



Earnings Release

VIDEOCONFERENCE

February 9, Thursday
10 am (Brasília) / 8 am (New York)
Simultaneous translation

Replay | Portuguese or English
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ri.logcp.com.br

Log Fortaleza III | CE

4Q22

Log Belém | PA

7 Belo Horizonte, February 8th, 2023

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 fourth quarter of 2022. The Company's consolidated financial statements are presented in thousands of reais (BRL thousand), in accordance with the Internal Financial Reporting Standards (IFRS) and the accounting practices adopted in Brazil.



GROSS ABSORPTION

457K m²

Accumulated 2022

130K m²
4Q22



DELIVERIES

RECORD

415K m²

Accumulated 2022



STABILIZED

VACANCY

2.58%

Dec/2022



PRODUCTION

322K m²

Accumulated 2022

64K m²
4Q22



ASSET SALE

RECORD

BRL429 MN

Gross margin

of 32.6%



NET INCOME

RECORD

BRL425 MN

Accumulated 2022

Excluding the effect of the equity swap operation

Access the Results Center



7 Message from Management

2022 was an important year for Log's history. We once again recorded a good performance in our main operating indicators. In addition, in the period, we had a record delivery of projects, expanding our operations in all regions of the country.

Geographical diversification is a source of great pride for the company, as it is certainly one of the reasons that helped us to become one of the largest developers and lessors of class A logistics warehouses in Brazil. We currently operate in 17 states, Federal District, and 38 different cities.

A fact that corroborates this statement is that in 2022, Log delivered 415 thousand m² of GLA (Gross Leasable Area) in large consumption centers across the country.

Over our nearly 15-year history, we have delivered projects that have been widely accepted in the market and that meet the robust demand of clients for high-quality logistics warehouses, with the most appropriate infrastructure for their operations.

As it represents the specialized solution for class A warehouses in Brazil, being the only player with national operations, in 2022 Log expanded its broad client base. In addition to serving clients with activities directly related to e-commerce, the company expanded its operations into several segments, such as food and beverage, pharmaceutical, among others.

We also focused our efforts on absorbing operations from companies that were previously in poor quality warehouses and infrastructure. The strategy, called *flight to quality*, is one of Log's main drivers of growth and innovation in the coming years.

However, there is still enormous growth potential to be achieved and a long way to go for Log to continue, even more, moving Brazil and making new business possible. For 2023, even with the country's scenario demanding caution, we will remain focused on the development of our projects, generating jobs and economic opportunities for the communities where we operate.

So that we can face the challenges and maintain our growth cycle, as well as the company's financial solidity, we will continue to evaluate opportunities for expanding our business, without neglecting the sustainability of our operations.

Among the relevant projects that are being developed in 2023 and that will become important assets for the company, we have 8 works in progress in metropolitan regions with increasing demand. These are new projects with great value generation, which demonstrate the resilience of our business model.



LOG PROPERTIES

Lease ↗

Asset Management ↗



7 Lease for the best logistics client base in the country, increasingly geographically diversified and serving the main sectors of the economy

Throughout its history, Log has gained a broad and diverse client base, making the company one of the largest lessors of class A logistics warehouses in the country.

Among the factors that contribute to our success is the geographic diversification of our assets, present in the main consumption centers in Brazil, meeting the needs of expanding our clients' operations.

An exclusive service to this client base reinforces the assertiveness of our business model. In 2022, we accumulated 457,000 m² of gross absorption, more than 170,000 m² for new important clients from varied segments such as food and beverage, pharmaceutical, wholesale, among others.

The internal commercial team was responsible for a large part of the very high annual contract renewal rate (92%), which demonstrates the excellent quality of the relationship we have with our clients.

We have a great capacity to serve the most diverse sectors of the economy given the quality and flexibility of our warehouses. There are more than 250 active contracts, with more than 200 clients from sectors such as pharmaceutical, food and beverage, retail, e-commerce and logistics, which showed significant growth throughout 2022.

457K m²

of gross absorption, of which 132,000 m² are pre-leases of assets under development.
2nd largest in history

20
22

MAIN SECTORS

- 19.2% pharmaceutical
- 15.7% food and beverage
- 15.2% e-commerce
- 9.1% logistics

2.58%

stabilized vacancy

+170K m²

leased to new major clients

+250

active contracts

92%

contract renewal rate in 2022

REVENUE FROM LEASE

↑65%

Growth 4Q22 vs 4Q21

In addition to the volume of new deliveries and leases during 2022, we obtained a **lease spread 2% above inflation** in the contractual readjustments of the existing portfolio, reflecting the high demand for quality assets such as LOG's, in strategic regions, close to large consumption centers throughout Brazil.

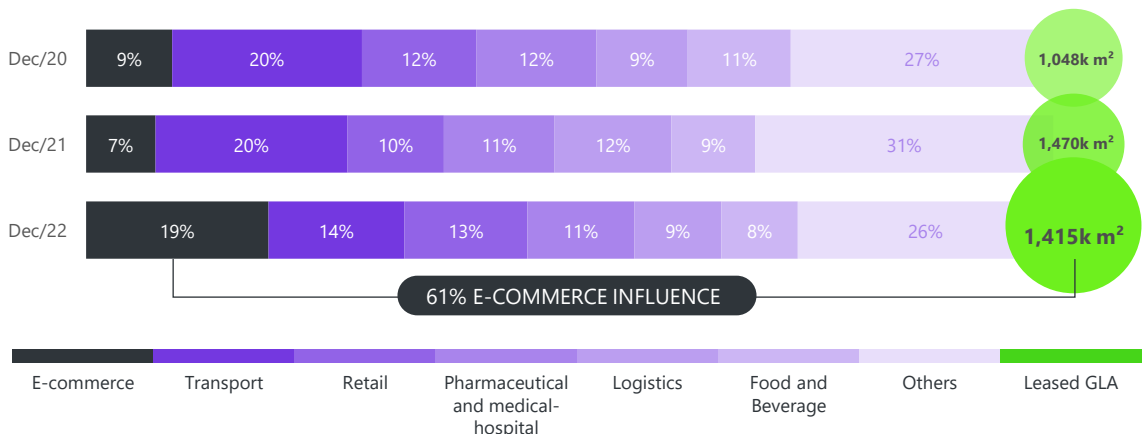
Client BASE

+200 clients

One-stop-shop solution for clients in various industries



Clients BY SEGMENT



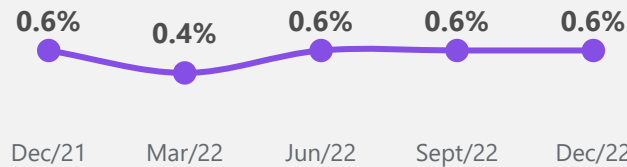
WAREHOUSE VACANCY % Log

	Dec/21	Sept/22	Dec/22
Stabilized 12 months	3.1%	1.7%	2.6%
Warehouse vacancy	5.5%	4.2%	3.3%
Vacancy Brazil¹	11%	11%	-

¹Source: Colliers

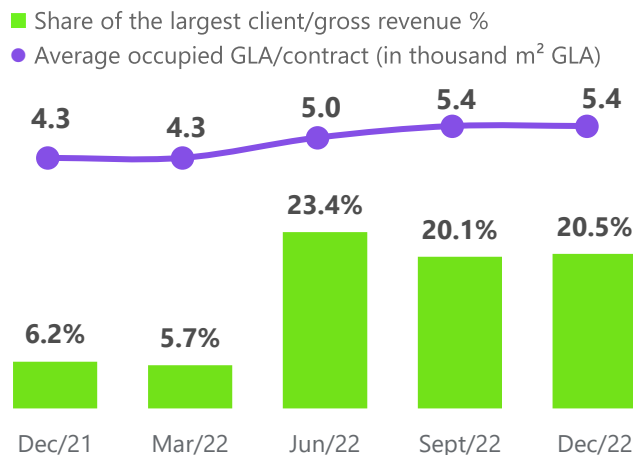
At the end of December 2022, we had a stabilized vacancy of 2.58%, which reflects the quality of our assets and our commercial team.

ACCUMULATED NET DEFAULT Last 12 months



The company's net default rate remains at minimum levels, demonstrating the excellent quality of our client portfolio.

Client CONCENTRATION



We maintained the low risk of the portfolio, resulting in an average GLA per contract of 5.4 thousand m². The various operations with our largest client, Amazon, represent 20.5% of gross revenue and 11.4% of GLA. The dispersion of client concentration will naturally occur as we deliver new projects.

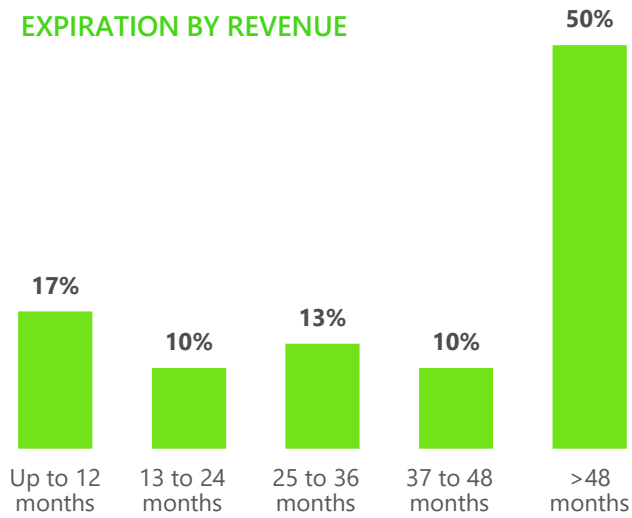
Americanas S/A has a lease agreement in force until May/27, which represents 3.4% of the company's total revenue. To date, Americanas has no arrears of rent.

AGREEMENT EXPIRATION SCHEDULE

EXPIRATION BY GLA m²

228k 120k 181k 134k 554k

EXPIRATION BY REVENUE



8.6 years

Average term of contracts



7 Asset Management with a focus on client experience excellence

In order to offer and obtain even more efficiency, Log has been managing its assets with a focus on the excellence of its clients' experience. With its own structure, dedicated team and great attention to safety, innovation and sustainability, Log Adm is responsible for managing 1.2MN m² of our warehouses, providing the necessary support for clients in their operations.

Log Adm applies the best market practices management, maintenance and consumption of water and energy, with the objective of combining savings, operational and process quality, in addition to respect for the environment. All our projects are supplied with clean and renewable energy sources.


The ownership status of the assets allows us to better monitor the activities of our clients, providing greater commercial opportunities in addition to numerous benefits, such as care for the conservation of our projects and exclusive attention to the best solutions for improvements and maintenance, through direct communication with our clients.



20
22

NPS 
Quality Zone

+1.2MN m²
managed

100% 
of projects supplied with clean and renewable energy sources

↘24%
cost reduction with contracts in the free energy market

19km
roofing board maintenance
(improved natural lighting)

+20K
LED light fixture installations
(greater energy efficiency)



Retrofit



DEVELOPER LOG

Growth Drivers ↗

Real Estate Development ↗

Construction ↗

Asset Sale ↗



7 Growth Drivers

FLIGHT TO QUALITY reflects the client's search for quality projects aimed at operational efficiency

The **high-quality logistics condominiums segment, called class A, have been gaining prominence in Brazil.** This good performance reflects the increase in the number of companies that decide to migrate their logistics to these condominiums in search of greater efficiency, whether operational or financial. This movement, known as **Flight to Quality**, has also been essential for Log's expansion, representing approximately 40% of new leases. We understand that even before the start of our operations at the locations where we are installing ourselves, more and more companies will be interested in evaluating aspects of the operation such as safety, energy efficiency, storage and occupancy, maintenance, humanization of the work environment, what will certainly continue to generate several opportunities for new contracts.

E-COMMERCE will maintain sustainable growth throughout the next years

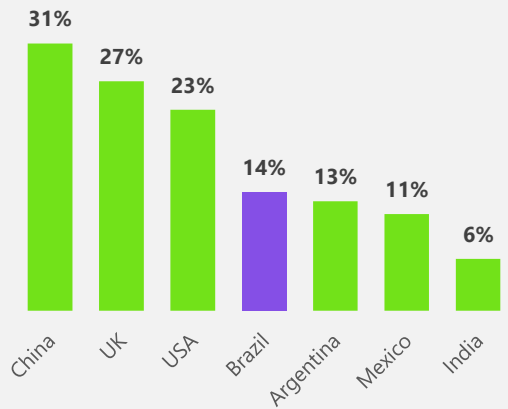
The demand for increasingly faster service levels drives the logistics business model of companies. **Log continues to capture the growing demand in different regions of Brazil,** also outside the Southeast region, where the supply of quality logistics infrastructure is low. In this sense, when we install a new high standard logistics center, we are naturally able to attract clients from the most varied sectors who are looking for more modern, agile and efficient logistics operations. **E-commerce will continue to grow in Brazil,** following market opportunity trends when compared with countries of similar size and through changing the population's consumption habits.



Base date: new contracts closed in 2022

E-COMMERCE PENETRATION IN 2022

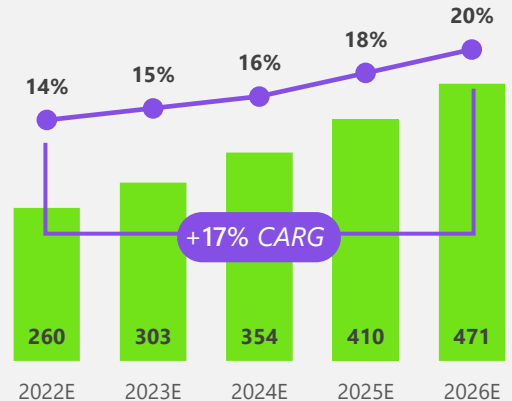
Percent of e-commerce/retail products sold



BRAZIL E-COMMERCE

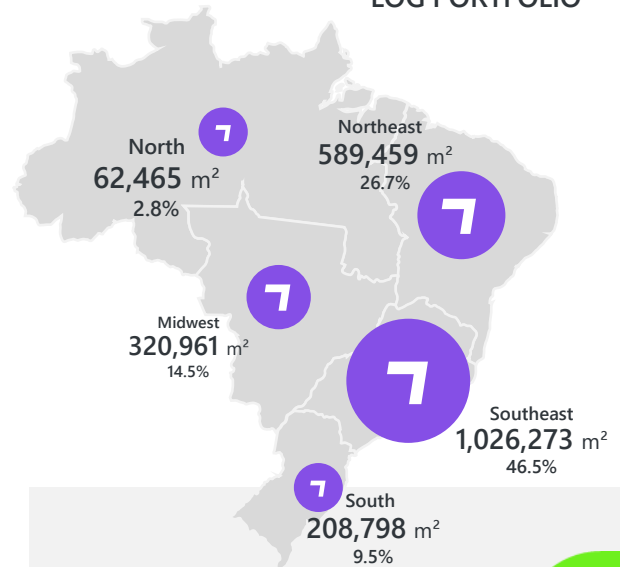
GROWTH ESTIMATE

■ Market size | BRL bi ● Penetration



Source: Morgan Stanley Research | Global eCommerce: Industry Model Update: Mixed Signals for 2023 (December 13, 2022)

LOG PORTFOLIO



Real Estate Development with unique knowledge to create State-of-the Art projects

Over the years, Log has specialized in studying the market and mapping the regions where it operates throughout Brazil. With an extensive knowledge of standards, methods and procedures, the company seeks to develop projects in an agile, modern and innovative way, and that meet the needs and expectations of its clients.

In this process, the company considers several sustainable practices, ranging from defining the land for building the project, passing through environmental licenses to approvals with regulatory bodies.

In 2022 we added 4 new plots of land to our landbank which add up to approximately 325,000 m² of GLA. During this period, we also approved 500,000 m² of GLA in projects that, for the most part, have already started.

The assertiveness of the real estate development team in the choice of land, as well as in the definition of projects is reflected in the high attractiveness and liquidity of our warehouses, whether for lease or for sale.

Log is the only company providing logistics infrastructure solutions throughout Brazil.

63%

of the Brazilian population live near a LOG

IBGE 2021- Radius 100 km

57%

of the Brazilian GDP flows close to a LOG

IBGE 2021- Radius 100 km

20K

people employed in LOG's condominiums

500K m² of GLA of projects approved in 2022

325K m² of GLA

of new plots of land added to the landbank in 2022

92%

of "Todos Por 1.5" landbank purchased

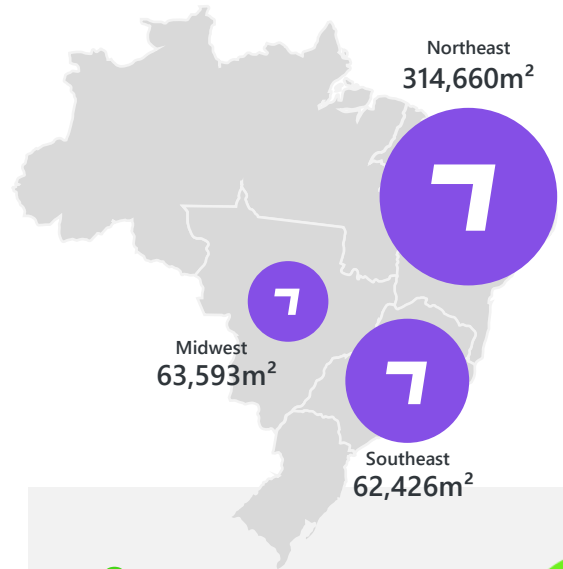
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22

7 Construction with relevant efficiency and YoC - yield on cost - development track record

All Log works stand out for their safety, quality, efficiency, technology and sustainability. The standardization of the construction process optimizes time and costs, and seeks to meet client needs, enabling Log to have a prominent position in the high standard greenfield logistics asset market in Brazil, accelerating financial returns and generating value for all stakeholders.

In 2022, the company achieved a record of asset deliveries totaling 415 thousand m² of GLA. Year-to-date, we produced around 320,000 m² of GLA, at a production pace as expected.

We currently have 8 projects under construction, in 6 different states, totaling more than 440,000 m² of GLA, always focusing on quality and on-time delivery, as recognized by our clients.



8 projects under construction

20
22

+415K m²
of GLA deliveries in 2022

+322K m²
of GLA produced in 2022

2 BTS built to suit delivered to relevant players

+1.9K employees working on construction sites

LOG HISTORY

<i>in m² of GLA (100%)</i>	Dec/21	Sept/22	Dec/22
(+) Delivered	1,203,361	1,617,872	1,618,070
(-) Sold	166,536	317,391	323,946
(+) Under construction	448,276	419,389	440,679
(+) Landbank	1,096,875	789,870	802,572
(=) Total	2,581,976	2,509,741	2,537,374

[Click here and see the development of the works](#)



7 Asset Sales generating value through an attractive recycling portfolio and with liquidity

The asset recycling strategy is already proven and will continue to be the main source of funds for the company's growth, as well as the greatest way of generating value for its shareholders. The liquidity and attractiveness of our assets is reflected in the constant demand from the institutional market and foreign investors interests.

BRL929MN

cash generation from the sale of assets

ASSERTIVE PRICING

≈ 3.4%

sale value above NAV

300K m²

of GLA sold

AVERAGE GROSS MARGIN

40%

development spread

2019 3 assets



Log Goiânia- GO

2020 2 assets



Log Gaioli - SP

2021 1 asset



BTS Extrema - MG

2022 2 assets



PIB Meli - MG

...

RECYCLING PIPELINE

FINANCIAL

Capital Structure ↗

Financial Performance ↗



7 Capital Structure presents solid liquidity position with debt extension and organic growth

The growing cash generation from leasing activities, added to the revenue from sales of assets during the year, allows Log to have sufficient resources to continue with the investments foreseen in the capex for our growth, maintaining balance sheet stability.

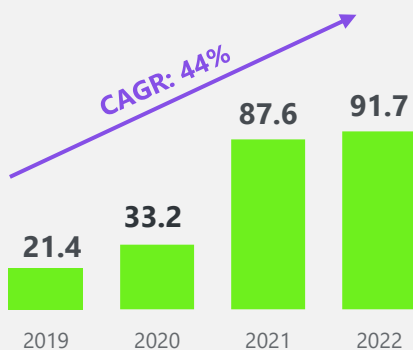
EBITDA for leasing activity was R\$ 46.0 million in the quarter, and R\$ 166.6 million in the year, 50.2% and 39.2%, respectively, higher than in the previous year. The sale of assets Log Betim II, Parque Torino and Plaza Top Life provided an increase of R\$ 302.1 million in cash this year. Net debt remains stable at R\$ 890 million (considering receivables from asset sales), with a CDI cost of 1.8% through loans obtained without the need for guarantees, which reflects the company's excellent credit risk with the country's main rating agencies and financial institutions.

Looking ahead, we will continue evaluating opportunities to optimize our debt profile, monitoring the interest rate scenario and we will maintain the sale of assets as the main strategy for generating value and funding of our operations. Even more relevant sales are expected for the year 2023, already being treated as recurring given the history and performance that the company presented in the operations carried out in the last 3 years, approximately R\$1 billion, with margins of 40% for development.

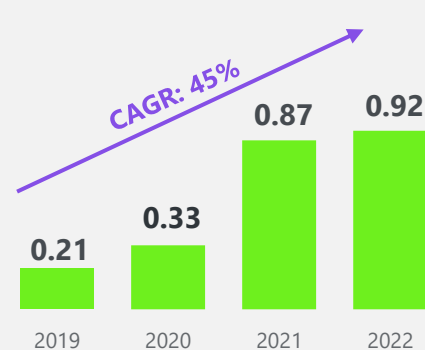
The allocation of capital raised by the company will continue to be linked to investment in opportunities for the organic growth of our businesses.

The Board of Directors approved the payment of dividends in the amount of R\$ 0.917767 per share to be paid on February 23, 2023.

DIVIDENDS in R\$ MN



DIVIDENDS PER SHARE in R\$



7 Financial Performance represents the best annual result in the Company's history

NET REVENUE

Net revenue from lease showed a significant growth of 44.4% in 2022 and 65.3% in 4Q22 compared to the same periods of previous years, due to: i) new deliveries of assets, ii) new leases, and iii) contractual readjustments 2% above YoY inflation, in the existing portfolio.

NET REVENUE <i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Lease	64,449	38,978	65.3%	219,207	151,824	44.4%
(-) Taxes	(3,346)	(2,310)	44.8%	(11,664)	(8,493)	37.3%
Other revenues	2,105	2,154	-2.3%	11,515	6,732	71.0%
(-) Taxes	(256)	(171)	49.7%	(1,827)	(696)	162.5%
Total	62,949	38,651	62.9%	217,230	149,367	45.4%

GROSS REVENUE <i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Revenue from lease	62,394	37,632	65.8%	208,172	148,430	40.2%
Revenue linearization	1,817	1,346	35.0%	5,897	4,225	39.6%
Total	64,211	38,978	64.7%	214,069	152,655	40.2%

DEPRECIATION AND COST

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

COSTS OF SERVICES PROVIDED

<i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Net revenue from condominium management	1,850	1,160	59.5%	6,254	4,449	40.6%
Costs of services provided	(815)	(621)	31.2%	(3,041)	(2,166)	40.4%
Total	1,035	539	92.0%	3,213	2,283	40.7%
Log ADM Margin	55.9%	46.5%	9.5 p.p.	51.4%	51.3%	0.1 p.p.

OPERATING EXPENSES / INCOME

<i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Selling expenses	(2,726)	(2,074)	31.5%	(9,339)	(8,934)	4.5%
Vacancy expenses	(796)	(492)	61.8%	(3,234)	(1,899)	70.3%
General and administrative expenses	(11,043)	(6,039)	82.9%	(38,416)	(25,039)	53.4%
Other income/expenses, net	(13,215)	(2,140)	517.5%	(17,012)	8,266	-305.8%
Total	(27,780)	(10,744)	158.6%	(68,001)	(27,606)	146.3%

Evidencing gains in scale and efficiency of the commercial team, selling and vacancy expenses in the period grew at lower levels than revenues.

The evolution of general and administrative expenses, both in the fourth quarter and in the year, mainly refers to investments with the implementation of the sustainability agenda, digital initiatives and readjustment of the personnel structure in view of the company's new operating level.

Other revenues, both in the fourth quarter and in the year, refer substantially to the sale of assets of Parque Torino-MG, Log Betim II-MG and Plaza Top Life-ES, the latter in line with the non-core asset divestment strategy.

FINANCIAL INCOME (EXPENSES)

<i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Financial expenses	(79,811)	(22,561)	253.8%	(189,602)	(47,870)	296.1%
Interest	(51,497)	(20,243)	154.4%	(152,786)	(45,552)	235.4%
Equity swap	(28,314)	(2,318)	1,121.5%	(36,816)	(2,318)	1,488.3%
Financial income	24,960	24,654	1.2%	88,866	54,478	63.1%
Total	(54,851)	2,093	-2,720.7%	(100,736)	6,608	-1,624.5%

The Company's financial expenses and income were impacted by the increase in the CDI rate in the period. Within the scope of the Company's Share Buyback Program, there was a fluctuation of the LOGG3 asset in the year, negatively impacting the financial expense with an equity swap operation in the amount of approximately BRL 36 million.

INCOME TAX AND SOCIAL CONTRIBUTION

<i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Current	(5,158)	(5,923)	-12.9%	(22,014)	(20,183)	9.1%
Deferred	10,438	(6,228)	267.6%	25,238	(16,890)	249.4%
Total	5,280	(12,151)	143.5%	3,224	(37,073)	108.7%

The annual variation in current taxes occurs due to the sale of assets of BTS Extrema-MG and Log Betim II-MG.

DEFERRED TAXES

<i>in BRL thousand</i>	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Deferred from operation	1,810	482	275.5%	19,711	6,163	219.8%
Deferred equity swap	9,627	788	1121.7%	12,517	788	1,488.5%
Deferred operating result from the development of new assets	(999)	(7,498)	-86.7%	(6,990)	(23,841)	-70.7%
Total	10,438	(6,228)	267.6%	25,238	(16,890)	249.4%

The evolution of the deferred taxes balance is associated with the increase in interest rate in the period, the equity swap in force and the sale of assets of Parque Torino-MG and Plaza Top Life-ES.

QUARTERLY EBITDA, FFO AND NET INCOME

Income Statement	4Q22			4Q21		
		Leasing Activity	Development Activity		Leasing Activity	Development Activity
Gross operating revenue	66,550	66,550	0	41,132	41,132	0
Deductions	(3,601)	(3,601)	0	(2,481)	(2,481)	0
Net revenue from lease and services provided	62,949	62,949	0	38,651	38,651	0
Costs of services provided - condominium management	(815)	(815)	0	(620)	(620)	0
Gross profit	62,134	62,134	0	38,031	38,031	0
General and administrative expenses	(10,356)	(10,356)	0	(5,829)	(5,829)	0
Selling expenses	(3,509)	(3,509)	0	(2,555)	(2,555)	0
Other operating income (expenses), net	(13,215)	(1,455)	(11,760)	(2,141)	(757)	(1,384)
Changes in the fair value of investment property	59,567	0	59,567	72,815	0	72,815
Results from equity interest in investees	417	(840)	1,257	(2,050)	1,725	(3,775)
Total operating expenses	32,904	(16,160)	49,064	60,240	(7,416)	67,656
EBITDA	95,038	45,974	49,064	98,271	30,615	67,656
Operating margin	151%	73%		254%	79%	
Financial expenses (Ex. equity swap)	(51,173)	(51,173)	0	(21,684)	(21,684)	0
Financial income	24,960	23,873	1,087	24,654	23,891	763
Financial expenses (Ex. Equity swap)	(26,213)	(27,300)	1,087	2,970	2,207	763
Income before income tax and social contribution (Ex. equity swap)	68,825	18,674	50,151	101,241	32,822	68,419
Current taxes	(5,158)	(5,158)	0	(5,922)	(3,273)	(2,649)
Deferred taxes (Ex. equity swap)	812	14,284	(13,472)	(6,527)	4,826	(11,353)
FFO (Funds from Operations)	64,479	27,800	36,679	88,792	34,375	54,417
Net margin	102%	44%		230%	89%	89%
Depreciation of property and equipment	(700)	(700)	0	(221)	(221)	0
NET INCOME EX EQUITY SWAP	63,779	27,100	36,679	88,571	34,154	54,417
Net margin	101%	43%		229%	88%	88%

EQUITY SWAP RECONCILIATION 4Q22

Net income ex equity swap	63,779
Financial expenses	(28,638)
Deferred taxes	9,627
Net income	44,768

ANNUAL EBITDA, FFO AND NET INCOME

Income Statement	2022			2021		
		Leasing Activity	Development Activity		Leasing Activity	Development Activity
Gross operating revenue	230,722	230,722	0	158,558	158,558	0
Deductions	(13,492)	(13,492)	0	(9,189)	(9,189)	0
Net revenue from lease and services provided	217,230	217,230	0	149,369	149,369	0
Costs of services provided - condominium management	(3,041)	(3,041)	0	(2,167)	(2,167)	0
Gross profit	214,189	214,189	0	147,202	147,202	0
General and administrative expenses	(36,820)	(36,820)	0	(24,243)	(24,243)	0
Selling expenses	(12,522)	(12,522)	0	(10,797)	(10,797)	0
Other operating income (expenses), net	(17,012)	(14,130)	(2,882)	8,266	360	7,906
Changes in the fair value of investment property	339,130	0	339,130	291,271	0	291,271
Results from equity interest in investees	12,894	15,855	(2,961)	2,835	7,177	(4,342)
Total operating expenses	285,670	(47,617)	333,287	267,332	(27,503)	294,835
EBITDA	499,859	166,572	333,287	414,534	119,699	294,835
Operating margin	230%	77%		278%	80%	
Financial expenses (Ex. equity swap)	(152,786)	(152,786)	0	(46,993)	(46,993)	0
Financial income	88,866	86,809	2,057	54,478	51,906	2,572
Financial expenses (Ex. Equity swap)	(63,920)	(65,977)	2,057	7,485	4,913	2,572
Income before income tax and social contribution (Ex. equity swap)	435,939	100,595	335,344	422,019	124,612	297,407
Current taxes	(22,014)	(15,522)	(6,492)	(20,184)	(14,877)	(5,307)
Deferred taxes (Ex. Equity swap)	12,721	29,724	(17,003)	(17,189)	11,854	(29,043)
FFO (Funds from Operations)	426,646	114,797	311,849	384,646	121,589	263,057
Net margin	196%	53%		258%	81%	
Depreciation of property and equipment	(1,647)	(1,647)	0	(832)	(832)	0
NET INCOME EX EQUITY SWAP	424,999	113,150	311,849	383,814	120,757	263,057
Net margin	196%	52%		257%	81%	

EQUITY SWAP RECONCILIATION 2022

Net income ex equity swap	424,999
Financial expenses	(36,816)
Deferred taxes	12,517
Net income	400,700

VARIATIONS OF EBITDA AND NET INCOME

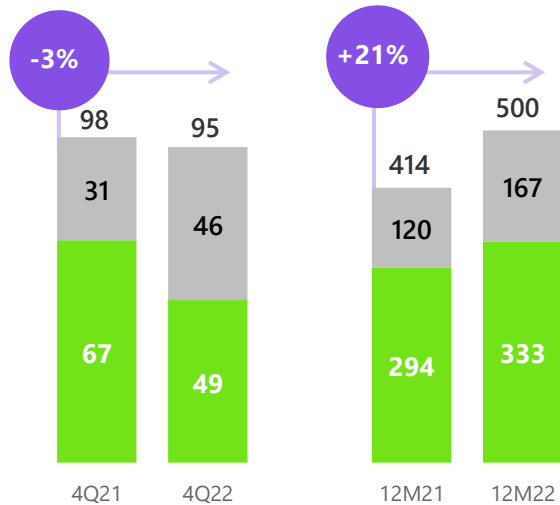
Revenue increased 62.9% in the fourth quarter of 2022, to R\$63.0 million, from R\$ 38.7 million in 4Q21. Year-to-date revenues amount to R\$ 217.3 million, a growth of 45.4% in relation to the same period of the previous year. This increase is mainly due to new deliveries of assets, new leases and readjustments.

Quarterly EBITDA reached R\$ 95.0 million. In turn, EBITDA for leasing activity ended the quarter at R\$ 46.0 million, which represents a margin of 73%. Year-to-date EBITDA reached R\$ 500.0 million while EBITDA for leasing activity ended the year at R\$ 166.6 million, representing a margin of 77%.

The adjusted net income with the equity swap operation reached R\$ 64.0 million in the quarter. In turn, net income for leasing activity ended the quarter at R\$ 27.1 million. Year-to-date, the net income for leasing activity ended the year at R\$ 113.2 million, while the adjusted net income reached R\$ 425.0 million, which represents Log's best result in its history.

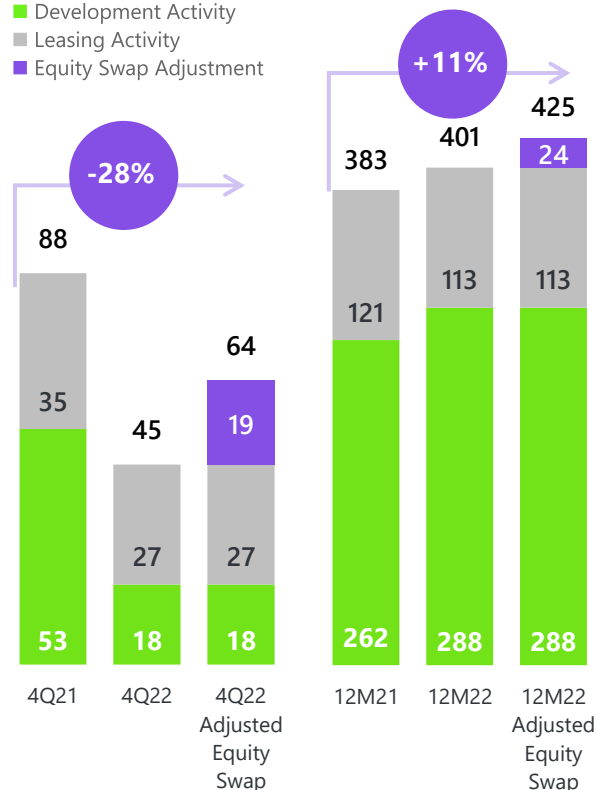
EBITDA in BRL millions

- Development Activity
- Leasing Activity



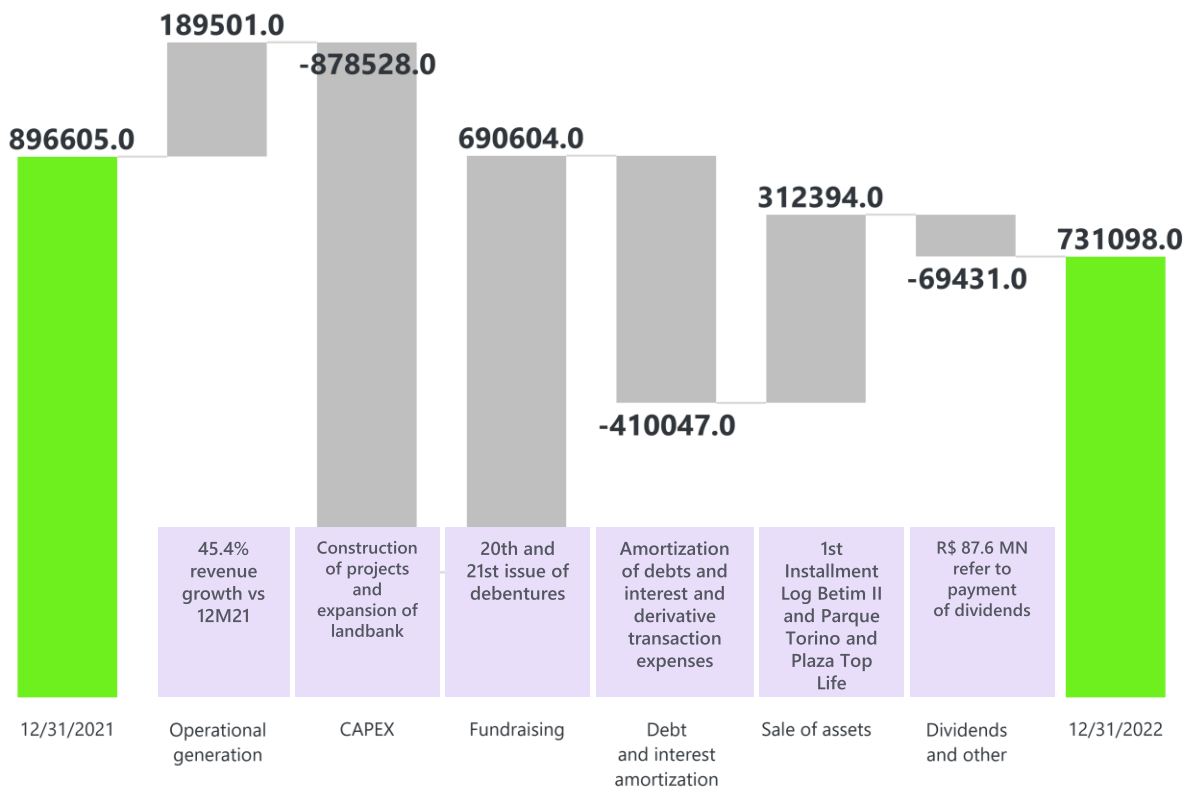
NET INCOME in BRL millions

- Development Activity
- Leasing Activity
- Equity Swap Adjustment



CASH, CASH EQUIVALENTS AND MARKETABLE SECURITIES

<i>in BRL thousand</i>	12/31/2022	12/31/2021	Var. %
Cash and cash equivalents	297,733	207,564	43.4%
Marketable securities - Current	206,592	485,911	-57.5%
Marketable securities - Noncurrent	226,773	203,130	11.6%
Total	731,098	896,605	-18.5%



RECEIVABLES

<i>in BRL thousand</i>	12/31/2022	12/31/2021	Var. %
Lease of warehouses	48,992	34,206	43.2%
Sale of assets	155,615	26,353	490.5%
Condominium management	868	457	89.9%
Others	14,728	23,501	-37.3%
Total	220,203	84,517	160.5%

INVESTMENT PROPERTY

<i>in BRL thousand</i>	12/31/2022	12/31/2021	Var. %
Land	292,612	466,660	-37.3%
Projects under development	950,491	880,883	7.9%
Projects delivered	3,633,567	2,425,163	49.9%
➤ Carrying amount	2,368,265	1,540,848	53.7%
➤ Fair value	1,267,352	884,309	43.3%
Total	4,878,721	3,772,706	29.3%



INDEBTEDNESS: LOANS AND FINANCING

<i>in BRL thousand</i>	Term	Effective Cost	12/31/2022	12/31/2021
Construction financing	Dec/13 to Oct/24	CDI+1.92%	11,914	17,247
Construction financing*	Dec/13 to Sept/28	108.95% CDI	17,346	19,978
12th issue of debentures	Jan/18 to Dec/27	CDI+2.42%	50,121	60,106
14th issue of debentures	Nov/17 to Nov/23	117% CDI+0.26% p.a.	-	121,363
15th issue of debentures	Jan/18 to Dec/28	CDI+1.71%	42,118	49,118
16th issue of debentures	Mar/20 to Mar/25	108% CDI+0.34% p.a.	47,182	64,989
17th issue of debentures	Sept/19 to Sept/24	116.5% CDI+0.18% p.a.	159,533	235,266
18th issue of debentures	Mar/20 to Mar/26	CDI+2.21%	260,474	256,485
19th issue of debentures	Sept/25 to Sept/28	CDI+1.58%	470,352	459,132
20th issue of debentures <i>1st series</i>	Mar/26 to Mar/27	CDI+1.55%	135,851	-
20th issue of debentures <i>2nd series</i>	Mar/27 to Mar/29	CDI+1.85%	171,396	-
21st issue of debentures	Jul/26 a Jul/27	CDI+1.65%	428,321	-
(-) Debt issuance cost			(20,524)	(15,979)
Total			1,774,084	1,267,705

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

*Financing for construction with contracted hedge at 108.95% of CDI since the beginning of the transaction.

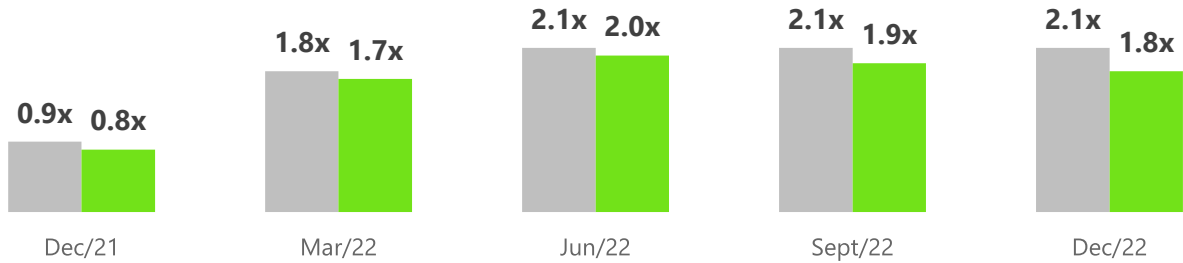


NET DEBT / EBITDA

● Net Debt / EBITDA

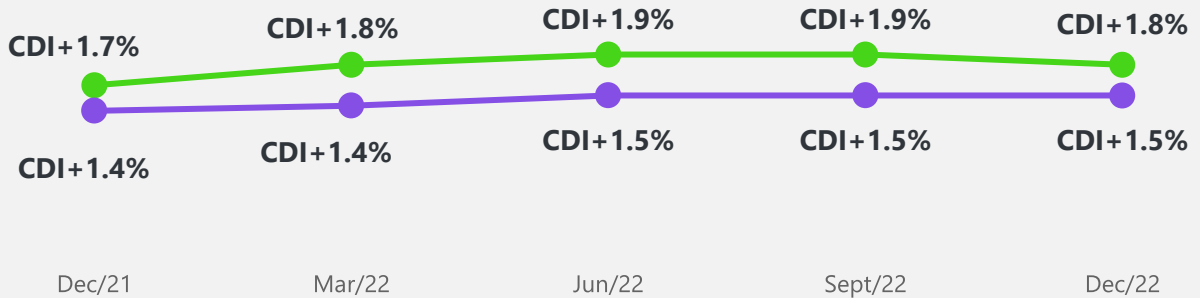
● Adjusted Net Debt* / EBITDA

*Adjusted with receivables from asset sales



COST OF DEBT

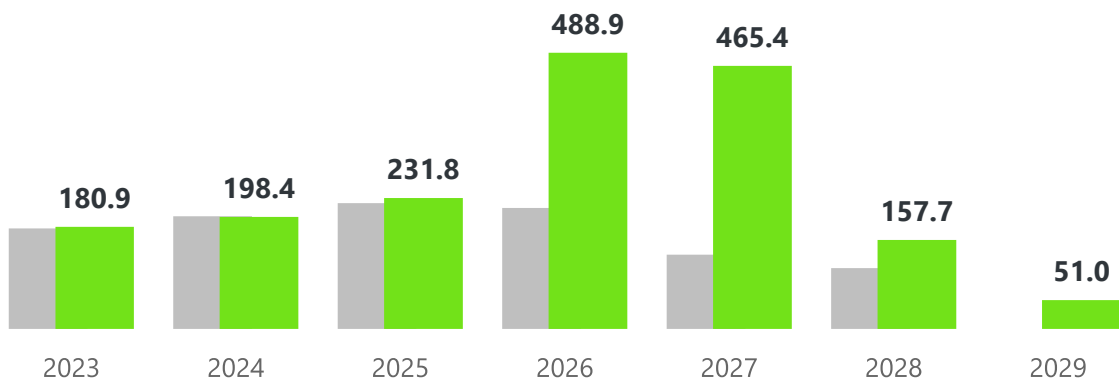
● Face cost ● Effective cost



DEBT AMORTIZATION SCHEDULE

IN BRL MILLION

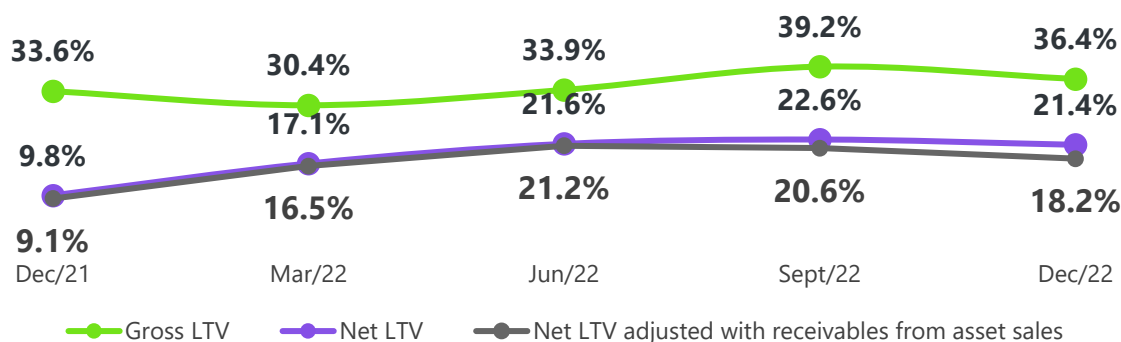
● 12/31/2021 ● 12/31/2022



DEBT INDICATORS

<i>In BRL thousand</i>	12/31/2022	12/31/2021	Var. %
(+) Loans, financing and debentures	1,774,084	1,267,705	39.9%
(-) Cash, cash equivalents and marketable securities	731,098	896,605	-18.5%
(=) Net debt	1,042,986	371,100	181.1%
(=) Equity	3,663,838	3,340,742	9.7%
(=) Net debt / Equity	28.5%	11.1%	17.4 p.p.
(-) Receivables from asset sales	155,615	26,353	490.5%
(=) Adjusted net debt	887,370	344,747	157.4%
(=) Adjusted net debt* / Equity	24.2%	10.3%	13.9 p.p.

LOAN TO VALUE



COMPLEMENTS

Capital Market ↗

ESG ↗

Digital Transformation ↗

Financial Statements ↗



7 Capital market with a volatility scenario and through active coverage of 11 analysts

BRL1.6 BN BRL 8 MN

Market Cap

ADTV 30 Base Date: 12/31/2022

■ Volume Traded ● Stock Price



Shareholding Structure	# shares	Total %
Controlling group and administrators	41,294,188	40.42%
Treasury	2,251,322	2.20%
Free Float	58,613,644	57.38%
Total	102,159,154	100%

LOGG3 Source: Broadcast | Base date: 12/31/2022

Final price	R\$16.12
Highest price 4Q22	R\$26.16
Lowest price 4Q22	R\$14.51
Variation 4Q22	-34.87%
Variation 2022	-34.23%

IBRA

IGCT

IGCX

IGNM

IMOB

ITAG

SMLL

SHARE BUYBACK PROGRAM

On February 8th, 2023, Log announced a Share Buyback Program. The repurchased shares may be used within the scope of the Stock Option Plans, for being held in treasury, cancelled or replaced in the market. [Click here](#) to access the Material Fact.

DEADLINE FOR CARRYING OUT THE OPERATION	18 months
MAXIMUM NUMBER OF SHARES THAT CAN BE REPURCHASED WITHIN THE PERIOD	5,856,594
NUMBER OF SHARES REPURCHASED UNTIL 02/08/23 VIA TREASURY OR DERIVATIVE TRANSACTIONS	5,268,022

ATTRACTIVE DISCOUNT

LOG's asset recycling strategy has been executed at spreads close to 40% and above the NAV. Therefore, while the LOGG3 share price discount is at current levels, the Company will continue to maintain the share buyback program, within the limits established by current legislation.

Dec 22	<i>BRL thousand</i>
PPI	4,878,721
Investees	70,934
PPI + Investees	4,949,654
Betim industrial park (PL)	65,989
Asset market value	5,015,644
Net debt	(1,042,986)
Swaps + barbers payable	(218,519)
Receivables (sale of assets)	155,615
NAV	3,909,762
Quantity Ex-treasury shares	99,907,832
NAV / Share	R\$ 39.13
Share Price	R\$ 16.77
Discount for NAV*	57%

*Updated until the 02/07/2023

7 LOG ESG with environmental, social and governance practices, aligned with the interests and expectations of our clients and shareholders, being recognized by the main entities that deal with the subject in Brazil.

In 2022, Log was the winner of the 24h Abrasca Award for the best annual sustainability report, listed company group 2 category. The award evaluates the best reports from all over Brazil, considering clarity, transparency, quality and quantity of information and innovative character.



“Best Social Action Project” award through Log Social by the GRI Awards. The GRI Awards is a GRI Club recognition of the Brazilian real estate market and aims to praise the projects that best represent excellence and innovation in the sector, standing out as a reference in their respective categories.



GHG Protocol Gold Seal, certification that indicates the highest qualification level of our GHG (Greenhouse Gases) emissions inventory. The Gold rating attests that, in addition to following all program guidelines, Log had its corporate inventory audited by an independent verification institution, which ensures credibility, accuracy and quality to the measurement process. It is worth noting that Log was awarded the Gold Seal already in the first year of inventory.



In 2022, Log obtained The International REC Standard, an international renewable energy certificate, which proves the origin of the energy consumed by the company, attests to its commitment to preserving the environment and to the best ESG practices, and meets accounting standards of emissions and international protocols.



Material topic	Goal	SDG	Measurement
Sustainable construction	LED lamps in 100% of the condominiums		100% ●
	LEED certification		98% ●
	Renewable energy in 100% of the projects		100% ●
Human capital management	eNPS assessment		Yes ●
	Reduction in employee turnover		On track ●
	Continuing Education Program		Yes ●
	Diversity, Equity and Inclusion Policy		Yes ●
Neighbor communities and social responsibility	25 thousand hours/classes through Log Social		25,412 ●
Ethics and integrity	Policy on Relationship with Public Agents		Yes ●
Corporate governance	Sustainability Policy		Yes ●
Risk management	Risk Policy		Yes ●
Supplier management	Supplier Policy		Yes ●
Client satisfaction	ISO 9001 certification in LOG ADM operations		Yes ●
	Level of client satisfaction in the Quality Zone		Yes ●

- E** Environmental
- S** Social
- G** Governance

[Click here and learn more about our ESG initiatives](#)




7 Digital Transformation that represents the client's journey through the creation of a solutions ecosystem

Seeking to further improve client service and relationship processes, Log developed the Log digital platform. The tool is the result of the digital transformation created by the company, with the aim of generating greater efficiency in the management of its projects and client satisfaction.

Log has a group of solutions that simplifies the path of all parties involved, offering better service to essential issues in condominium management, such as maintenance, inspection, concierge, querying rental history and documents, among others.

Available in 100% of the projects, the platform represents efficiency gain and new monetization opportunities. Since its launch, it has already been used by more than 200 clients, providing more than 1,600 services, achieving a significant improvement in the time to respond to client demands.

The solution increasingly reinforces Log's actions aimed at the client-centered culture, seeking to have an end-to-end vision of the business, mapping solutions according to the needs of our clients. Log has been promoting this culture by forming ambassadors, bringing the theme to the center of our business, helping in strategic and operational decision-making.



100%
connected projects

+200
clients

+290
active users

+1,600
calls



7 Financial Statements

INCOME STATEMENT FOR THE YEAR IN BRL THOUSAND

	4Q22	4Q21	Var. %	12M22	12M21	Var. %
Net revenue from lease and services provided	62,949	38,653	62.9%	217,230	149,367	45.4%
Costs of services provided - condominium management	(815)	(621)	31.5%	(3,041)	(2,166)	40.4%
Gross profit	62,134	38,032	63.4%	214,189	147,201	45.5%
Operating income (expenses)	32,205	60,019	-46.3%	284,023	266,500	6.6%
Selling expenses	(3,522)	(2,566)	37.3%	(12,573)	(10,833)	16.1%
General and administrative expenses	(11,043)	(6,040)	82.9%	(38,416)	(25,039)	53.4%
Other operating income (expenses), net	(13,215)	(2,140)	517.5%	(17,012)	8,266	-305.8%
Changes in the fair value of investment property	59,567	72,815	-18.2%	339,130	291,271	16.4%
Results from equity interest in investees	418	(2,050)	120.4%	12,894	2,835	354.8%
Income before financial income (expenses)	94,339	98,051	-3.8%	498,212	413,701	20.4%
Financial income (expenses)	(54,851)	2,093	-2,720.7%	(100,736)	6,608	-1,624.5%
Financial expenses	(79,811)	(22,561)	253.8%	(189,602)	(47,870)	296.1%
Financial income	24,960	24,654	1.2%	88,866	54,478	63.1%
Income before income tax and social contribution	39,488	100,144	-60.6%	397,476	420,309	-5.4%
Income tax and social contribution	5,280	(12,152)	143.5%	3,224	(37,073)	108.7%
Current	(5,158)	(5,923)	12.9%	(22,014)	(20,183)	9.1%
Deferred	10,438	(6,229)	267.6%	25,238	(16,890)	249.4%
Net income for the year	44,768	87,992	-49.1%	400,700	383,236	4.6%
Shareholders of the company	44,257	87,592	-49.5%	386,072	368,955	4.6%
Noncontrolling interests	511	400	27.8%	14,628	14,281	2.4%

BALANCE SHEET IN BRL THOUSAND

ASSETS	12/31/2022	12/31/2021	Var. %
Current assets	648,297	775,097	-16.3%
Cash and cash equivalents	297,733	207,564	43.4%
Marketable securities	206,592	485,911	-57.5%
Receivables	112,887	61,190	84.5%
Recoverable taxes	25,810	14,252	81.1%
Prepaid expenses	3,046	4,029	-24.4%
Other assets	2,229	2,151	3.6%
Noncurrent assets	5,502,309	4,384,806	25.5%
Marketable securities	226,773	203,130	11.6%
Financial instruments	1,270	-	-
Receivables	107,316	23,327	360.1%
Prepaid expenses	13,258	12,088	9.7%
Recoverable taxes	43,464	36,909	17.8%
Deferred income tax and social contribution	47,871	7,428	544.5%
Others	14,458	7,764	86.2%
Investments in subsidiaries and joint ventures	148,084	313,663	-52.8%
Investment property	4,878,721	3,772,706	29.3%
Property and equipment	15,416	4,927	212.9%
Intangible assets	5,678	2,864	98.2%
TOTAL ASSETS	6,150,606	5,159,903	19.2%

LIABILITIES AND EQUITY	12/31/2022	12/31/2021	Var. %
Current liabilities	479,729	511,425	-6.2%
Suppliers	43,365	44,604	-2.8%
Loans and financing	181,379	214,610	-15.5%
Financial instruments	39,135	-	-
Salaries, charges and benefits	13,714	9,138	50.1%
Taxes and contributions payable	19,222	15,457	24.4%
Land payables	8,813	46,383	-81.0%
Barters	61,994	70,290	-11.8%
Advances from clients	5,787	1,186	387.9%
Dividends payable	91,692	87,627	4.6%
Others	14,628	22,130	-33.9%
Noncurrent liabilities	2,007,039	1,307,736	53.5%
Lease liability	101,101	4,244	2,282.2%
Loans and financing	1,592,705	1,053,095	51.2%
Financial instruments	6,906	3,620	90.8%
Land payables	13,000	3,034	328.5%
Barters	134,712	160,300	-16.0%
Deferred taxes	109,116	77,828	40.2%
Advances from clients	42,841	-	-
Others	6,658	5,615	18.5%
Equity	3,663,838	3,340,742	9.7%
Shareholders of the company	3,584,653	3,311,569	8.2%
Noncontrolling interests	79,185	29,173	171.4%
TOTAL LIABILITIES AND EQUITY	6,150,606	5,159,903	19.2%

CONSOLIDATED STATEMENT OF CASH FLOWS IN BRL THOUSAND

	4Q22	4Q21	Var. %	12M22	12M21	Var. %
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the year	44,767	87,993	-49.1%	400,700	383,236	4.6%
Adjustments to reconcile net income to net cash provided by (used in) operating activities	11,321	(62,525)	118.1%	(222,353)	(270,058)	17.7%
(Increase) decrease in operating assets	6,932	(3,878)	278.8%	(36,249)	(32,291)	12.3%
Increase (decrease) in operating liabilities	(2,152)	26,540	-108.1%	8,996	61,654	-85.4%
Income tax and social contribution paid	(9,678)	(2,632)	267.7%	(22,322)	(17,677)	26.3%
Net cash provided by operating activities	51,190	45,498	12.5%	128,772	124,864	3.1%
CASH FLOWS FROM INVESTING ACTIVITIES						
Increase in / acquisition of investments	(3,391)	14,705	-123.1%	(10,952)	(5,259)	108.3%
Decrease in marketable securities	287,949	292,046	-1.4%	1,303,901	940,729	38.6%
Increase in marketable securities	(203,107)	(234,468)	-13.4%	(987,496)	(1,299,951)	-24.0%
Dividends received from subsidiaries	1,600	5,925	-73.0%	7,760	12,203	-36.4%
Receipt for the sale of subsidiaries / assets	126,553	83,609	51.4%	312,394	283,077	10.4%
Acquisition of investment properties	(113,366)	(257,327)	-55.9%	(857,072)	(637,669)	34.4%
Others	(2,280)	(380)	500.0%	(10,504)	(855)	-
Net cash used in investing activities	93,958	(95,890)	198.0%	(241,969)	(707,725)	-65.8%
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from loans, financing and debentures, net	-	(2)	100.0%	690,604	686,960	0.5%
Amortization of loans, financing and debentures	(96,220)	(94,351)	2.0%	(239,446)	(241,892)	-1.0%
Interest paid	(12,985)	(9,205)	41.1%	(139,714)	(37,773)	269.9%
Lease payments	(274)	(126)	117.5%	(613)	(498)	23.1%
Dividends paid	-	-	-	(87,627)	(33,240)	163.6%
Capital transaction	(4,336)	-	-	(4,336)	-	-
(Payment) receipt on derivative financial instrument	-	-	-	(30,887)	-	-
Disposal (acquisition) of treasury shares	(7,273)	1,351	-638.3%	(26,791)	(27,891)	-3.9%
Proceeds from exercised stock options	-	-	-	334	3	-
Contributions from (distributions to) noncontrolling shareholders	1,474	(3,897)	137.8%	41,842	(9,099)	559.9%
Net cash provided by financing activities	(119,614)	(106,230)	12.6%	203,366	336,570	-39.6%
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	25,534	(156,622)	116.3%	90,169	(246,291)	136.6%
CASH AND CASH EQUIVALENTS						
At the beginning of the period	272,199	364,186	-25.3%	207,564	453,855	-54.3%
At the end of the period	297,733	207,564	43.4%	297,733	207,564	43.4%

Modular Warehouses

100% Class A



PRESENCE IN ALL REGIONS OF BRAZIL

30

projects delivered

8

projects under construction

+1mn

m² of GLA delivered

+1.5mn

m² of GLA until 2024



LOG SALVADOR / BA

With 113,562.31 m² of GLA, LOG Salvador has been strategically built 20 minutes from downtown Salvador and with easy access to the main highways in the Northeast region of Brazil, BA-526 and BR-324.

[SEE IN MAP →](#)



LOG BRASÍLIA / DF

Located at Brasília International Airport, LOG Brasília will have 64,000 m² of GLA and modules from 1,200 m² for lease. The project will have Class A Warehouses with a complete infrastructure

[SEE IN MAP →](#)



LOG FORTALEZA / CE

Strategically located on the banks of the Quatro Anel Viário highway and with easy access to Fortaleza Airport, LOG Fortaleza III will have a gross leasable area (GLA) of 129,000 m².

[SEE IN MAP →](#)

[Click here to see the full portfolio](#)





LOGG
B3 LISTED NM

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