations in implementing the company's plan for growth and corporate reorganization.

Variation for the quarter, as well as for the year, in line with other expenses/revenues is explained mainly by expenses incurred with operations in the sale of assets to FII LGCP11.

## 2.5 Results from asset equity

In 4Q20, the result of the equity from the Torino Park had an impact on the variation of the assessment of fair value.

Annual asset equity was impacted by the sale of the Contagem Shopping Mall through SPE Cabral in 3Q19.

Equity in Subsidiaries (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
Equity in subsidiaries	(2,670)	4,555	-158.6%	(872)	(9,015)	-90.3%
Cabral	(743)	474	-256.8%	(106)	(15,729)	-99.3%
Parque Torino	(3,157)	2,583	-222.2%	(2,209)	4,819	-145.8%
Loteamento Betim	693	76	811.8%	901	561	60.6%
SPE SJC	537	1,422	-62.2%	542	1,334	-59.4%

## 2.6 Financial Results

Financial Results (BRL thousand)	(in	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Financial Results</b>		<b>(808)</b>	<b>(5,626)</b>	<b>-85.6%</b>	<b>(15,056)</b>	<b>(38,146)</b>	<b>-60.5%</b>
Financial expenses		(5,777)	(14,346)	-59.7%	(30,385)	(55,927)	-45.7%
Financial revenues		4,969	8,720	-43.0%	15,329	17,781	-13.8%

Financial expenses dipped due to a decrease in effective costs from debt, impacted by a reduction in the Brazilian basic interest rate. Due to the increase in cash flow resulting from the operation of a follow-on offering carried out in October/19, valued at R\$ 638 MM, financial revenue was not adjusted in the same proportion.

## 2.7 Taxes

Taxes (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Income Tax/Social Contribution</b>	<b>(12,546)</b>	<b>(12,043)</b>	<b>4.2%</b>	<b>(93,121)</b>	<b>(48,694)</b>	<b>91.2%</b>
Current	(3,407)	(2,912)	17.0%	(11,493)	(9,810)	17.2%
Deferred	(9,139)	(9,131)	0.1%	(81,628)	(38,884)	109.9%

The table below demonstrates the makeup of deferred IR and CS, broken down from the impact resulting from the operation and the fair value of PPIs.

Taxes (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Income Tax/Social Contribution - Deferred</b>	<b>(9,139)</b>	<b>(9,131)</b>	<b>0.1%</b>	<b>(81,628)</b>	<b>(38,884)</b>	<b>109.9%</b>
Deferred from Operation	(12,533)	(22,392)	-44.0%	(7,422)	(12,752)	-41.8%
Fair Value Deferred	3,393	13,261	-74.4%	(74,206)	(26,132)	184.0%
SPEs	(9,349)	(9,352)	0.0%	(9,483)	(9,837)	-3.6%
PPI and Investment Sale	12,742	22,613	-43.7%	(64,723)	(16,295)	297.2%

An increase in deferred taxes is mainly due to an increase in fair value for the annual comparison.

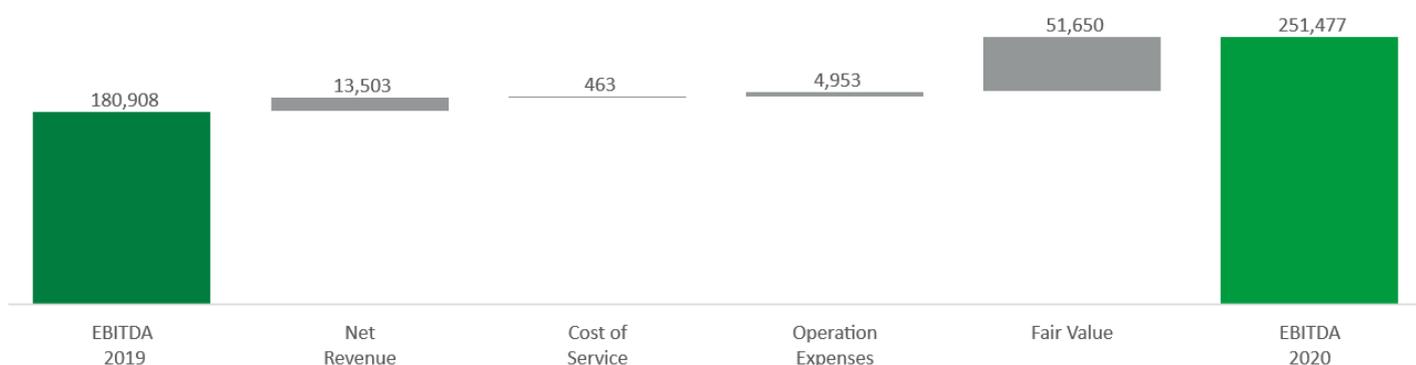


## 2.8 EBITDA

EBITDA and Adjusted EBITDA (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
(=) Net Income	36,887	40,713	-9.4%	142,572	93,335	52.8%
(+) Income taxes and contrib.	12,546	12,044	4.2%	93,121	48,694	91.2%
(+) Financial results	808	5,626	-85.6%	15,056	38,146	-60.5%
(+) Depreciation	187	189	-1.1%	728	733	-0.7%
<b>EBITDA</b>	<b>50,428</b>	<b>58,572</b>	<b>-13.9%</b>	<b>251,477</b>	<b>180,908</b>	<b>39.0%</b>
<b>EBITDA Margin</b>	<b>138.7%</b>	<b>168.8%</b>	<b>-30.1 p.p.</b>	<b>177.7%</b>	<b>141.3%</b>	<b>36.4 p.p.</b>
(-) Donation	-	-	0.0%	1,150	-	0.0%
(-) PPI and Investment Sale	1,156	6,404	-81.9%	3,541	24,158	-85.3%
(-) Effect on Equity of Sale of Betim Allotment Sale	341	(76)	-548.7%	442	(562)	-178.6%
(-) Investment Property Fair Value	(23,719)	(37,636)	-37.0%	(146,618)	(101,837)	44.0%
<b>Adjusted EBITDA</b>	<b>28,206</b>	<b>27,264</b>	<b>3.5%</b>	<b>109,992</b>	<b>102,667</b>	<b>7.1%</b>
<b>Adjusted EBITDA Margin</b>	<b>77.6%</b>	<b>78.6%</b>	<b>-1.0 p.p.</b>	<b>77.7%</b>	<b>80.2%</b>	<b>-2.5 p.p.</b>

As regards the annual comparison, EBITDA grew by 39% and EBITDA for leasing activities was up by 7.1%.

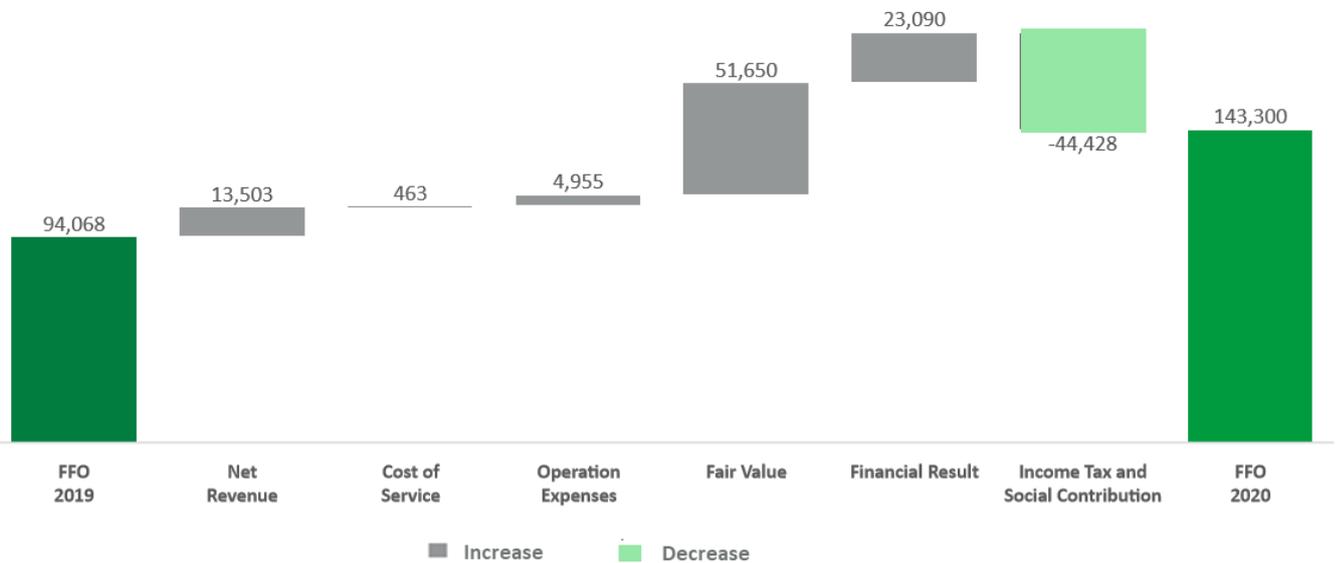
Bridge EBITDA (in BRL thousand)



## 2.9 FFO (Funds from Operations)

FFO and Adjusted FFO (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
(-) Net Income	36,887	40,713	-9.4%	142,572	93,335	52.8%
(+) Depreciation	187	189	-1.1%	728	733	-0.7%
<b>FFO</b>	<b>37,074</b>	<b>40,902</b>	<b>-9.4%</b>	<b>143,300</b>	<b>94,068</b>	<b>52.3%</b>
<b>FFO Margin</b>	<b>102.0%</b>	<b>117.9%</b>	<b>-15.9 p.p.</b>	<b>101.2%</b>	<b>73.5%</b>	<b>27.8 p.p.</b>
(-) Donation	-	-	0.0%	1,150	-	0.0%
(-) PPI and Investment Sale	1,156	6,404	-81.9%	3,541	24,158	-85.3%
(-) Effect on Equity of Sale of Betim Allotment Sale	341	(76)	-548.7%	442	(562)	-178.6%
(-) Financial revenue AVP/IPCA Sony sale	(843)	(313)	169.3%	(1,605)	(885)	81.4%
(-) Investment Property Fair Value	(23,719)	(37,636)	-37.0%	(146,618)	(101,632)	44.3%
(-) Income Tax and Social Contribution of Fair Value	(3,393)	(22,613)	-85.0%	74,206	16,017	363.3%
(-) Income Tax and Social Contribution of Fair Value	17,716	33,873	-47.7%	17,717	33,873	-47.7%
<b>Adjusted FFO</b>	<b>28,332</b>	<b>20,541</b>	<b>37.9%</b>	<b>92,133</b>	<b>65,037</b>	<b>41.7%</b>
<b>Adjusted FFO Margin</b>	<b>77.9%</b>	<b>59.2%</b>	<b>18.7 p.p.</b>	<b>65.1%</b>	<b>50.8%</b>	<b>14.3 p.p.</b>

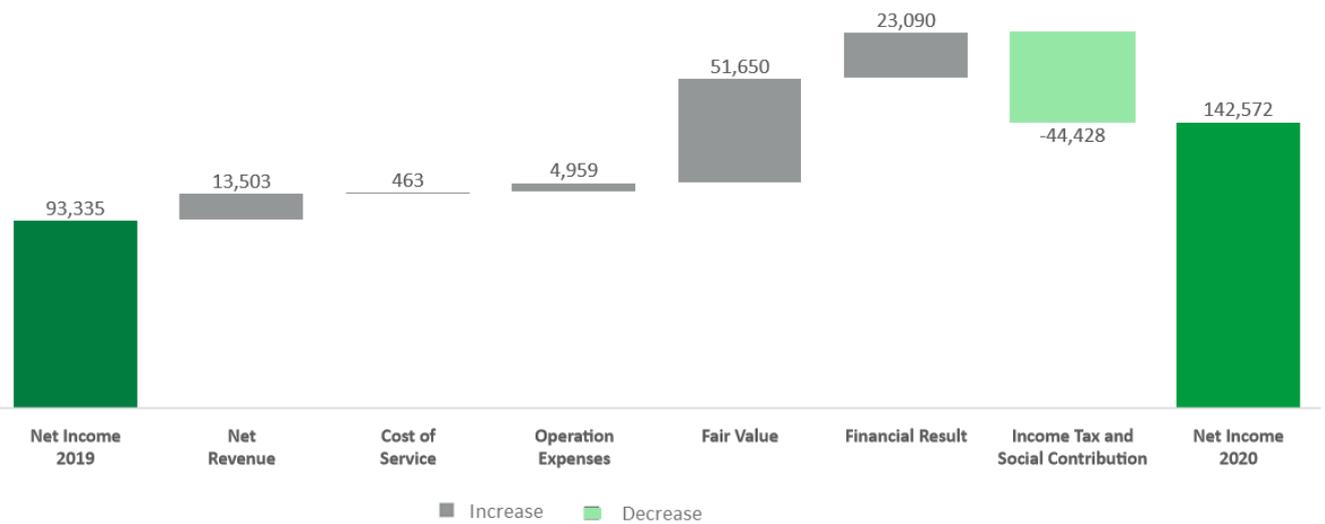
Bridge FFO (In BRL thousand)



## 2.10 Net Profit

Net Income Adjusted (in BRL thousand)	4Q20	4Q19	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>Net Income/Loss</b>	<b>36,887</b>	<b>40,713</b>	<b>-9.4%</b>	<b>142,572</b>	<b>93,335</b>	<b>52.8%</b>
<b>Net Margin</b>	<b>101.5%</b>	<b>117.3%</b>	<b>-15.9 p.p.</b>	<b>100.7%</b>	<b>72.9%</b>	<b>0.4 p.p.</b>
(-) Donation	-	-	0.0%	1,150	-	0.0%
(-) PPI and Investment Sale	1,156	6,404	-81.9%	3,541	24,158	-85.3%
(-) Effect on Equity of Sale of Betim Allotment Sale	341	(76)	-548.7%	442	(562)	-178.6%
(-) Financial revenue AVP/IPCA Sony sale	(843)	(313)	169.3%	(1,605)	(885)	81.4%
(-) Investment Property Fair Value	(23,719)	(37,636)	-37.0%	(146,618)	(101,632)	44.3%
(-) Income Tax and Social Contribution of Fair Value	(3,393)	(22,613)	-85.0%	74,206	16,017	363.3%
(-) Income Tax and Social Contribution of Fair Value	17,716	33,873	-47.7%	17,717	33,873	-47.7%
<b>Net Income Adjusted</b>	<b>28,145</b>	<b>20,352</b>	<b>38.3%</b>	<b>91,405</b>	<b>64,304</b>	<b>42.1%</b>
<b>Adjusted Net Income Margin</b>	<b>77.4%</b>	<b>58.7%</b>	<b>18.8 p.p.</b>	<b>64.6%</b>	<b>50.2%</b>	<b>0.3 p.p.</b>

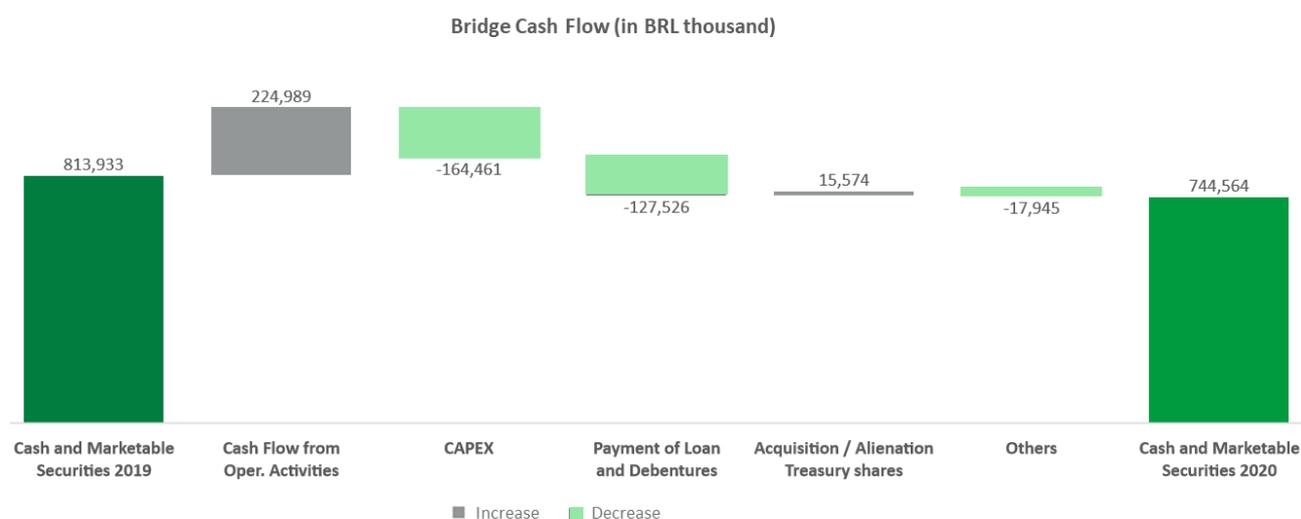
Bridge Net Income (in BRL thousand)



## 2.11 Cash, Cash Equivalents and Holdings

Cash generated from operational activities was mainly applied to the amortization of debts, interest and CAPEX.

Cash, cash equivalents and marketable securities (in BRL thousand)	31/12/2020	31/12/2019	Var. % 31/12/20 x 31/12/19
<b>Cash, Cash Equivalentes and marketable securities</b>	<b>744,564</b>	<b>813,933</b>	<b>-8.5%</b>
Cash and cash equivalents	453,855	507,388	-10.6%
Marketabel securities - Current	287,718	303,609	-5.2%
Marketable securities - Non-Current	2,991	2,936	1.9%



## 2.12 Accounts Receivable

Accounts receivable (in BRL thousand)	31/12/2020	31/12/2019	Var. % 31/12/20 x 31/12/19
<b>Accounts receivable</b>	<b>76,805</b>	<b>88,557</b>	<b>-13.3%</b>
Warehouse and Retail leases	37,617	33,740	11.5%
Sale of Land	22,945	43,317	-47.0%
Condominium Management	220	361	-39.1%
Others	16,023	11,139	43.8%

## 2.13 Investment Properties – PPI

Investment Properties (in BRL thousand)	31/12/2020	31/12/2019	Var. % 31/12/20 x 31/12/19
<b>Investment Properties</b>	<b>2,994,470</b>	<b>2,574,135</b>	<b>16.3%</b>
Landbank	280,766	106,446	163.8%
Completed projects	2,172,324	1,909,889	13.7%
Projects in process	541,380	557,820	-2.9%
<b>Assets for sell</b>	-	36,998	-100.0%
<b>Total</b>	<b>2,994,470</b>	<b>2,611,153</b>	<b>14.7%</b>

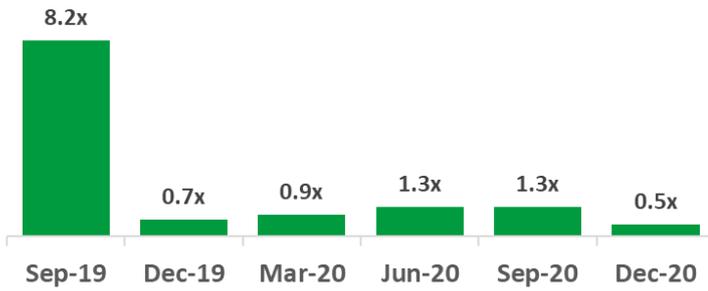
## 2.14 Debts

Loans, financing and debentures (in R\$ thousand)	Maturity	Effective cost*	31/12/2020	31/12/2019	Var. % 31/12/2020 x 31/12/2019
<b>Loans and financing</b>			<b>800,663</b>	<b>889,805</b>	<b>-10.0%</b>
Working Capital	Mar/24	CDI + 2.10%	-	-	0.0%
Construction financing	Dec/13 to Oct/24	CDI + 1.92%	22,659	27,977	-19.0%
Construction financing	Dec/13 to Sep/28	TR + 10.87%	25,628	24,196	5.9%
3 <sup>rd</sup> issuance of Debentures	Jun/14 to dec/22	CDI + 2.04%	-	-	0.0%
8 <sup>th</sup> issuance of Debentures	Nov/17 to Aug/21	119% CDI + 0.2	12,566	29,463	-57.3%
10 <sup>th</sup> issuance of Debentures	Dec/20 to Dec/23	CDI + 1.77%	61,315	75,820	-19.1%
11 <sup>th</sup> issuance of Debentures	Dec/18 to Dec/21	CDI + 2.23%	14,607	29,277	-50.1%
12 <sup>th</sup> issuance of Debentures	Jan/18 to Dec/27	CDI + 2.42%	70,036	80,063	-12.5%
13 <sup>th</sup> issuance of Debentures	Jun/21	108% CDI + 0.8	81,088	81,165	-0.1%
14 <sup>th</sup> issuance of Debentures	Nov/21 to Nov/23	117% CDI + 0.2	150,381	150,929	-0.4%
15 <sup>th</sup> issuance of Debentures	Jan/19 to Dec/28	CDI + 1.71%	56,043	63,056	-11.1%
16 <sup>th</sup> issuance of Debentures	Mar/20 to Mar/25	108% CDI + 0.3	82,261	104,882	-21.6%
17 <sup>th</sup> issuance of Debentures	Sep/19 to Sep/24	116.5% CDI + C	231,365	233,391	-0.9%
(-) Debt issuance cost			(7,286)	(10,414)	-30.0%

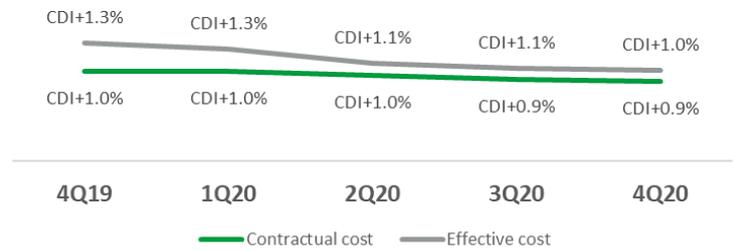
\* Effective costs: considers the contractual costs + other issuance costs (fees, legal assessment, Fiduciary Agent and/or Securitization Company - considering debentures, notary expenses etc.) and debt maintenance costs.

\*\* Construction financing with hedge contracted to 108.95% CDI since the beginning of the operation

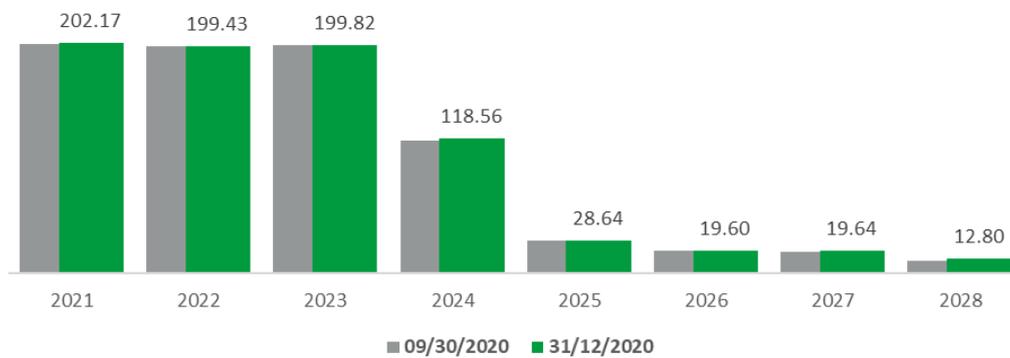
### Net Debt/EBITDA for Lease Activities LTM



### Cost of Debt



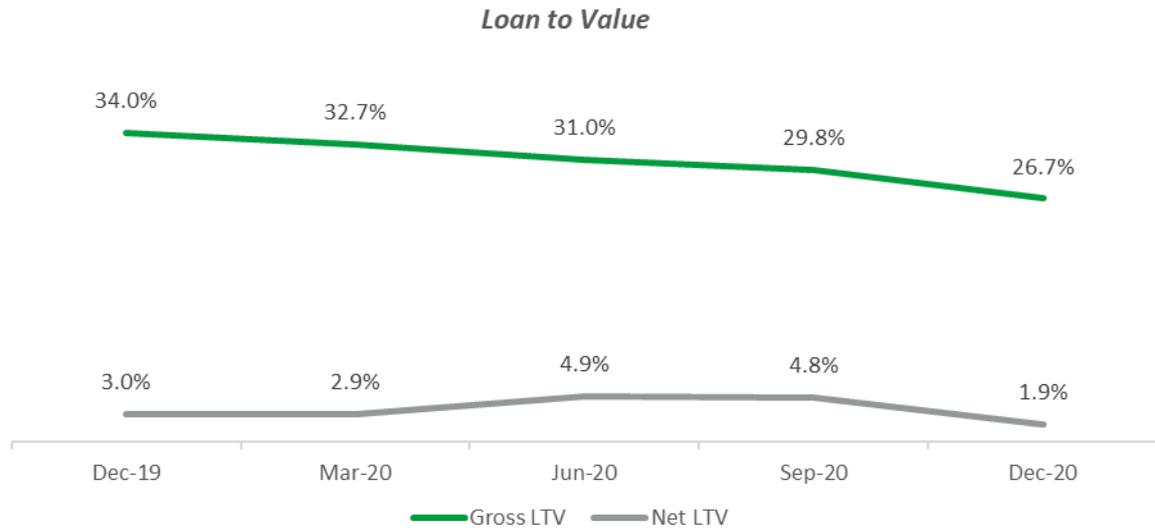
### Debt Amortization Schedule (in million BRL)



## 2.15 Debt Indicators

Net Debt (in R\$ thousand)	12/31/2020	12/31/2019	Var. % 12/31/20 x 12/31/19
(+) Loans and financing	800,663	889,805	-3.8%
(-) Cash and cash equivalents	744,564	813,933	7.8%
(=) Net Debt	56,099	75,872	-60.3%
(=) Shareholder's Equity	3,079,961	2,954,223	0.7%
<b>(=) Net Debt/Equity</b>	<b>1.8%</b>	<b>2.6%</b>	<b>-60.6%</b>

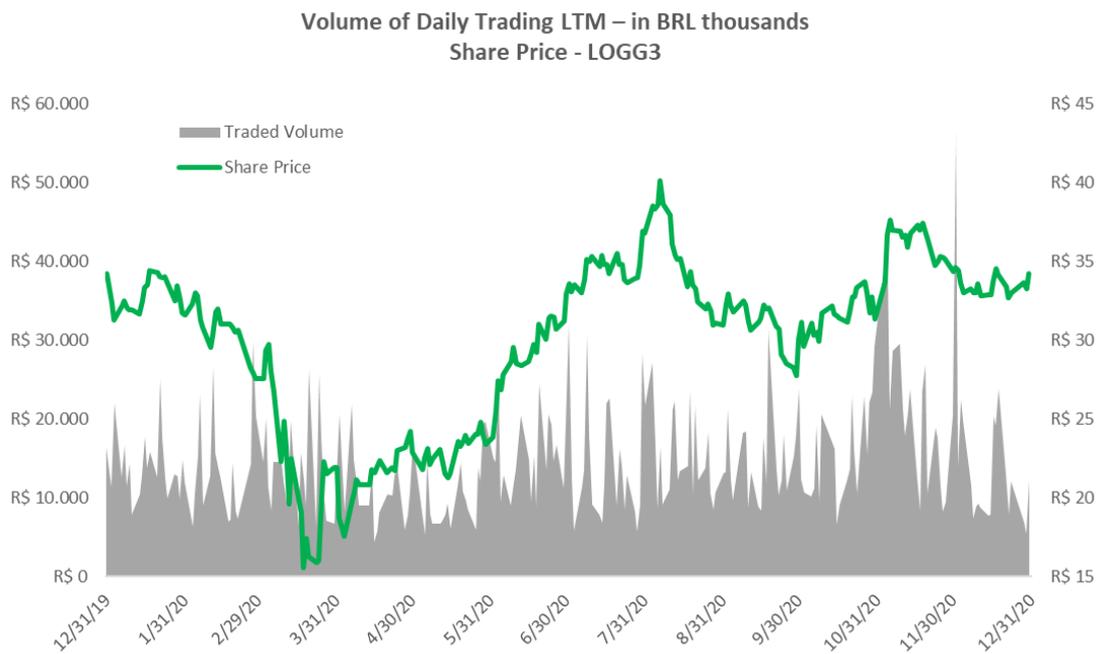
## 2.16 Loan to Value



Gross LTV: Gross Debt / Investment Properties Fair Value

Net LTV: Net Debt / Investment Properties Fair Value

## 3. CAPITAL MARKETS



**R\$ 3.4 bi** Market Cap

**R\$ 15.0 mi** ADTV  
30

Data base: 12/31/2020

## 4. ESG: LOG BEST PRACTICES AND STANDARDS

The first company in the segment to disclose a public report in accordance with the GRI-G4 (Global Reporting Issues) and adhere to structures as stated by the IIRC, the International Integrated Reporting Council).



### Sustainable, environmental actions in project design:

- Organize traffic for vehicles and trucks in logistic developments in the metropolitan area: reducing carbon emissions.
- The use of light sensors, LED lights.
- Natural lighting and ventilation.
- Light façades aiming to reduce heat absorption in buildings.
- Energy efficiency through the purchase of energy on the free market; energy from renewable resources.
- GBC, Green building Council, member.
- Recycling, waste management and earth moving, reducing waste.



### Positive impact in surrounding communities:

- Installation of access for disabled individuals and those with reduced mobility.
- Donation of a hospital equipment and basic food staples during the COVID-19 pandemic in the amount of 1.2 million.
- Geographic diversity democratizing they access to products for the general public.
- LOG Education Program, supporting basic education in local communities.



### Best practices in corporate governance:

- Respecting transparency, best practices in corporate governance and Novo Mercado B3 rules and standards.
- Board of directors including independent members.
- Diversity in leadership and senior management.
- Compliance through code of conduct, promoting awareness with all staff and offering a Confidential Communication Channel operated by third-party agency.
- Ethics and integrity are a undisputed cornerstone at LOG.

## 5. FINANCIAL STATEMENTS

### 5.1 Results statements (in BRL thousand)

INCOME STATEMENT	4Q20	4Q10	Var. % 4Q20 x 4Q19	12M20	12M19	Var. % 12M20 x 12M19
<b>NET OPERATING REVENUES</b>	<b>36,353</b>	<b>34,694</b>	<b>4.8%</b>	<b>141,537</b>	<b>128,034</b>	<b>10.5%</b>
<b>SERVICES PROVISION COST</b>	<b>(454)</b>	<b>(555)</b>	<b>-18.2%</b>	<b>(1,699)</b>	<b>(2,162)</b>	<b>-21.4%</b>
<b>GROSS PROFIT</b>	<b>35,899</b>	<b>34,139</b>	<b>5.2%</b>	<b>139,838</b>	<b>125,872</b>	<b>11.1%</b>
<b>OPERATING EXPENSES</b>	<b>14,342</b>	<b>24,244</b>	<b>-40.8%</b>	<b>110,911</b>	<b>54,303</b>	<b>104.2%</b>
Selling expenses	(2,628)	(2,454)	7.1%	(10,296)	(8,990)	14.5%
General & Administrative expenses	(6,081)	(4,636)	31.2%	(21,796)	(17,006)	28.2%
Other operating expenses, net	(2,654)	(6,845)	-61.2%	(7,399)	(10,310)	-28.2%
Investment Property Fair Value Variation	28,375	33,624	-15.6%	151,274	99,624	51.8%
Equity in subsidiaries and JV's	(2,670)	4,555	-158.6%	(872)	(9,015)	-90.3%
<b>OPERATING INCOME BEFORE FINANCIAL RESULTS</b>	<b>50,241</b>	<b>58,383</b>	<b>-13.9%</b>	<b>250,749</b>	<b>180,175</b>	<b>39.2%</b>
<b>FINANCIAL RESULTS</b>	<b>(808)</b>	<b>(5,626)</b>	<b>-85.6%</b>	<b>(15,056)</b>	<b>(38,146)</b>	<b>-60.5%</b>
Financial expenses	(5,777)	(14,346)	-59.7%	(30,385)	(55,927)	-45.7%
Financial income	4,969	8,720	-43.0%	15,329	17,781	-13.8%
<b>INCOME/ LOSS BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>49,433</b>	<b>52,757</b>	<b>-6.3%</b>	<b>235,693</b>	<b>142,029</b>	<b>65.9%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>(12,546)</b>	<b>(12,044)</b>	<b>4.2%</b>	<b>(93,121)</b>	<b>(48,694)</b>	<b>91.2%</b>
Current	(3,407)	(2,912)	17.0%	(11,493)	(9,810)	17.2%
Deferred	(9,139)	(9,132)	0.1%	(81,628)	(38,884)	109.9%
<b>NET INCOME/LOSS</b>	<b>36,887</b>	<b>40,713</b>	<b>-9.4%</b>	<b>142,572</b>	<b>93,335</b>	<b>52.8%</b>
<b>PROFIT/LOSS ATTRIBUTABLE TO</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
Shareholder's of the company	35,018	35,015	0.0%	139,959	90,202	55.2%
Non-controlling interests	1,869	2,698	-30.7%	2,613	3,133	-16.6%



LOG BETIM VIA EXPRESSA

## 5.2 Asset Balance Sheet (in BRL thousand)

ASSETS	31/12/2020	31/12/2019	Var. % 12/31/2020 x 12/31/2019	LIABILITIES & SHAREHOLDER'S EQUITY	31/12/2020	31/12/2019	Var. % 12/31/2020 x 12/31/2019
<b>CURRENT ASSETS</b>	<b>783,354</b>	<b>872,038</b>	<b>-10.2%</b>	<b>CURRENT LIABILITIES</b>	<b>330,525</b>	<b>130,422</b>	<b>153.4%</b>
Cash and cash equivalents	453,855	507,388	-10.6%	Accounts Payable	15,269	8,501	79.6%
Marketable securities	287,718	303,609	-5.2%	Loans and financing	203,229	82,526	146.3%
Accounts receivable	32,486	49,709	-34.6%	Salaries, payroll taxes and benefits	5,572	4,169	33.7%
Recoverable taxes	6,309	6,409	-1.6%	Taxes and contributions	8,541	6,886	24.0%
Deferred selling expenses	1,556	1,489	4.5%	Accounts payable for land acquisition	16,630	-	0.0%
Other assets	1,430	3,434	-58.4%	Advances from customers - Swap	45,688	1,550	2847.6%
				Payable Dividends	33,240	21,423	55.2%
				Other liabilities	2,356	5,367	-56.1%
<b>NON-CURRENT HELD FOR SALE</b>	<b>-</b>	<b>36,998</b>	<b>-100.0%</b>				
Non-current assets held for sale	-	36,998	-100.0%				
<b>NON-CURRENT ASSETS</b>	<b>3,428,829</b>	<b>3,079,691</b>	<b>11.3%</b>	<b>NON-CURRENT LIABILITIES</b>	<b>801,697</b>	<b>904,082</b>	<b>-11.3%</b>
Marketable securities	2,991	2,936	1.9%	Lease liability	4,182	4,097	2.1%
Derivative financial instruments	3,243	70	4532.9%	Loans and financing	597,434	807,279	-26.0%
Accounts receivable	44,319	38,848	14.1%	Accounts payable for land acquisition	45,725	-	0.0%
Anticipated expenses	4,691	5,043	0.0%	Advances from customers - Swap	84,848	14,746	475.4%
Taxes recoverable	22,827	28,255	-7.0%	Deferred taxes	63,254	66,462	-4.8%
Deferred income tax and social contribution	16,537	99,359	-19.2%	Others	6,254	11,498	-45.6%
Others	5,942	17,820	-83.4%				
Investment joint ventures	326,336	306,253	-66.7%				
Investment properties	2,994,470	2,574,135	6.6%	<b>SHAREHOLDER'S EQUITY</b>	<b>3,079,961</b>	<b>2,954,223</b>	<b>0.0%</b>
Fixed assets and intangible	7,473	6,972	16.3%	Equity attributable to the shareholder's of the company	3,060,121	2,938,957	4.3%
				Non-controlling interest	19,840	15,266	4.1%
<b>TOTAL ASSETS</b>	<b>4,212,183</b>	<b>3,988,727</b>	<b>5.6%</b>	<b>TOTAL LIABILITIES &amp; SHAREHOLDER'S EQUITY</b>	<b>4,212,183</b>	<b>3,988,727</b>	<b>5.6%</b>

### 5.3 Consolidated Cash Flow Statement (in BRL thousand)

CASH FLOW STATEMENT	2020	2019	Var. % 2020 x 2019
<b>Cash flows from operating activities</b>			
Net Income for the year	142,572	93,335	52.8%
Adjustments to reconcile net income to net cash generated by (used in) operating activities:			
Depreciation	728	733	-0.7%
Results from equity participation	872	9,015	-90.3%
Amortization of prepaid expenses	1,398	1,727	-19.1%
Allowance for credit risk	1,805	1,608	12.3%
Financial result	15,056	38,146	-60.5%
Results on sale of partial equity interest in subsidiary	-	7,992	-100.0%
Deferred taxes	79,300	40,419	96.2%
Changes in the fair value of investment property	(148,927)	(101,012)	47.4%
Stock options	1,426	623	128.9%
	94,230	92,586	1.8%
(Increase) decrease in operating assets:			
Trade accounts receivable	(10,425)	(11,248)	-7.3%
Recoverable taxes	1,068	2,312	-53.8%
Prepaid expenses	(1,113)	(5,533)	-79.9%
Other assets	4,612	(17,141)	-126.9%
Increase (decrease) in operating liabilities:			
Suppliers	20,329	(1,018)	-2097.0%
Labor and social liabilities	1,403	1,059	32.5%
Tax liabilities	12,355	11,082	11.5%
Other liabilities	(7,939)	9,297	-185.4%
Receipt from sales of subsidiary	29,656	20,979	41.4%
Receipt for the sale of investment properties	90,739	164,863	-45.0%
Income tax and social contribution paid	(10,700)	(9,027)	18.5%
Dividends received from subsidiaries	-	13,000	-100.0%
Net cash provided by operating activities	224,215	271,211	-17.3%
<b>Cash flows from investing activities</b>			
Increase in marketable securities	(317,294)	(665,044)	-52.3%
Decrease in marketable securities	333,904	373,111	-10.5%
Increase in / acquisition of investments	(11,685)	(8,003)	46.0%
Aquisition of investment properties	(147,271)	(186,169)	-20.9%
Receipts from related companies	-	-	
Other	(942)	(665)	41.7%
Net cash used in investing activities	(143,288)	(486,770)	-70.6%
<b>Cash flows from financing activities</b>			
Proceeds from loans, financing and debentures, net	-	328,959	-100.0%
Amortization of loans, financing and debentures	(87,643)	(352,834)	-75.2%
Interest paid	(39,883)	(104,608)	-61.9%
Lease payments	(465)	(122)	281.1%
Capital increase	-	738,135	-100.0%
Dividend paid	(21,423)	(10,328)	107.4%
Share issuance costs	(77)	(24,096)	-99.7%
(Payment) receipt on derivative financial instrument	-	(2,426)	-100.0%
Acquisition of treasury shares	(18,597)	-	
Disposal of treasury shares	34,171	-	
Proceeds from exercised stock options	98	-	
Contributions from noncontrolling shareholders	(641)	(221)	190.0%
Net cash (used in) provided by financing activities	(134,460)	572,459	-123.5%
(Decrease) increase in cash and cash equivalents	(53,533)	356,900	-115.0%
<b>Cash and cash equivalents</b>			
At the beginning of the year	507,388	150,488	237.2%
At the end of the year	453,855	507,388	-10.6%
(Decrease) increase in cash and cash equivalents	(53,533)	356,900	-115.0%

The accompanying notes are an integral part of these financial statements.

## 6. GLOSSARY

**GLA (total):** gross leasable area, Referring to the sum of available areas for leasing.

**GLA % LOG:** GLA holdings in which LOG bears a stake.

**Approved GLA:** total area bearing project approval and all licensing, including areas already delivered.

**GLA delivered:** area delivered for leasing.

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

**GLA partner:** GLA represents the stake LOG partner companies have in developments (excluding GLA held by FII LGCP11).

**Gross absorption:** refers to the occupation that took place during the period analyzed. Including areas for new lease contracts and contract renewals (refers to expiration in the current year).

**Net absorption:** increase or decrease in occupied spaces between periods. The sum of areas for new lease contracts and contract renewals (refers to expiration in the current year) and returns over the period.

**Contract backlog:** the remaining amount receivable until the end of the contract.

**EBITDA:** (Earnings before interest, taxes, depreciation and amortization): net profit added to expenses with interest and taxes, statements and depreciation.

**EBITDA from Leasing Activities:** factored into EBITDA, increases or decreases by items that are not understood as part of the company's results from leasing activities, such as the sale of assets, or those items that do not affect cash flow, such as fair value for investment property and their property value for investment in holdings and group holdings.

**ESG (Environmental, Social and Corporate Governance):** refers to the 3 core factors to measure sustainability and social impact while investing in a company or business. These criteria for business conduct help to better determine the company's future financial performance.

**FFO from leasing activities:** factored into FFO, increases and decreases to eliminate gains or losses from assets sold such as events from gains in the sale of property and adjustments to fair value and other non-cash effects.

**FII:** real estate investment fund trust.

**FII LGCP11:** LGCP11 is a real estate investment fund trust that works with a focus on making a profit on rental properties for the logistics and industry sectors. Established in August 2019, the fund is managed by Banco Inter.

**Greenfield:** development of new warehouses and logistics development projects.

**Net default 12 months:** calculated by the percentage remaining from the sum of payments due, accumulated over the last 12 months minus the value of receivables for the same period.

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

**Loan to value:** rate (%) resulting from the division of gross or net debt by the fair value of properties for investment.

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

**EBITDA margin from leasing activities:** EBITDA from leasing activities divided by net operating revenue.

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

**FFO margin from leasing activities:** FFO margin from leasing activities divided by net operating revenue.

**LOG % portfolio percentage:** total GLA held by the company, in different stages of development, including GLA with approved projects, project under assessment for approval and delivered projects.

**Vacancy:** GLA available for leasing.

**Vacancy of stabilized portfolio:** GLA available for leasing from the property portfolio that have reached 90% occupancy or have been in operation for one or more years, whichever may occur first.

**Yield on cost (YoC):** Potential yield on assets (considered 100% leased) divided by CAPEX of respective projects.

## 7. LEGAL DISCLAIMER

The statements contained in this document as regards LOG's business outlook, projected operational and financial results and those opinions regarding the company's future outlook are merely projections and, as such, are based exclusively on the expectations of the company's administrative directors and Board of Directors, as applies to future business.

The outlook depends, substantially, on the approval and licensing necessary in order to officially register projects, market conditions, the performance of the Brazilian economy, the specific sector and international markets and therefore, are subject to unwarranted and unforeseen changes.

The current performance report includes non-accounting data for operations, finances and an overall outlook based on expectations as seen by the Board of Directors. This non-accounting which includes quantitative and portfolio values, approved GLA, produced GLA, delivered GLA and forecasts that have not been reviewed by the company's independent auditors.

EBITDA has been calculated according to CVM 572/12 regulations indicated in this report and represents net profit before the financial results, income tax and taxes, depreciation expenses insofar as EBIDTA for leasing activities does not specifically take into consideration effects resulting from the sale of assets and the fair value of investment properties. FFO indicated in this report represents net profit before expenses of depreciation only, while FFO for all leasing activities does not specifically take into consideration the effects of EBIDTA for leasing activities (effects as a result of the sale of assets and fair value for investment properties), in addition to including the resulting taxes. EBIDTA and FFO are not measures of financial performance according to accounting practices adopted in Brazil and the IFRS, and should also be considered separately, or as an alternative to net profit, as an operational performance measure, or alternatively to operational cash flow, or as a liquidity measure. Since the following criteria are not considered in the calculation, financial results, income tax, taxes, expenses of depreciation and amortization, EBIDTA and FFO serve as indicators of LOG's general economic performance, that are not affected by alterations to income tax and tax adjustments or by levels of depreciation or amortization. EBIDTA and FFO, on the other hand, present limitations that may warrant caution in their use as a measure of LOG's profit, due to the fact they do not take into consideration determined costs resulting from the company's business that may significantly affect company profits, such as financial results, taxes, depreciation and amortization, capital expenses and other related expenses. EBIDTA for leasing activity, like FFO for leasing activities, are measures used to evaluate the company's overall development over time.

## 8. RELATIONSHIP WITH INDEPENDENT AUDITORS

The company's policy in hiring the services of independent auditing ensures that there are no conflicts of interest and loss of independence or objectivity. According to CVM Instruction 381/03, the company affirms that our independent auditors, KPMG independent auditors, did not carry out any services in 2020 unrelated to external auditing. In the month of October/2019, other previously agreed upon services were handled by KPMG Independent Auditors (KPMG) and Ernst & Young Independent Auditors S/S (EY), the focus of a follow-on offering in the value of R\$ 627,400 issued to KPMG, a value some 345% higher than external auditing services provided in 2019, and R\$ 539.9 to Ernst & Young. In the case of KPMG, considering that services and previously agreed-upon services through a letter of intent and contract were clearly stated separately and did not interfere with the object in proceedings of auditing for the review of the company's financial statements according to the applicable standards for auditing/review in Brazil, in which KPMG understands that providing other prearranged services does not affect its independence or objectivity required to perform external auditing services.

## 9. 4Q20 RESULTS TELECONFERENCE

**Date:** Wednesday, February 10th, 2021 - 10h00 a.m. (Brasília) / 08h00 a.m. (New York) - with simultaneous translation

Conference call code: LOGCP

**Connection Phones:**

Participants in Brazil: +55 11 4210-1803 / +55 11 3181-8565

Participants in other countries: +1 412 717 9627 / +1 844 204 8942 (Toll Free) / +44 20 3795 9972 (London)

**Replay (English)**

Phone: BR +55 11 3193-1012 / +55 11 2820-4012

Replay Code EN: 5484983#

## 10. INVESTOR RELATIONS INFORMATION

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**André Vitória**

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