



# Earnings Release

1Q22

## Videoconference

April 29, 2022, Friday  
10:00 a.m. (Brasília) / 9:00 a.m. (New York)  
Simultaneous translation

Replay | Portuguese or English

[Click here](#) and access the  
videoconference.

[ri.logcp.com.br](http://ri.logcp.com.br)

**LOGG**  
B3 LISTED NM

**BELO HORIZONTE, April 28, 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 first quarter of 2022 ("Q1FY22"). The following financial information, unless otherwise stated, is presented in Thousands of Brazilian Reals (BRL thousand), was prepared in accordance with accounting practices adopted in Brazil and with International Financial Reporting Standards – IFRS, issued by the International Accounting Standards Board – IASB.

# Q1FY22 HIGHLIGHTS

Visit the  
Results  
Center



## DELIVERIES

69.8 thousand m<sup>2</sup>  
100% leased

## PRODUCTION

103.0 thousand m<sup>2</sup>

## PRE-LEASE

85%  
projects to be delivered in 2022

## STABILIZED VACANCY

1,63%  
historic minimum

## PROJECTS APPROVED

241.7 thousand m<sup>2</sup>  
projects already started

## NET INCOME

R\$ 132.3mn

Best quarterly result in the  
Company's history

- 1 BUSINESS PERFORMANCE
- 2 FINANCIAL PERFORMANCE
- 3 CAPITAL MARKET
- 4 ESG
- 5 FINANCIAL STATEMENTS



## MANAGEMENT MESSAGE



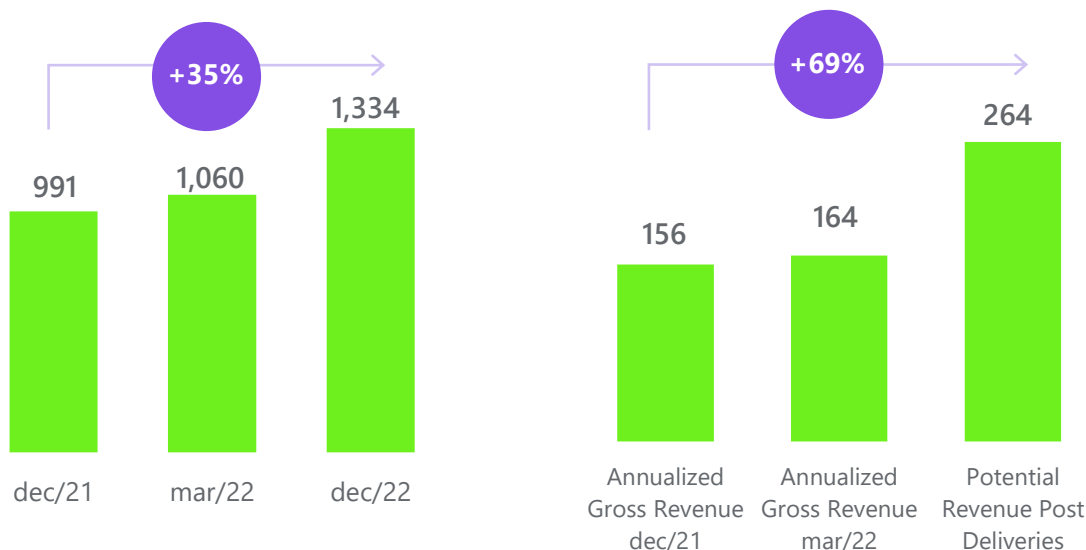
**Deliveries 100% leased and historic minimum vacancy: 2022 will continue displaying the strength of our business model**



**7 Deliveries of 100% leased projects:** in Q1FY22 we delivered **69.8 thousand m<sup>2</sup> of GLA, 100% leased**, in the metropolitan regions of Belém and Goiânia. For the year, the total of modular and built-to-suit (BTS) assets to be delivered **total 414 thousand m<sup>2</sup> (83% Log)**, in 6 different cities, **85% of which are already pre-leased**. With the finalization of these scheduled deliveries, by the end of 2022 **the company's asset portfolio will be 35% higher than the 2021 portfolio**. Thus, **we estimate an addition to the annual lease revenue of about BRL 100 million**.



**GLA delivered (thousand m<sup>2</sup> %Log) = Generation of Gross Revenue (BRL MM)**



**7 The schedule remains strong and unchanged:** in line with the high volume of deliveries for the year, construction activity follows the expected pace, demonstrating our efficiency in the development cycle. In this first quarter, **we produced the equivalent of 103.0 thousand m<sup>2</sup>** and we expect to maintain this high level of production throughout the year, achieving more than 10 simultaneous projects, focusing on execution time and quality, already recognized by our customers.

**7 Historic minimum vacancy:** we ended Q1FY22 with a **stabilized vacancy of 1.63%**, reaching the **Company's historic minimum**. Bad debt remains close to zero. Reinforcing the positive dynamics of our industry and the continuous growth of e-commerce activities in Brazil, **our projects to be delivered in 2022 are mostly pre-leased to customers with activities directly connected to e-commerce**. We have the largest and best portfolio of logistics customers across the country, and we remain prepared to meet the need for market expansion, which remains strong in all regions of Brazil.



**Value generation cycle:** we unremittingly post expressive results in the generation of value from the spread between the development yield and the market value of assets. **In Q1FY22 BRL 98.3 million was generated.** The conclusion of this cycle occurs with the recycling of assets and for the accomplishment of this strategy, **we currently have more than BRL 1.5 billion of mature assets, already available for sale.** The appetite for quality assets like Log's continues to exist. This strategy also stands as an important source of funding for the Company, and will continue to be accomplished, despite market conditions, demonstrating the resilience of our business model.

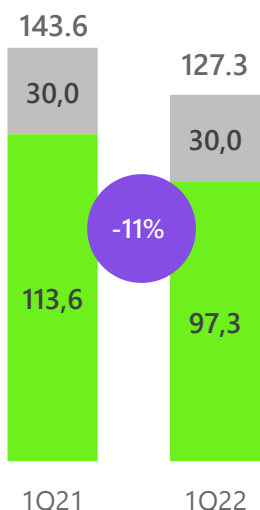
**Investment solidity:** we remain with a solid balance sheet to meet the planned investments. As an event subsequent to the closing of Q1FY22, we announced **the raising of a CRI (Real Estate Receivables Certificate) amounting to BRL 300 million, divided into two series at an average cost of CDI+1.31% with an average term of 5 years.** Our funding does not require collateral and represents the Company's excellent credit risk quality.

EBITDA totaled BRL 127.3 million in Q1FY22. And the **Net Income was BRL 132.3 million, the best quarterly result in the Company's history.**

**EBITDA**

BRL in Million

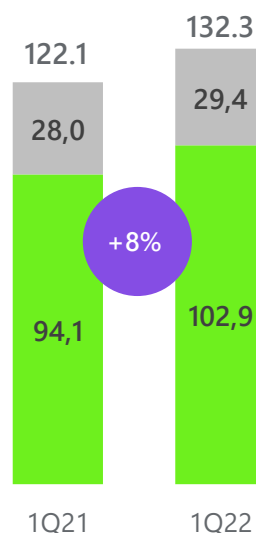
- Development Activity
- Lease Activity



**NET INCOME**

BRL in million

- Development Activity
- Lease Activity





## DEMAND | DRIVERS OF GROWTH



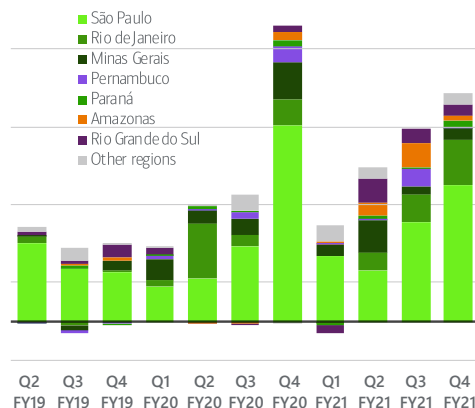
### Flight to Quality

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



### ROBUST DEMAND SUPPORTS STRONG NET ABSORPTION GROWTH

Net absorption of class A warehouses (m<sup>2</sup>)



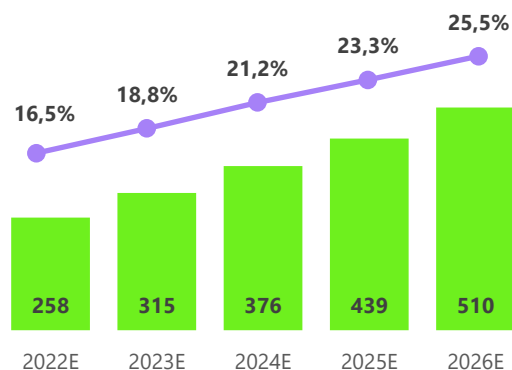
Source: BofA Global Research 2022 Year Ahead and Cushman & Wakefield

### E-commerce

The e-commerce will continue with expressive growth. **The share of e-commerce in retail trade is expected to surpass 25% in 2026E.** This growth reflects changes in consumer behavior, which will follow technological developments and other aspects that impact their purchasing decisions. **All the biggest e-commerce players in Brazil have more than one operation with Log.** We continue to be the strategic partner of these customers to continue expanding their operations throughout Brazil, serving the main consumption centers domestically.

### ESTIMATE OF BRAZILIAN E-COMMERCE GROWTH

■ Market size | BRL bi ● Penetration



Morgan Stanley Research | LatAm Retail & eCommerce | Cross-Sector—The Rise of the e-Commerce Ecosystem & Playbook for the Digital Age: 2022 Outlook Edition – Positioning for Disruption



## PROPERTY DEVELOPMENT



### High volume of projects approved over the quarter



In the first quarter, **we approved more than 240 thousand m<sup>2</sup> in projects that have already started.** Owing to the know-how of our teams, we are able to work so that the projects are turnkey for construction and trade



ever less time, which attests to the efficiency of our Real Estate Development team.

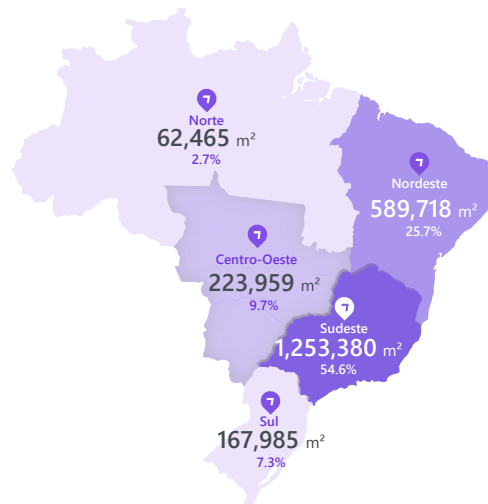


Geographic diversity is also an edge to our portfolio, hence, our greenfield assets add new opportunities to our customers, optimize costs and processes, and allow future access to restricted markets.



We continue with outstanding land trades, without direct competition, in important consumption centers, widely negotiated via barter owing to the attractive return that our business model offers. **90% of landbank necessary to meet the plan “Todos por 1,5”** were already acquired.

## Total Portfolio



**2.3 million m<sup>2</sup>** in transactions **377 cities** in metropolitan regions across the country

**63%**

of the Brazilian population lives near a LOG

IBGE 2021 – 100km Radius

**57%**

of the Brazilian GDP flows close to a LOG

IBGE 2021 – 100km Radius

**1,338,997 m<sup>2</sup> GLA**

*90% landbank acquired “Todos por 1,5”*

**241,703 m<sup>2</sup> GLA**

Q1FY22 projects approved



## CONSTRUCTION

### Deliveries 100% leased



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



**In the first quarter, we produced the equivalent of 103.0 thousand m<sup>2</sup>** and we expect to maintain a high level of production throughout the year.



**In Q1FY22, we delivered two assets totaling approximately 70 thousand m<sup>2</sup>** in the metropolitan regions of Belém and Goiânia. We are at an accelerated pace for deliveries scheduled for the next quarters in the states of Ceará, Pernambuco, Espírito Santo, and Minas Gerais, which together total 344.6 thousand m<sup>2</sup> (79% Log).



We expect to maintain this high level of production throughout the year, achieving more than 10 simultaneous projects, with a focus on execution time and quality, already recognized by our customers.

<i>in m<sup>2</sup></i>	Mar/21	Dec/21	Mar/22
Delivered	892,397	990,786	1,060,146
Under construction	291,601	377,157	509,637
Under development	796,791	929,763	727,724
<b>%Log Portfolio</b>	<b>1,980,789</b>	<b>2,297,706</b>	<b>2,297,507</b>



8

### projects in progress

SOUTHEAST	175,960 m <sup>2</sup>
NORTHEAST	333,677 m <sup>2</sup>

1,060,146m<sup>2</sup>

GLA delivered Mar/22

### Own Team

of engineers for project development

+1.9 mil

employees working in more 6 projects

69,756m<sup>2</sup>

Q1FY22 GLA Deliveries

103,039m<sup>2</sup>

Q1FY22 GLA Production



LEASE



If the client is moved, Log is moved



Reinforcing the assertiveness of our business model, in the last twelve months we reached **679.9 thousand m<sup>2</sup> of gross absorption with the company's historic minimum vacancy: 1.63%.**



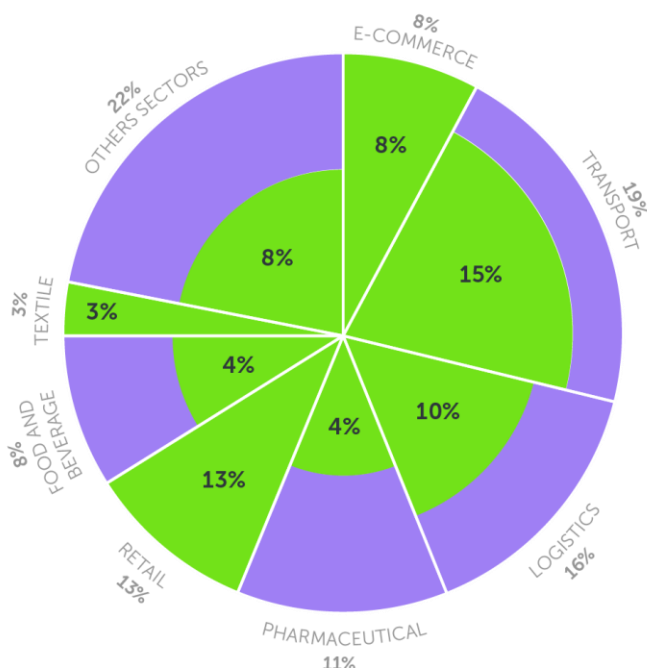
It should be noted that we have a very high volume of **pre-lease in the projects to be delivered in 2022.** Our existing customer base remains our biggest taker of space, making us increasingly a one-stop-shop solution for customers looking to expand.



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. **65% of our portfolio is made up of customers** who are directly or indirectly exposed to the growth of **e-commerce.**

CLIENTS PER SEGMENT

■ E-commerce Interest



106.0 thousand m<sup>2</sup>

Q1FY22 gross absorption

85%

pre-lease of GLA to be delivered in 2022

1.63%

Q1FY22 stabilized vacancy

89%

index of contractual renewal Q1FY22

61%

contracts closed in Q1FY22 had clients in the LOG portfolio

261

Q1FY22 active contracts

65%

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





### VACANCY OF WAREHOUSES

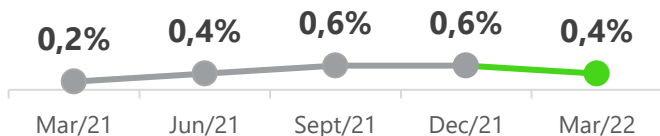
	Mar/21	Dec/21	Mar/22
Stabilized	2.6%	3.1%	<b>1.6%</b>
Warehouses Vacancy	2.6%	5.5%	<b>3.9%</b>
<b>Brazil<sup>1</sup></b>	13%	11%	<b>11%</b>

<sup>1</sup>Source: Colliers

In the last 12 months, we posted record figures of gross absorption and percentage of pre-leased warehouses. At the end of March/22, we reached a historic minimum stabilized vacancy of 1.6%, which reflects the quality of our assets and our commercial staff.

### ACCUMULATED NET DEFAULT

Over 12 months



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

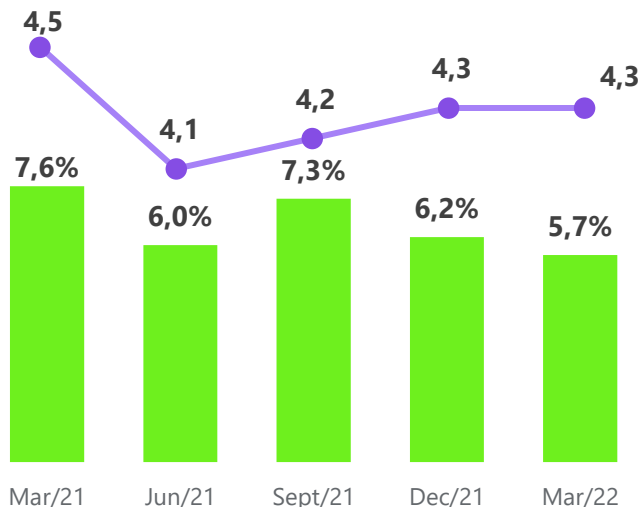
Log Londrina | PR





### CLIENTS CONCENTRATION

- Share of the largest customer/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 4.3 thousand m<sup>2</sup>. The largest customer represents **5.7% of gross revenue and 7.0% of GLA.**

### SCHEDULE OF EXPIRATION OF CONTRACTS

	per Revenue	per GLA
Up to 12 months	20%	21%
13 to 24 months	17%	16%
25 to 36 months	17%	15%
37 to 48 months	12%	12%
Above 48 months	34%	36%

At the end of Q1FY22, the average term of current contracts is **97 months.**



## ASSET MANAGEMENT



### Efficient Management of Assets



Through our condo management structure, LOG ADM, we continue to challenge ourselves to do our job better every day, allowing our customers the peace of mind they need to focus on their own operations. Our condo 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.**



Log Aracaju | SE



1.077.953 m<sup>2</sup>

ABL administradas

25

properties under management

22

cities with properties under management

403

own employees

NPS

Quality Zone

64%

of GLA managed is supplied with renewable energy sources

26%

reduction in energy costs with contracts in the free market



## CAPITAL STRUCTURE



### Robust balance for investments



In addition to being operationally well prepared to continue our growth cycle, our balance sheet is financially sound.



In order to meet the planned investments, we report as a subsequent event the funding of a CRI (Real Estate Receivables Certificate) amounting to BRL 300 million, divided into two series at an average cost of CDI+1.31% for a term of 5 years. It is worth noting that our funding does not require further collaterals, given the Company's excellent credit risk image.



The company's capital allocation is intended for investment in opportunities for organic growth in our business and leverage will always be maintained at market benchmarks.





FII LGCP11



Real State Consulting



**BRL 279 mn**

Equity

**9,783**

Shareholders

**0.76%**

Yield MARCH/22



**80.6 thousand**

m<sup>2</sup> of GLA

**0.0%**

Default

**9.2%**

Yield ANNUALIZED



**2.73mn**

Shares

**0.0%**

Vacancy

**BRL 0.60**

Income per share  
MARCH/22



**5**

Projects in 5 states

**56**

Clients

**14**

Areas of Activity

# FII LGCP11

Assets / Place	Class	% Assets	Purchase	m <sup>2</sup> GLA	Conclusion	Clients	% Revenue
<b>Viana</b> <i>Viana, Espírito Santo</i>	<b>A</b>	35.0%	12/19/2019	60,987	Sept/14	9	28.6%
<b>Contagem I</b> <i>Contagem, MG</i>	<b>A</b>	30.0%	12/19/2019	58,417	Feb/11	9	25.9%
<b>Goiânia</b> <i>Goiânia, GO</i>	<b>A</b>	30.0%	12/19/2019	78,214	Dec/19	26	24.2%
<b>Rio Campo Grande</b> <i>Rio de Janeiro, RJ</i>	<b>A</b>	22.1%	12/01/2020	53,184	Mar/20	7	14.2%
<b>Gaioli</b> <i>Guarulhos, SP</i>	<b>A</b>	19.8%	12/01/2020	32,988	Mar/12	5	7.1%

Further Information





## FINANCIAL PERFORMANCE



### Net Revenue



Net revenue grew compared to the same period of the previous year, owing to: i) new project deliveries, ii) new leases and iii) in the existing portfolio, we accomplished contractual adjustments to be updated with the inflation. It is worth bearing in mind that in the period Q1FY22 versus Q1FY21, there was a sale of assets and if this had not occurred, the growth in gross revenue would have been 16.1%.



<b>NET REVENUE</b> <i>In BRL thousand</i>	<b>Q1FY22</b>	<b>Q1FY21</b>	<b>Var. %</b>
Leases	40,715	37,729	7.9%
(-) Taxes	(2,241)	(2,042)	9.7%
Other Revenues	2,680	1,210	121.5%
(-) Taxes	(362)	(148)	144.6%
<b>Total</b>	<b>40,792</b>	<b>36,749</b>	<b>11.0%</b>



<b>GROSS REVENUE</b> <i>In BRL thousand</i>	<b>Q1FY22</b>	<b>Q1FY21</b>	<b>Var. %</b>
Revenue for leases	40,988	36,833	11.3%
Revenue Linearization	(274)	896	-130.6%
<b>Total</b>	<b>40,715</b>	<b>37,729</b>	<b>7.9%</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 keeping with current accounting pronouncements. Depreciation is calculated and recorded in keeping with the rules established by the Internal Revenue Service. In DRE, the existing depreciation refers to the physical/administrative structure of the Company, such as furniture, equipment and others.



## Costs of services provided

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Revenue from condominium management	1,237	1,062	16.5%
Costs of services provided - condominium management	(668)	(456)	46.5%
<b>Total</b>	<b>569</b>	<b>606</b>	<b>-6.1%</b>
<b>LOG ADM Margin</b>	<b>46.0%</b>	<b>57.1%</b>	<b>-11.1 p.p.</b>

The costs represent the management directly performed 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 expenses / revenues

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Selling expenses	(1,908)	(1,678)	13.7%
Vacancy expenses	(813)	(608)	33.7%
General and administrative expenses	(9,514)	(6,584)	44.5%
Other operating income (expenses), net	(1,393)	(837)	66.4%
<b>Total</b>	<b>(13,628)</b>	<b>(9,707)</b>	<b>40.4%</b>

The variation in the balance is basically connected to non-recurring administrative expenses associated with expenses from the company's personnel structure. The expectation is that there will be no relevant variations for the following quarters.

## Results from equity participation

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Cabral	-	201	-100.0%
Parque Torino	2,457	1,230	99.8%
Loteamento Betim	5	343	-98.5%
SPE SJC	(9)	(8)	12.5%
Other	(227)	-	-
<b>Total</b>	<b>2.226</b>	<b>1.766</b>	<b>26,0%</b>

The annual variation observed in Parque Torino refers to the new phases delivered. We sold the Strip Mall Cabral asset in line with the strategy of divestment of non-core assets.



## Financial income (expenses)

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Financial expenses	(8,197)	(5,163)	58.8%
Financial income	21,754	5,727	279.8%
<b>Total</b>	<b>13,557</b>	<b>564</b>	<b>2,303.7%</b>

The Company's financial expenses and revenues were impacted by the increase of CDI over 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 amounting to approximately BRL 12 million.



## Income tax and social contribution

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Current	(3,725)	(2,739)	36.0%
Deferred	(4,508)	(19,164)	-76.5%
<b>Total</b>	<b>(8,233)</b>	<b>(21,903)</b>	<b>-62.4%</b>

The change in current taxes occurs from the sale of the BTS Extrema asset. The evolution of the deferred tax balance is associated with the corporate structure of the Company.



## Deferred taxes

<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
Deferred of Operation	(64)	1.090	-105.9%
Deferred Operating income from development of new assets	(4.444)	(20.254)	-78.1%
<b>Total</b>	<b>(4,508)</b>	<b>(19,164)</b>	<b>-76.5%</b>

The table above shows the composition of deferred income tax and social contribution, broken down between the impact arising from the transaction and the Operating Result from the Development of New Assets.

Log Goiânia II | GO

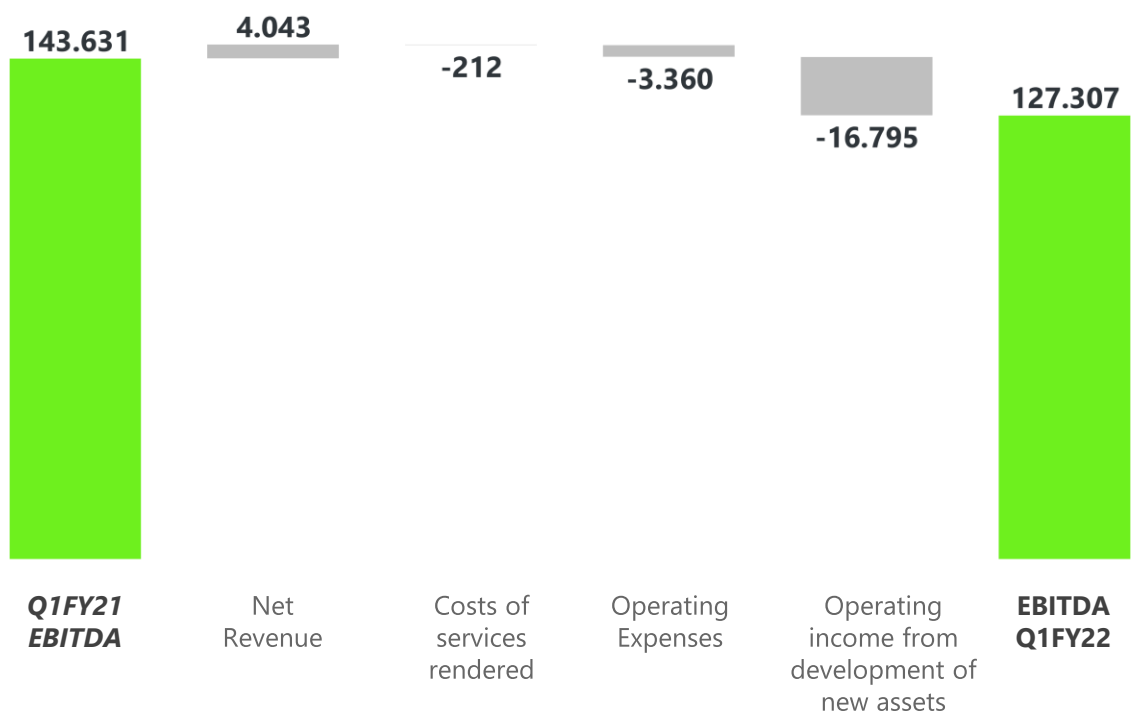






### Ebitda (Earnings before interest, taxes, depreciation and amortization)

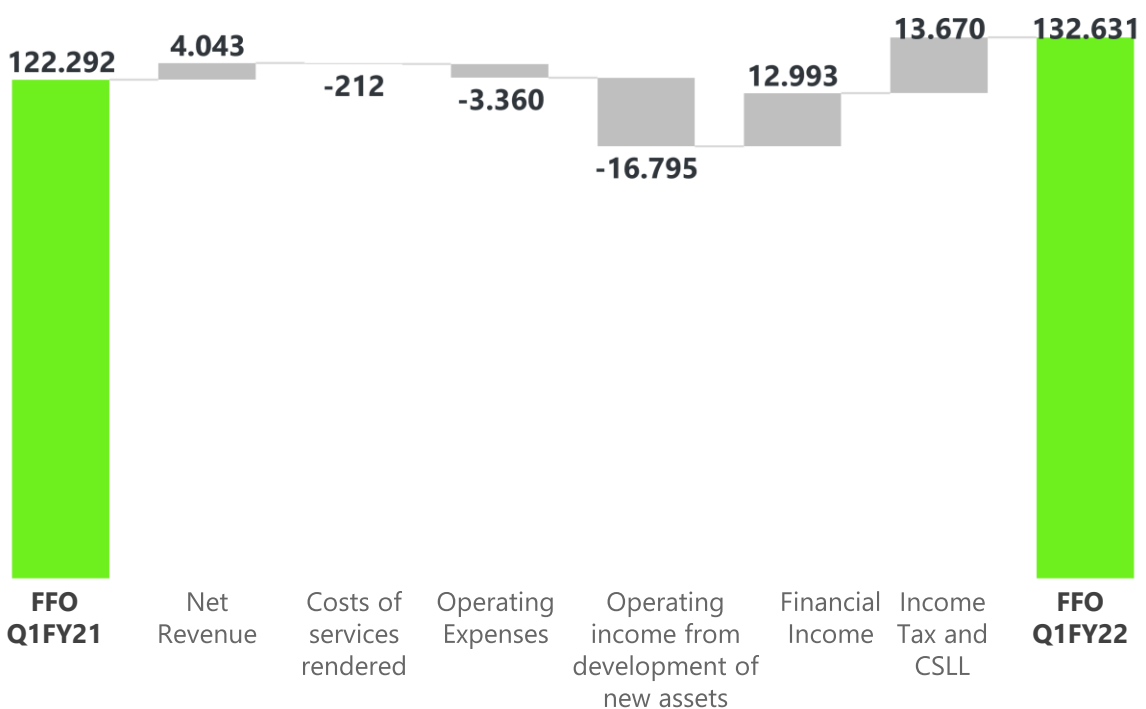
In BRL thousand	Q1FY22	Q1FY21	Var. %
<b>(=) Net Profit/Loss</b>	<b>132,334</b>	<b>122,096</b>	<b>8.4%</b>
(+) Income tax and social contribution	8,233	21,903	-62.4%
(+) Financial Income	(13,557)	(564)	2.303.7%
(+) Depreciation	297	196	51.5%
<b>EBITDA</b>	<b>127,307</b>	<b>143,631</b>	<b>-11.4%</b>
<b>EBITDA Margin</b>	<b>312.1%</b>	<b>390.8%</b>	<b>-78.8 p.p.</b>
(-) Operating income from Development of New Assets	(98,288)	(115,083)	-14.6%
Other	1,016	1,403	-27.6%
<b>EBITDA for Lease Activity</b>	<b>30,035</b>	<b>29,951</b>	<b>0.3%</b>
<b>EBITDA Margin for Lease Activity</b>	<b>73.6%</b>	<b>81.5%</b>	<b>-7.9 p.p.</b>





## FFO (Funds From Operations)

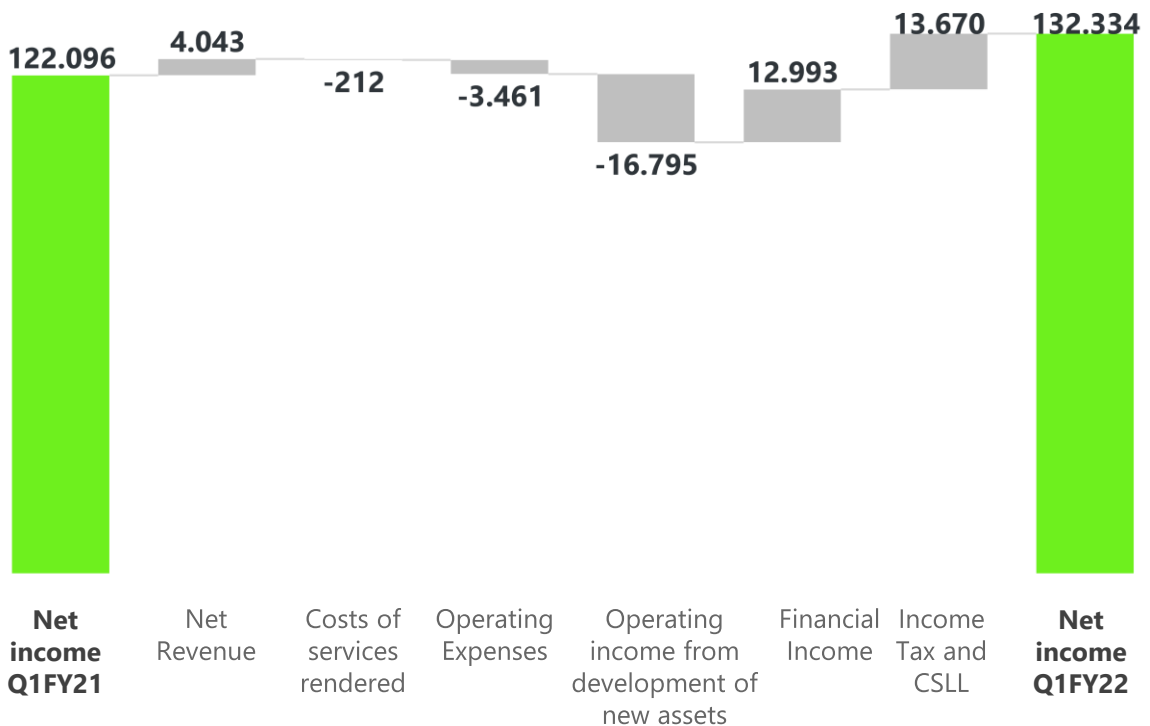
<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
<b>(=) Net Profit/Loss</b>	<b>132,334</b>	<b>122,096</b>	<b>8.4%</b>
(+) Depreciation	297	196	51.5%
<b>FFO</b>	<b>132,631</b>	<b>122,292</b>	<b>8.5%</b>
<b>FFO Margin</b>	<b>325.1%</b>	<b>332.8%</b>	<b>-7.6 p.p.</b>
Operating income from development of new assets	(98,288)	(115,083)	<b>-14.6%</b>
Deferred Income Tax/Social Contribution of Operating Income from development of new assets	4,444	20,254	<b>-78.1%</b>
(-) Equity Swap Operation	(11,670)	-	-
Other	2,627	762	<b>244.8%</b>
<b>FFO for Lease Activity</b>	<b>29,744</b>	<b>28,225</b>	<b>5.4%</b>
<b>FFO Margin for Lease Activity</b>	<b>72.9%</b>	<b>76.8%</b>	<b>-3.9 p.p.</b>





## Net Income

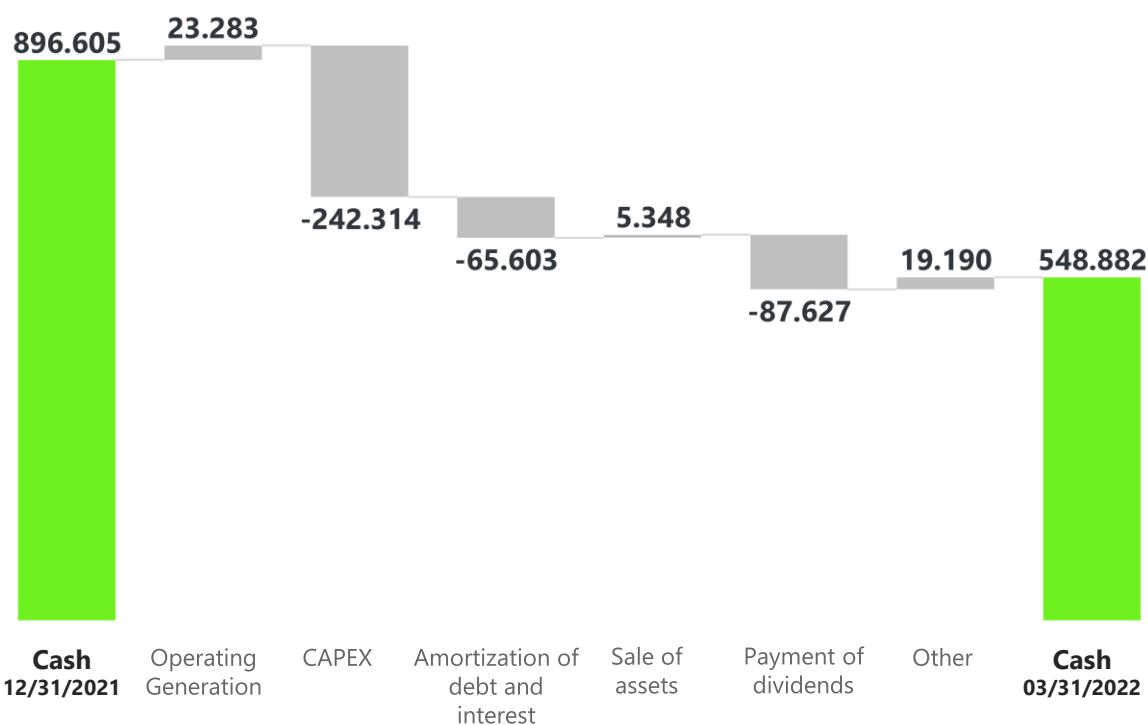
<i>In BRL thousand</i>	Q1FY22	Q1FY21	Var. %
<b>Net Profit/Loss</b>	<b>132,334</b>	<b>122,096</b>	<b>8.4%</b>
<b>Net Margin</b>	<b>324.4%</b>	<b>332.2%</b>	<b>-7.8 p.p.</b>
Operating income from development of new assets	(98,288)	(115,083)	-14.6%
Deferred Income Tax/Social Contribution of Operating Income from development of new assets	4,444	20,254	-78.1%
(-) Equity Swap Operation	(11,670)	-	-
Other	2,627	762	244.8%
<b>Net Income for Lease Activity</b>	<b>29,447</b>	<b>28,029</b>	<b>5.1%</b>
<b>Net Margin for Lease Activity</b>	<b>72.2%</b>	<b>76.3%</b>	<b>-4.1 p.p.</b>





## Cash, cash equivalents and Securities (TVM)

<i>In BRL thousand</i>	03/31/2022	12/31/2021	Var. %
Cash and cash equivalents	17,099	207,564	-91.8%
Securities – CP	328,571	485,911	-32.4%
Securities – LP	203,212	203,130	0.0%
<b>Total</b>	<b>548,882</b>	<b>896,605</b>	<b>-38.8%</b>



Log Gravataí | RS





## Accounts receivable

<i>In BRL thousand</i>	03/31/2022	12/31/2021	Var. %
Lease of warehouses and retail	35,724	34,206	4.4%
Sale of assets/companies	21,115	26,353	-19.9%
Condominium management	608	457	33.0%
Other	12,390	23,501	-47.3%
<b>Total</b>	<b>69,837</b>	<b>84,517</b>	<b>-17.4%</b>

## Properties for investment – PPI

<i>In BRL thousand</i>	03/31/2022	12/31/2021	Var. %
Lands	439,246	466,660	-5.9%
Projects in Progress	1,084,068	880,883	23.1%
100% completed projects	2,592,090	2,425,163	6.9%
<b>Total</b>	<b>4,115,404</b>	<b>3,772,706</b>	<b>9.1%</b>

Log Fortaleza II | CE





## Loans, financing and debentures

<i>In BRL thousand</i>	Term	Cust*	03/31/2022	12/31/2021
Construction financing	Dec/13 to Oct/24	CDI + 1.92%	16,358	17,247
Construction financing	Dec/13 to Sept/28	TR + 10.87%**	19,132	19,978
Debentures of 12th issue	Jan/18 to Dec/27	CDI + 2.42%	57,623	60,106
Debentures of 14th issue	Nov/21 to Nov/23	117% CDI + 0.26% p.a.	124,813	121,363
Debentures of 15th issue	Jan/18 to Dec/28	CDI + 1.71%	47,390	49,118
Debentures of 16th issue	Mar/20 to Mar/25	108% CDI + 0.34% p.a.	54,674	64,989
Debentures of 17th issue	Sept/19 to Sept/24	116.5% CDI + 0.18% p.a.	230,704	235,266
Debentures of 18th issue	Mar/26	CDI + 2.21%	251,034	256,485
Debentures of 19th issue	Sept/28	IPCA + 6.07%	463,990	459,132
(-) Funding Cost			(15,055)	(15,979)
<b>Total</b>			<b>1,250,663</b>	<b>1,267,705</b>

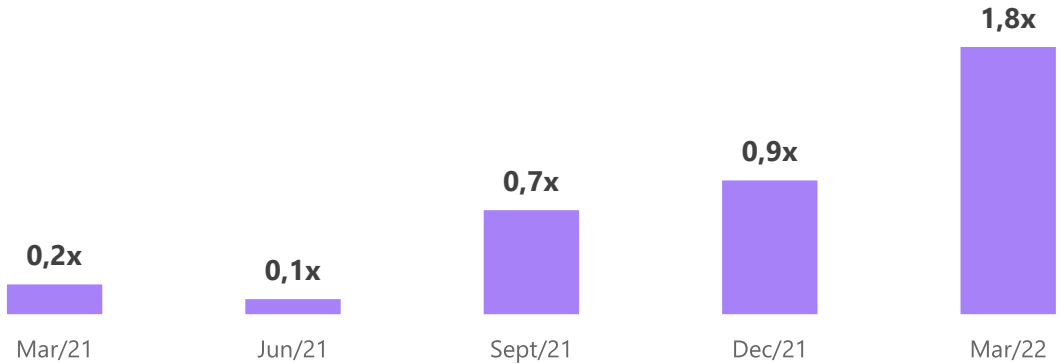
Effective cost: considers the cost of the contractual debt + other funding costs (fees, legal advice, trustee and/or securitization institution – in the case of debentures, notary, etc.), and debt maintenance.

\*\*Financing for construction with a hedge contracted for 108.95% CDI since the beginning of the operation.



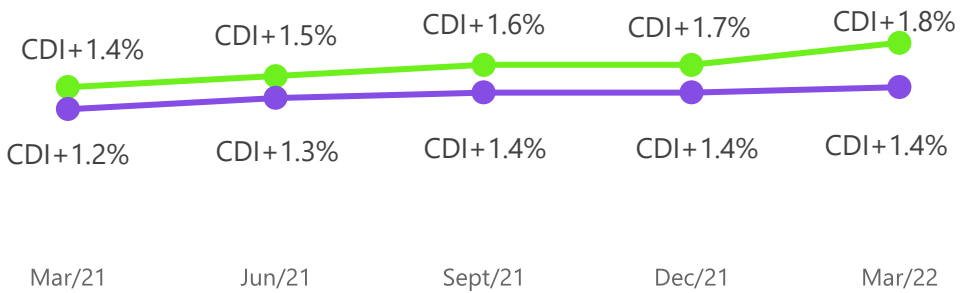
### NET DEBT / EBITDA

● Net Debt/EBITDA



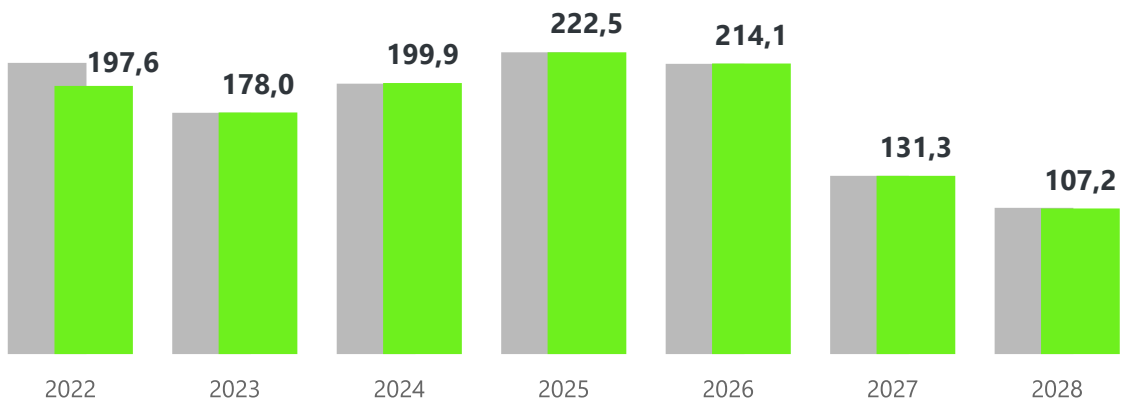
### DEBT COST

● Face Value ● Effective Cost



### DEBT AMORTIZATION SCHEDULE IN BRL MILLION

● 12/31/2021 ● 03/31/2022



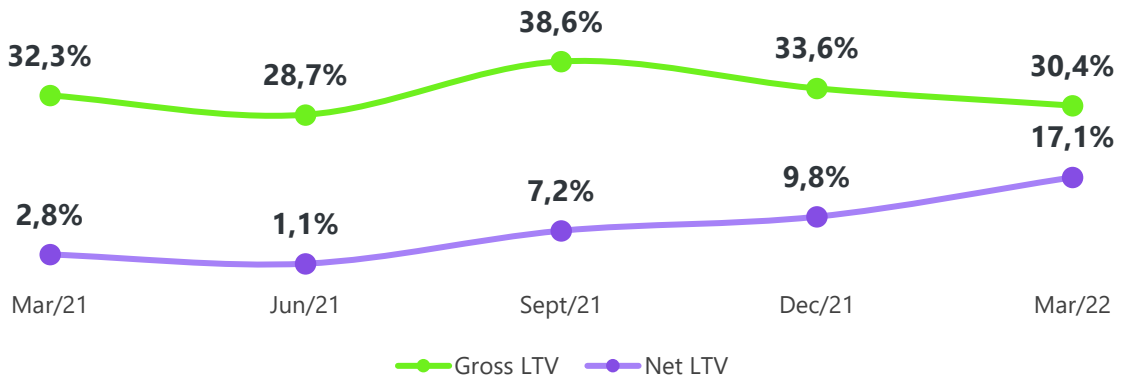


## Debt Indicator

<i>In BRL thousand</i>	03/31/2022	12/31/2021	Var. %
(+) Loans, financing and debentures	1,250,663	1,267,705	-1.3%
(-) Cash and cash equivalents	548,882	896,605	-38.8%
(=) Net Debt	701,781	371,100	89.1%
(=) Total equity	3,490,885	3,340,742	4.5%
<b>(=) Net Debt / Equity</b>	<b>20.1%</b>	<b>11.1%</b>	<b>9.0 p.p.</b>



## Loan to value



Log Gravataí | RS







### CAPITAL MARKET



## 10 analysts with active coverage



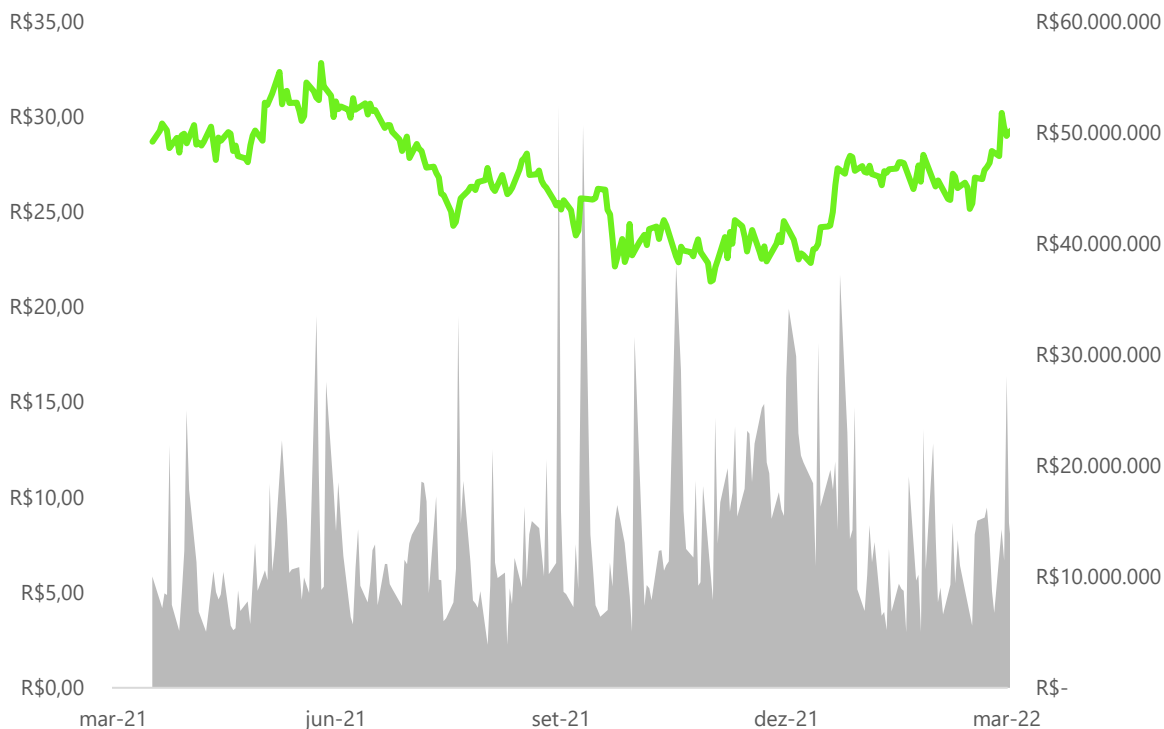
# BRL 2.6BI BRL 14MM

Market Cap

ADTV 30 Base Date: 03/31/22



■ Volume Traded ● Share Price



#### Shareholding Composition

	# shares	% of total
Parent Group and Managers	41,330,273	40.46%
Treasury	1,046,071	1.02%
Free Float	59,782,810	58.52%
<b>Total</b>	<b>102,159,154</b>	<b>100%</b>

LOGG3 Source: Broadcast | Base Date: 03/31/2022

Total Price	BRL 28.98
Q1FY22 Higher Price	BRL 30.60
Q1FY22 Lower Price	BRL 22.05
Q1FY22 Valuation	23.11%
2022 Valuation	11.94%

**IBRA**

**IGCT**

**IGCX**

**IGNM**

**IMOB**

**ITAG**

**SMLL**



## ESG

### Sustainability Report

This April, we launched our new version of the Sustainability Report, relating to base year 2021. The report follows the standards of GRI (Global Reporting Initiative), which allows transparency, quality, and comparability to the data disclosed. We had the inclusion of SASB (Sustainability Accounting Standards Board) indicators, which address each industry, and increasingly adopted to meet the demands of stakeholders, mainly from the capital market.

For this edition, we reviewed our materiality, which points out the most relevant and strategic ESG topics for Log. The process involved the engagement of several key stakeholders for the Company, from holding the Sustainability Workshop with employees, to interviews with other stakeholder groups and online survey.

### Implementation of the SDGs in the business strategy

We also brought a new approach to show how and to which SDGs (Sustainable Development Goals) Log contributes through its efforts, and we underscore our commitment to the UN Global Compact.



A major step forward in the ESG agenda in 2021 was the voluntary start of the performance and accreditation of the Company's greenhouse gas emissions inventory, with the support of renowned consulting firms. We stress that since our first process, we have been mapping direct and indirect emissions, from scopes 1, 2, and 3.

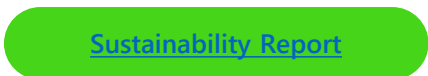
Over the next few months, we will develop our decarbonization strategy.

Visit our [ESG page](#) and find further information about the initiatives.

#### 2022 MATERIAL SUBJECTS

ETHICS AND INTEGRITY	MANAGEMENT OF RISKS
CORPORATE GOVERNANCE	SUPPLIER MANAGEMENT
SUSTAINABLE BUILDING	CLIENT SATISFACTION
INNOVATION	HEALTH AND SAFETY
MANAGEMENT OF HUMAN CAPITAL	NEIGHBORING COMMUNITIES AND SOCIAL RESPONSIBILITY

Further Information





## CASE OF THE QUARTER: LOG EMISSION INVENTORY



**We invest in building a sustainable future.** We have carried out our emissions inventory and, underlining Log’s commitment to transparency and disclosure of its information, for the first time we will publish the inventory in the GHG public information register in May. The Greenhouse Gas Emissions Inventory (GHG) calculates and accounts for all emissions generated from our activity. This document allows us to ascertain the strategy and efforts needed to plan our decarbonization goals out. The Greenhouse Gas (GHG) Inventory is part of a series of measures pursued by Log to fight climate change. In the document, spotting opportunities and building decarbonization strategies and goals becomes possible, not to mention the investment in renewable energy. Besides, the audited inventory allows follow-through and credibility to the data, while furthering continuous improvement in environmental management.



### Case: MIT Real Estate Innovation Labs

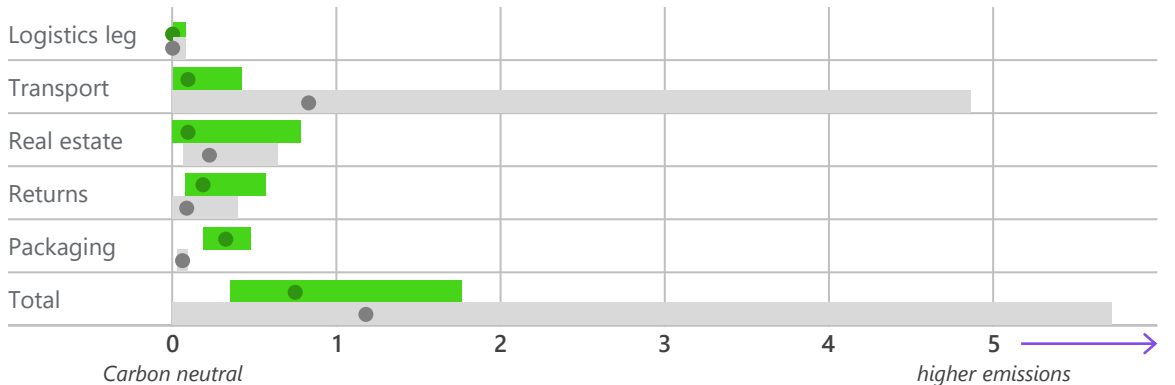
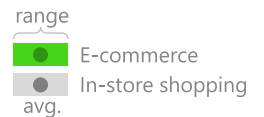


Over the past quarter century, no asset class in real estate has undergone more transformation than the retail industry, owing to advances in technology, innovations in the supply chain, and ever-increasing changes in consumer behavior. Where once consumers flocked to suburban shopping malls and brick-and-mortar city street stores, e-commerce – coupled with the ability to deliver next day – has completely altered the way we buy all forms of goods. Meanwhile, climate change across the world has reached a point where it is unquestionably impacting our environment, economy, and resilience as a society. The question we should address now is: which of these forms of consumer behavior leads to lower carbon emissions and is better for the world we live in?

A recent study of MIT Real Estate Innovation Labs, “Retail Carbon Footprints: Measuring Impacts from Real Estate and Technology”, has the purpose of answering this question. While e-commerce was found to be the more sustainable option in more than 75% of the scenarios developed in the base case, the survey ultimately illustrates the power of scale and location for both strategies. To achieve lower GhG emissions, we should reconsider the basic components of the supply chain.

#### EMISSIONS BY SOURCE, E-COMMERCE VS IN-STORE SHOPPING

Source: MIT Real Estate Innovation Labs, “Retail Carbon Footprints: Measuring Impacts from Real Estate and Technology”



[Click here and check other cases](#)



## FINANCIAL STATEMENTS

INCOME STATEMENTS *(In thousands of Brazilian reais - R\$)*

	Q1FY22	Q1FY21	Var. %
<b>Net revenue from lease and services provided</b>	40.792	36.749	<b>11,0%</b>
<b>Costs of services provided - condominium management</b>	(668)	(456)	-46,5%
<b>Gross profit</b>	<b>40.124</b>	<b>36.293</b>	<b>10,6%</b>
<b>Operating income (expenses)</b>	<b>86.886</b>	<b>107.142</b>	<b>-18,9%</b>
Selling expenses	(2.721)	(2.286)	-19,0%
General and administrative expenses	(9.514)	(6.584)	-44,5%
Other operating income (expenses), net	(1.393)	(837)	-66,4%
Changes in the fair value of investment property	98.288	115.083	-14,6%
Results from equity participation	2.226	1.766	26,0%
<b>Income before financial income and taxes</b>	<b>127.010</b>	<b>143.435</b>	<b>-11,5%</b>
<b>Income before taxes</b>	<b>13.557</b>	<b>564</b>	<b>2.303,7%</b>
Financial expenses	(8.197)	(5.163)	-58,8%
Financial income	21.754	5.727	279,8%
<b>Income before taxes</b>	<b>140.567</b>	<b>143.999</b>	<b>-2,4%</b>
<b>Income tax and social contribution</b>	<b>(8.233)</b>	<b>(21.903)</b>	<b>62,4%</b>
Current	(3.725)	(2.739)	-36,0%
Deferred	(4.508)	(19.164)	76,5%
<b>Net income for the period</b>	<b>132.334</b>	<b>122.096</b>	<b>8,4%</b>
Shareholders of the Company	<b>131.448</b>	<b>109.634</b>	<b>19,9%</b>
Noncontrolling interests	<b>886</b>	<b>12.462</b>	<b>-92,9%</b>



## BALANCE SHEETS (In thousands of Brazilian reais - R\$)



ASSETS	03/31/2022	12/31/2021	Var. %	LIABILITIES	03/31/2022	12/31/2021	Var. %
<b>Current assets</b>	<b>405,418</b>	<b>775,097</b>	<b>-47.7%</b>	<b>Current liabilities</b>	<b>394,143</b>	<b>511,425</b>	<b>-22.9%</b>
Cash and cash equivalents	17,099	207,564	-91.8%	Suppliers	31,442	44,604	-29.5%
Marketable securities	311,400	485,911	-35.9%	Loans, financing and debentures	213,084	214,610	-0.7%
Derivative financial instruments	9,351	-	-	Labor and social liabilities	8,873	9,138	-2.9%
Receivables	44,931	61,190	-26.6%	Tax liabilities	15,875	15,457	2.7%
Recoverable taxes	17,040	14,252	19.6%	Land payables	39,835	46,383	-14.1%
Prepaid Expenses	3,545	4,029	-12.0%	Barters	72,111	70,290	2.6%
Other	2,052	2,151	-4.6%	Dividend payable	-	87,627	-100.0%
				Other	12,923	23,316	-44.6%
<b>Noncurrent assets</b>	<b>4,767,944</b>	<b>4,384,806</b>	<b>8.7%</b>	<b>Noncurrent liabilities</b>	<b>1,288,334</b>	<b>1,307,736</b>	<b>-1.5%</b>
Marketable securities	220,383	203,130	8.5%	Lease liability	7,942	4,244	87.1%
Derivative financial instruments	10,984	-	-	Loans, financing and debentures	1,037,579	1,053,095	-1.5%
Receivables	24,906	23,327	6.8%	Financial Instruments	1,002	3,620	-72.3%
Prepaid expenses	12,496	12,088	3.4%	Land payables	574	3,034	-81.1%
Recoverable taxes	40,636	36,909	10.1%	Barters	149,863	160,300	-6.5%
Deferred income tax and social contribution	5,361	7,428	-27.8%	Deferred taxes	85,377	77,828	9.7%
Other	9,627	7,764	24.0%	Other	5,997	5,615	6.8%
Investments in subsidiaries and joint ventures	315,990	313,663	0.7%				
Investment property	4,115,404	3,772,706	9.1%	<b>Total equity</b>	<b>3,490,885</b>	<b>3,340,742</b>	<b>4.5%</b>
Property and equipment	8,845	4,927	79.5%	Equity attributable to Company shareholders	3,443,646	3,311,569	4.0%
Intangible assets	3,312	2,864	15.6%	Noncontrolling interests	47,239	29,173	61.9%
<b>TOTAL ASSETS</b>	<b>5,173,362</b>	<b>5,159,903</b>	<b>0.3%</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>5,173,362</b>	<b>5,159,903</b>	<b>0.3%</b>



## STATEMENTS OF CASH FLOWS (In thousands of Brazilian reais - R\$)



	Q1FY22	Q1FY21	Var. %
<b>OPERATING ACTIVITIES</b>			
Net Income for the period	<b>132,334</b>	<b>122,096</b>	8.4%
Adjustments to reconcile net income with net cash generated from operating activities	(104,368)	(95,057)	-9.8%
Decrease (increase) in operating assets	330	(12,627)	102.6%
Increase (decrease) in operating liabilities	(15,199)	14,749	-203.1%
Income tax and social contribution paid	(7,206)	(3,508)	-105.4%
<b>Net cash generated by operating activities</b>	<b>5,891</b>	<b>25,653</b>	<b>-77.0%</b>
<b>INVESTMENT ACTIVITIES</b>			
Increase / purchase of investments	(2,261)	(7,694)	70.6%
Decrease of securities	351,365	83,938	318.6%
Increase of securities	(176,715)	(221,156)	20.1%
Dividends received from investees	2,160	1,200	80.0%
Receipt from sale of subsidiaries/lands	5,348	3,291	62.5%
Purchase of investment properties	(239,478)	(54,659)	-338.1%
Other	(575)	(61)	-842.6%
<b>Net cash generated by (used in) investment activities</b>	<b>(60,156)</b>	<b>(195,141)</b>	<b>69.2%</b>
<b>FINANCING ACTIVITIES</b>			
Net borrowing, financing and debentures	-	247,985	-100.0%
Amortization of loans, financing and debentures	(15,192)	(19,391)	21.7%
Payment of interests	(42,600)	(5,249)	-711.6%
Payment of lease	(187)	(118)	-58.5%
Payment of dividends	(87,627)	-	-
(Payment) receipt of derivative	(7,811)	-	-
Receipts for the exercise of stock options	37	-	-
(Distributions) contributions from non-controlling shareholders	17,180	(235)	7,410.6%
<b>Net cash generated by (used in) financing activities</b>	<b>(136,200)</b>	<b>222,992</b>	<b>-161.1%</b>
<b>INCREASE (DECREASE) OF CASH AND CASH EQUIVALENTS</b>	<b>(190,465)</b>	<b>53,504</b>	<b>-456.0%</b>
<b>CASH AND CASH EQUIVALENTS</b>			
At the beginning of the period	207,564	453,855	-54.3%
At the end of the period	17,099	507,359	-96.6%



## GLOSSARY



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

**GLA % Log:** GLA relative to Log's participation in projects.



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



**GLA Delivered:** 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 period reviewed. 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 expiration of the contract term.

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

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

**ESG:** "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, by way of FFO, increases or decreases to eliminate the effects of earning or loss from the sale of assets, such as, for example, events with earnings on the sale of properties and fair value adjustments, and other "not cash" effects.

**FII:** Fund for Real Estate Investment.

**FII LGCP11:** the fund LOGCP Inter (LGCP11) is a real estate fund that specialized on making a profit from real estate rentals for the logistics and industrial sectors. Established in August 2019, the fund is managed by Banco Inter.

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

**12 Months 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 the total net operating revenue.

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

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

**FFO Margin for Lease Activity:** 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):** lease from the same client.

**Vacancy:** GLA available for lease.

**Vacancy of Stabilized Portfolio:** 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.

100

warehouses  
delivered

+1mi

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

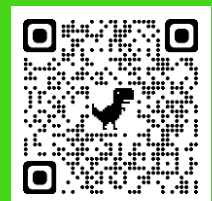
+1.5mi

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

[Click and access the full portfolio](#)

Modular  
Warehouses  
**100% class A**

Scan the QR  
Code and take a  
**virtual tour**







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CFO and Investor  
Relations Officer

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